

CITY OF DOVER  
HOMEOWNERSHIP  
DOWN PAYMENT AND  
SETTLEMENT ASSISTANCE  
PROGRAM

The City of Dover Homeownership Program is intended to encourage homeownership in the City of Dover. The program assists low and moderate income families with down payment and settlement costs on eligible properties in the City of Dover.

**QUALIFICATIONS**

- Borrower must not have owned a principal residence in the last 3 years, except single parents who have not owned a home for at least one year except as part of a joint ownership.
- Borrower must have at least \$1,000.00 cash (excluding gift money).
- The home to be purchased must be the principal residence of the borrower.
- Buyer must complete a homeownership counseling program with a certified HUD counselor before signing a sales contract or applying for a mortgage, and must be certified prior to closing.
- First mortgage must be held by a bank approved by the program.
- An ASHI home inspection must be completed on all new construction and existing properties. Any major defects identified from the inspection must be repaired by a licensed contractor prior to closing; new construction homes must have a 1 year HUD approved warranty. A visual assessment for lead base paint must be conducted on all homes built prior to 1978.
- Income limits cannot exceed 80% of the median income based upon family size for the City of Dover as defined by HUD. Listed are the current income limits for 2019.

1 Person  
\$37,450

2 Person  
\$42,800

3 Person  
\$48,150

4 Person  
\$53,500

5 Person  
\$57,800

6 Person  
\$62,100

7 Person  
\$66,350

8 Person  
\$70,650

## **LOAN TERMS**

No cash back will be given to the buyer at settlement. Additional funds will be credited to the City of Dover.

Assistance is up to \$20,000 for property purchased in the City of Dover.

The City will place a second mortgage lien on the property and if within ten years the property is sold, transferred, or the property ceases to be the borrower's principal residence, the loan becomes due and payable. Interest rate is 0%, and is forgiven after ten years.

Loan-to-value maximum is based on VA, FHA, and Conventional loan guidelines.

## **WHO SHOULD I CONTACT**

Please contact Tracey Harvey in the Community Development Office at (302) 736-7196 for more information.