



Affordable Housing Program Down Payment Loans

What does this program offer?

Movin' Out's Affordable Housing Program (AHP) Down Payment is a 0% interest loan that a qualified buyer can use to assist with their down payment and/or closing costs on a home purchase.

Who is eligible for this program?

Eligibility requirements include:

- Household income must be at 80% of the county median or less.
- You must be a first-time home buyer.
- A household member must have a permanent disability.

Are there any geographical or property-type restrictions?

- Eligible properties must be in the State of Wisconsin.
- Single-family homes, condominiums, and some duplexes or twin homes qualify.

What costs do the funds cover?

Borrowers can use the loan for down payment costs and closing costs that are standard to the industry. These can include an appraisal, credit report, title insurance, settlement fees and other costs.

Who provides the funds for this program?

A Federal Home Loan Bank of Chicago member bank originates a deferred, forgivable loan with a note secured by a mortgage. Funding for this program is provided by the Federal Home Loan Bank of Chicago. Any lender can originate the first mortgage.

What are the repayment terms for this loan?

There are no monthly payments. The borrower must remain in the home and cannot default on the loan agreement. A portion of the loan (1/60th) is forgiven each month so that after five years of residence, the loan is completely forgiven. The AHP loan is secured by a subordinate lien mortgage.

Can funds from this program be used with other assistance programs?

Yes. The program can be used with a household's personal resources and many other home buyer assistance programs. This loan cannot be used with other loan programs funded or insured by the Federal Housing Administration (FHA) or the FHLBC, such as the Down Payment Plus program.

Are there other requirements to qualify for this program through Movin' Out?

Yes, in addition to the eligibility requirements outlined above, the borrower must:

- Participate in home buyer education.
- If the applicant has a guardian, provide written court permission for the purchase of the home.
- Secure first mortgage terms that include a fixed interest rate at no more than 2% above the current Wisconsin Housing and Economic Development Authority (WHEDA) loan rate.
- Ensure the lender does not charge more than 1% as an origination fee or discount.

Where can I get more information or apply?

Contact a Movin' Out housing counselor for more information at 608-251-4446 x 7 or info@movin-out.org.

