



# HOME BUYER PROGRAMS

*Down Payment Assistance and  
Career-Related Mortgage Interest Rate Discounts*

888.362.6432 | [MYOHIOHOME.ORG](http://MYOHIOHOME.ORG)

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## MORTGAGE LOANS FOR HOMEBUYERS

The Ohio Housing Finance Agency (OHFA) offers several affordable loan options to help you achieve the dream of homeownership. OHFA offers 30-year, fixed-rate, FHA, VA, USDA-RD and conventional mortgage loans with generous income and purchase price limits that are designed for homebuyers with low- and moderate-incomes.

### AM I ELIGIBLE?

- You meet credit score requirements.
  - Conventional, USDA, and VA Loans: 640 or higher
  - FHA Loans: 650 or higher
- You meet income and purchase price limits.
- You meet debt to income ratios

Please note that Grants for Grads requires participants to be first-time homebuyers.

Additional requirements may apply to specific homeownership loans.

## WHICH OHFA LOANS ARE RIGHT FOR ME?

Buyers can add one or more of the following options to an OHFA FHA, VA, USDA-RD or conventional mortgage loan:

**Your Choice! Down Payment Assistance** allows homebuyers to choose either 2.5% or 5% of the home's purchase price. Assistance can be applied toward your down payment, closing costs or other pre-closing expenses. Down payment assistance is forgiven after seven years. If you sell your home within seven years, you must repay all of the assistance provided.

**Grants for Grads** provides a mortgage interest rate discount to recent graduates who earned an associate's, bachelor's, master's or doctorate degree within the last 48 months. These degrees must be from accredited schools recognized by the U.S. Department of Education. This program includes 2.5% or 5% down payment assistance, which is forgiven as long as residents remain in the state of Ohio. If you sell your home and move out of Ohio within five years, you must repay some or all of the assistance provided. The assistance is forgiven at 20% per year over five years.

**Ohio Heroes** offers a mortgage interest rate discount to eligible residents who serve the public:

- U.S. Veterans, active duty military or member of reserve components (includes a surviving spouse)
- Police officers, firefighters, volunteer firefighters, EMTs and paramedics
- Physicians, nurse practitioners, nurses (LPN and RN) and STNAs
- Teachers (pre-K through grade 12), administrators and counselors

### Mortgage Tax Credit

OHFA provides eligible first-time homebuyers with a tax credit to help with homeownership



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expenses. First-time buyers get a tax credit of up to 40% (up to \$2,000) of their annual mortgage interest when using an OHFA mortgage loan. Tax credits provide a dollar-for-dollar reduction of your federal tax liability, and you can still claim the remaining percentage of your mortgage interest tax deduction.

### Next Home

OHFA's Next Home program provides 30-year, fixed-rate mortgages and down payment assistance to buyers who currently own a home, or have owned a primary residence in the past three years.

### Homebuyer Education

Qualified buyers are required to complete free homebuyer education. Information on OHFA's streamlined education program is available on our website, or you may complete a course offered by any U.S. Department of Housing and Urban Development (HUD)-approved counseling agency in Ohio.

Homebuyers may be able to combine multiple programs and products together. Please ask your mortgage lender what programs you may be eligible to combine.



**With an OHFA Loan:**



Visit [MYOHIOHOME.ORG](http://MYOHIOHOME.ORG) to view how other OHFA programs can stack with each other.

## HOW DO I APPLY FOR AN OHFA LOAN?

Loans do not come directly from OHFA. We work with lenders, credit unions and mortgage companies across the state to offer loans to qualified buyers.

Visit our website at [MYOHIOHOME.ORG](http://MYOHIOHOME.ORG) to find an OHFA-approved lender in your area, along with tips under the GETTING STARTED tab to help you through the application process. You may also call us toll-free at 888.362.6543.

### Your Credit Score

If your credit score is below OHFA's program requirements, please contact a HUD-approved counseling agency for information on improving your credit score.

### Income and Purchase Price Limits

Income and purchase price limits vary by Ohio county and community. For information about your area, visit our website.

### Debt to Income Ratios

Homebuyers must meet debt to income ratios based on their loan type. Your mortgage lender will review your ratios for eligibility.



# HOMEBUYERS: WHAT TO EXPECT

Thank you for choosing an OHFA loan on your journey to homeownership. Here's what you can expect as you navigate the loan process:

## Meet with an OHFA-Approved Lender

OHFA works with a network of Ohio lenders including banks, credit unions and mortgage companies. Visit [myohiohome.org](http://myohiohome.org) to find an OHFA-approved lender in your area, along with tips to help you with the application process. You can also call us toll-free at 888.362.6432.

## Bring the Required Documents

### Borrower Checklist

- ✓ Social Security number
- ✓ Tax returns and W2's for the last three years
- ✓ Paycheck stubs from the last 30 days
- ✓ Checking and savings account statements for the last 30 days
- ✓ Bankruptcy paperwork (if applicable)
- ✓ Divorce paperwork (if applicable)
- ✓ Copy of purchase contract (if you have already found a home and are under contract)

Your real estate agent may request a prequalification letter. Please ask your lender. However, a prequalification letter should not be considered a loan approval.

## Complete the Loan Application

Once you have found a home and obtained contract acceptance, you will complete the loan application. Your lender may require more documentation during the application process. Ask your lender for an estimate of all costs associated with your loan.

## Complete Homebuyer Education

OHFA requires free homebuyer education for all borrowers once their OHFA loan is reserved. Information on OHFA's streamlined homebuyer education program is available on our website. You may also complete a course offered by any HUD-approved counseling agency in Ohio.

## Review and Approval

The lender verifies credit reports, income, assets and payment history to determine if borrowers qualify for OHFA loans. During this time, a home appraisal will be completed by the lender to determine if the value of the property meets the mortgage loan amount.

## Congratulations!

The closing will be scheduled once the loan is approved. Closing usually occurs 30 to 45 days after completing the loan application. Once borrowers sign all of the final documents with the title/escrow company, they will receive the keys to their new home!

*Note: Other steps in the homebuying process may occur in partnership with real estate agents.*



## INFORMATION

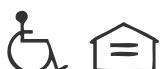
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**Mike DeWine**, Governor, State of Ohio

**Shawn Smith**, Executive Director

## STAY CONNECTED...



*The Ohio Housing Finance Agency is an Equal Opportunity Housing entity. Loans are available on a fair and equal basis regardless of race, color, religion, sex, familial status, national origin, military status, disability or ancestry. Please visit [www.ohiohome.org](http://www.ohiohome.org) for more information.*