



Movin' Out Affordable Housing Program (AHP) Down Payment Loan Fact Sheet

What is the Movin' Out AHP Down Payment Loan?

Our AHP down payment loan is a forgivable, deferred, zero % interest, secured loan. It can be used for down payment and closing cost assistance. There are no monthly payments. The loan is forgiven after 5 years.

Who is eligible for this loan?

Individuals or families purchasing a home must:

1. Have household income under 80% county median income.
2. Have a family member with a permanent disability.
3. First time home-buyer (this can include some previous home owners: check with Movin' Out)

How are loans provided?

Current funding is available on a statewide basis. The funds are awarded to Movin' Out and Anchor Bank by the Chicago Federal Home Loan Bank. Any lender can originate the first mortgage. Loans are made available on a first-come, first-served basis and will be reserved at the beginning of the lending process to ensure that they are available at closing. The loan is secured with a note and a mortgage.

Are there repayment terms for this loan?

The loan is **deferred**: no monthly payments. The loan is **forgiven**—it doesn't need to be paid back—if the owner continues to reside in the home for at least five years. 1/60th of the loan is forgiven each month so that after five years of residence, the loan is completely forgiven.

Can the loan be used with other down payment assistance?

Yes. The program can be used with a household's **personal resources** and **other home buyer assistance programs**, such as American Dream, HCRI, CDBG, and HOME, administered by local community based organizations, housing authorities or municipalities. This loan **cannot** be used with other loan programs funded by the Federal Home Loan Bank, such as the Down Payment Plus program or other AHP programs.

What else is required to qualify for a loan?

MOVIN' OUT MUST BE INVOLVED BEFORE THE BUYER SUBMITS AN OFFER TO PURCHASE.

In addition to the program's income guidelines and the requirement that at least one household member have a permanent cognitive, mental or physical disability, Movin' Out requires the following:

1. The applicant participates in home buyer education provided by Movin' Out or another agency.
2. If the home buyer has a guardian, there must be written court permission for the purchase of the home.
3. The applicant has the continuing involvement of support services, if needed, to assure long-term success in home ownership.
4. First mortgage terms should include a fixed rate at no more than two percentage points above current WHEDA rate. The lender should not charge more than one origination/discount point.
5. Home buyer can contribute 1% of purchase price as down payment and closing costs.

How does an applicant get started?

- Review the information on this fact sheet and on our webpage, www.movin-out.org
- Contact Movin' Out, Inc. for information and intake interview.
 - Our e-mail is info@movin-out.org.
 - If calling outside of Madison, use our toll free number: **877/861-6746**.
 - Our local Madison number is **608/251-4446**.
 - Leave information at extension 7 and a housing counselor will return your call within two days.
- Plan to close **no earlier** than **a month** following notification of your AHP reservation.