

**LAUNCHING SPRING 2024**

<b>Term</b>	<b>Program Parameters</b>
<b>Max. Loan Amount</b>	Up to \$35,000
<b>Income Limit</b>	Start Up Income Limit
<b>Purchase Price Limit</b>	Start Up Purchase Price Limit
<b>Minimum Housing Ratio</b>	28% (calculated after assistance)
<b>Layering with other Downpayment Assistance Loans (DPA)</b>	<b>Borrowers can pick up to 2 of the following:</b>
	<ul style="list-style-type: none"> <li>1 Minnesota Housing Standard DPA loan (Deferred Payment Loan (DPL), DPL Plus, or Monthly Payment Loan (MPL))</li> <li>1 First Generation Homebuyer Program:               <ul style="list-style-type: none"> <li>Minnesota Housing First-Generation Homebuyer Loan</li> <li>OR</li> <li>First-Generation Homebuyers Community Down Payment Assistance Fund</li> </ul> </li> </ul>
	<b>Other community seconds are allowed, except Minnesota Housing First-Generation Homebuyer Loan cannot be layered with the <a href="#">First-Generation Homebuyers Community Down Payment Assistance Fund</a>.</b>
<b>Interest Rate</b>	0%
<b>Loan Term and Repayment</b>	<ul style="list-style-type: none"> <li>Deferred, forgivable loan</li> <li>50% forgiven on 10<sup>th</sup> anniversary date (Owner occupancy required)</li> <li>Balance forgiven at 20<sup>th</sup> anniversary date (Owner occupancy required)</li> <li>Unforgiven balance due if the Borrower sells, transfers title, ceases to occupy the property as their Principal Residence during the loan term, when the first mortgage loan is refinanced (unless with the Step Up program), or the first mortgage loan is paid in full (prior to or at the end of the loan term).</li> <li>To be eligible for forgiveness the borrower must meet all terms of the note.</li> </ul>
<b>First Generation Homebuyer Criteria</b>	<p>First generation homebuyer status will be verified via the <a href="#">First-Generation Homebuyer Affidavit</a> signed by the borrower(s). At least one borrower must meet the criteria.</p> <p>A borrower may qualify as a first-generation homebuyer if they and their parents or prior legal guardians:</p> <ul style="list-style-type: none"> <li>Have never owned their primary residence (in any country)</li> <li>OR</li> <li>Owned a home but lost it due to foreclosure</li> </ul>
<b>Disclosures</b>	See <a href="#">Downpayment Loan Disclosure Information</a>
<b>Lien positions</b>	<ul style="list-style-type: none"> <li>MPL: Requires 2<sup>nd</sup> lien position</li> <li>DPL/DPL+: 2<sup>nd</sup> lien position unless another downpayment assistance loan requires 2<sup>nd</sup> position</li> <li>First-Generation: Subordinate to any DPL, DPL+, MPL, or Impact Fund loan. May be subordinate to other DPA Loans.</li> </ul>

<b>MERS Eligibility</b>	First-Generation Homebuyer loan is not eligible for MERS
<b>Eligible Use of Funds</b>	<ul style="list-style-type: none"> <li>• Customary borrower’s closing costs (including standard prepaids)</li> <li>• Standard downpayment</li> <li>• Additional downpayment</li> <li>• Mortgage insurance costs</li> </ul>
<b>Ineligible Use of Funds</b>	<ul style="list-style-type: none"> <li>• Seller’s closing costs</li> <li>• Value gap between the purchase price and the appraised value</li> <li>• Paying off debt</li> <li>• Points or Rate buy downs</li> </ul>
<b>Program Forms</b>	See <a href="#">Forms Guide and Glossary</a>
<b>Subordination</b>	<ul style="list-style-type: none"> <li>• Eligible for subordination if the borrower is refinancing with Step Up and submits required documentation to Minnesota Housing.</li> <li>• Borrowers cannot get a new DPA loan if they are subordinating an existing DPA loan.</li> </ul>

**LEARN MORE:**

 [partners.mnhousing.gov/firstgen.html](https://partners.mnhousing.gov/firstgen.html)

 [mnhousing.solution@state.mn.us](mailto:mnhousing.solution@state.mn.us)

 651.296.8215




In connection with Single Family Division loan programs, Minnesota Housing does not make or arrange loans. It is neither an originator nor creditor and is not affiliated with any Lender. The terms of any mortgage finance transactions conducted in connection with these programs, including important information such as loan fees, the annual percentage rate (APR), repayment conditions, disclosures, and any other materials which are required to be provided to the consumer are the responsibility of the Lender.