



City of New Bedford, Massachusetts

OFFICE OF HOUSING & COMMUNITY DEVELOPMENT

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Director

"NEIGHBORHOODS FIRST" HOME BUYER PROGRAM

ELIGIBLE PROPERTIES	1-3 family units located within the City of New Bedford
ELIGIBLE ACTIVITIES	<ul style="list-style-type: none"> ▪ <u>Down Payment, Closing Cost Assistance and Gap Financing:</u> Down payment and closing cost assistance – Total amount of the loan for down payment and closing cost assistance is 5% of the purchase price up to a maximum of \$10,000. Applicants will have to provide a minimum of 1% of the purchase price, from their own funds, for single and two-family properties, and applicants must provide 1% of the purchase price, from their own funds, for three family properties; specific mortgage programs may require larger down payments. Gap Financing - The OHCD can provide gap-financing loans based on need for the difference between the applicants approved mortgage amount and the home purchase price up to \$30,000 for all properties. ▪ <u>Rehabilitation Assistance:</u> Rehabilitation assistance - Up to \$24,000 for a single family, \$40,000 for a two unit, and \$50,000 for a three unit property for eligible rehabilitation costs. The properties must adhere to minimum rehabilitation standards in accordance with building codes and Massachusetts & HUD Lead Paint Statutes, prior to occupancy. The Program can also provide a Grant of \$2,500 per unit, for units that receive a Certificate of Compliance for de-leading, as part of the rehabilitation loan.
INTEREST RATES	<p>Bank first mortgage financing rates vary according to market conditions.</p> <p>Down payment, closing cost assistance and GAP financing up to a maximum of \$40,000 - 0% deferred payment loan recorded as a second mortgage, forgiven after 10 years or 15 years if total project cost exceeds \$40,000.00.</p> <p>Rehabilitation assistance: A 0% deferred payment loan recorded as a second mortgage, forgiven after 10 years or 15 years if the total project cost exceeds \$40,000.00.</p>
UNDERWRITING CRITERIA	Applicants must be able to secure a first mortgage through a Participating Lender according to their underwriting standards. Participating Lenders or applicants will need to provide copies of all relevant loan application documents.

ELIGIBLE BORROWERS:

All applicants must complete an approved homebuyer-counseling seminar.

Applicant's gross annual household income cannot exceed 80% of the median family income for New Bedford as determined by HUD, as follows:

	2024	1 PER.	2 PER.	3 PER.	4 PER.	5 PER.	6 PER.	7 PER.	8 PER.
Household Income		\$61,350	\$70,100	\$78,850	\$87,600	\$94,650	\$101,650	\$108,650	\$115,650

