

*Thinking about
buying a home?
The City wants to help!*

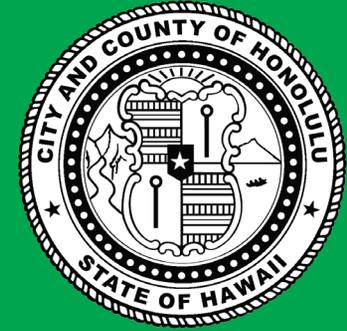
The City and County of Honolulu's Down Payment Loan Program is part of the City's efforts to promote homeownership and create a strong community. Utilizing HOME Investment Partnership Act funds from the U.S. Department of Housing and Urban Development, this program provides a zero interest loan to qualified low- and moderate-income families to meet down payment requirements for home purchase.



MAYOR'S MESSAGE

We are proud to provide another service to help meet our citizens' needs. This brochure outlines a program provided through our Department of Community Services that enables income-qualified homebuyers to become homeowners in our community.

KIRK W. CALDWELL
Mayor of Honolulu



CITY AND COUNTY OF HONOLULU

**DOWN PAYMENT
LOAN
PROGRAM**

Frequently Asked Questions (FAQs)

WHO MAY APPLY FOR THE CITY'S DOWN PAYMENT LOAN?

Prospective homebuyers who do not own a primary residential property and whose annual household incomes are under the maximum income shown below:

Number in household	Annual Income
1	\$ 70,500
2	\$ 80,600
3	\$ 90,650
4	\$ 100,700
5	\$ 108,800
6	\$ 116,850
7	\$ 124,900
8	\$ 132,950
9	\$ 140,980
10	\$ 149,036

These income limits are subject to periodic revision.

WHAT IS THE MAXIMUM LOAN AMOUNT THE HOMEBUYER MAY BORROW?

The loan limit is \$40,000. Loans will be made on a first-come first-served basis subject to the availability of funds.

WHAT IS THE INTEREST RATE AND LOAN FEE?

The interest rate is 0% for all income-eligible borrowers. There is no loan fee.

WHAT KIND OF PROPERTIES MAY BE PURCHASED?

The property must be located on Oahu. The property must be a legally permitted structure meeting all local building codes. In addition, the property must pass a Housing Quality Standards inspection and meet other Federal requirements such as those governing Lead-Based Paint for homes built before 1978 and environmental reviews.

WHAT WILL BE THE MONTHLY PAYMENT?

The monthly payment will be based on a 20-year amortization term. Lower minimum loan payment amounts may be allowed for certain credit qualified borrowers.

IS THERE A HOMEBUYER EDUCATION REQUIREMENT?

Yes, all loan applicants must complete a City-approved homeowner education course prior to loan application.

ARE THERE LOAN RESTRICTIONS?

The borrower must be an owner-occupant at all times. Upon sale or other transfer of the property, unless the new owner is income-eligible, the borrower must pay the City a specified percentage of the loan balance, which

percentage will be reduced for each full year of occupancy.

HOW DO I APPLY?

Step 1 - When applying for a loan from your first mortgage lender, be sure to inform the lender that you are interested in a down payment loan from the City.

Step 2 - After initial loan approval from your first mortgage lender, your lender will submit a loan file to the City for approval. You must complete homebuyer education prior to your loan file submission to the City.

For more information, contact our office at:

City and County of Honolulu
Rehabilitation Loan Branch
51 Merchant Street, First Floor
Honolulu, Hawaii 96813
Phone: 768-7076

Or visit our website for more information at:
www.honolulu.gov/dcs/housing.html