

THE CITY OF NEW ROCHELLE'S  
DOWN PAYMENT  
ASSISTANCE  
PROGRAM  
FOR FIRST-TIME  
HOME BUYERS

May 11, 2022  
General Public Forum



NEW ROCHELLE  
IDEALLY YOURS

# AGENDA

## INTRODUCTION

*Commissioner Adam Salgado*  
Department of Development

## DPAP OVERVIEW

*Orisha Jennings-Hudgins*  
Executive Director of Operations  
&  
*Kristi Parisi*  
Community Development Specialist

## THE HOMEBUYING PROCESS

*Cecilia Alcantara*  
Director of Homeownership  
Westchester Residential Opportunities, Inc. (WRO)

## Q & A



# Down Payment Assistance Program (DPAP)

- Up to 19% of the purchase price of a single-family residence for Down Payment Costs. Does not include Closing Costs.
  - Funded by the US Department of Housing and Urban Development's (HUD) HOME Program and the City's Affordable Housing Fund.
  - The DPAP Loan is a mortgage loan which is secondary to the primary mortgage and is used to cover a portion of the down payment cost.



# Down Payment Assistance Program (DPAP)



- The loan is forgivable over five (5) years as long as the homeowner resides in the home.
  - This zero-Interest forgivable mortgage loan to be used to assist with the down payment toward the purchase of owner-occupied housing in New Rochelle.
  - Loan is forgiven at the end of the Five (5) year term as long as the single family residence is:
    - ✓ not sold
    - ✓ transferred or
    - ✓ rented out
  - If any of the above occur, the loan will be repaid according to HUD repayment schedule by the homebuyer.

# DPAP Eligibility Criteria

- Must be a New Rochelle Resident and a First-Time Homebuyer – MUST BE PRE-APPROVED FOR A MORTGAGE
  - Must not have owned a home during the three (3) year period immediately prior to the purchase\*
  - Be a Low-to-Moderate Income Household. All applicant household must have a gross annual income not exceeding 80% of the area median income as determined by HUD.

## 2022 Income Guidelines (Westchester County)

Household Size	1	2	3	4	5	6
Maximum Income	\$77,650	\$88,750	\$99,850	\$110,900	\$119,800	\$128,650
Minimum Income	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000



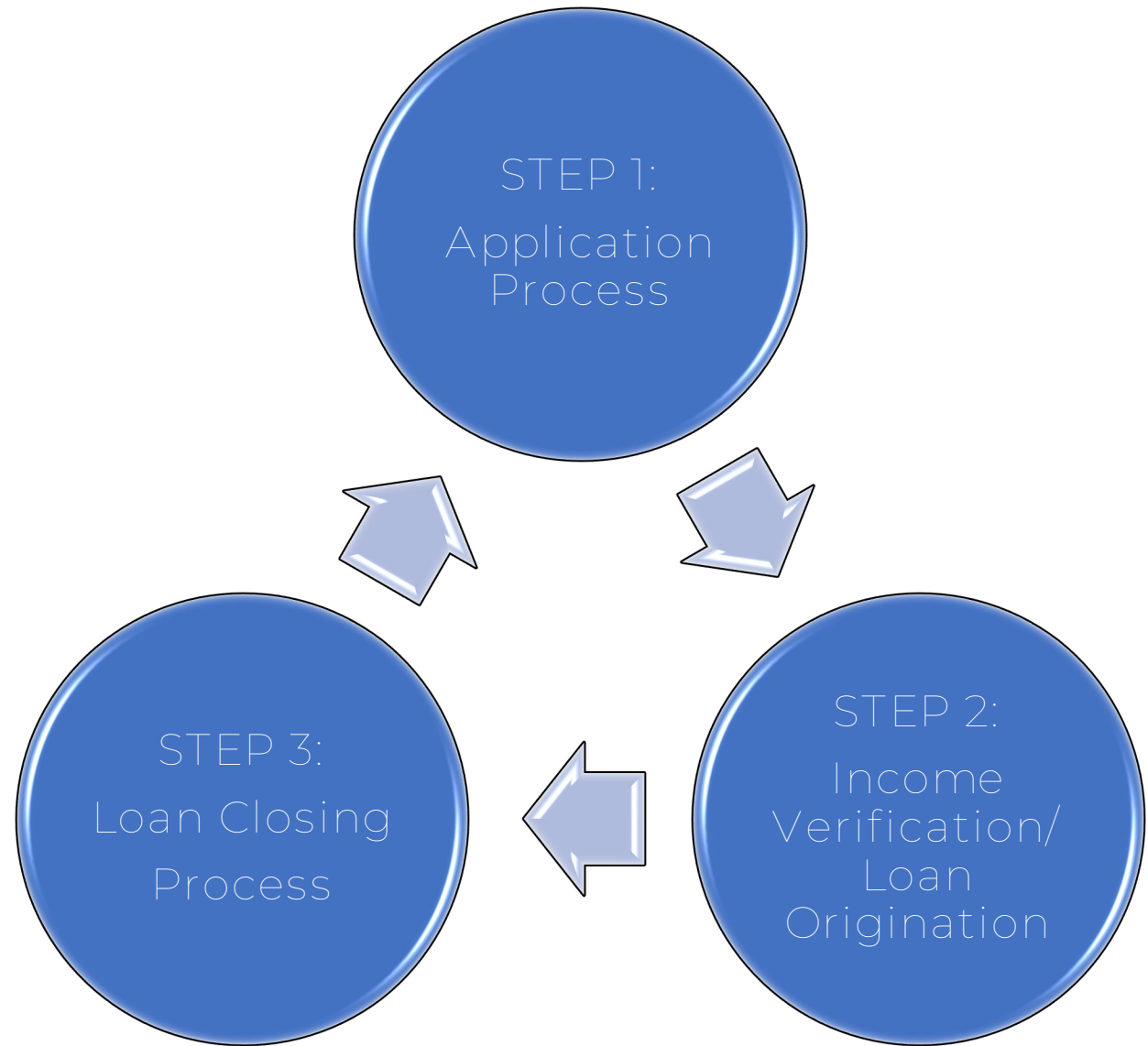
# DPAP Eligibility Criteria

- Occupy Property as Principal Residence for five (5) year.
- Applicant must contribute, from their own funds, any where from 1% to 19% of purchase price towards down payment.
  - Applicant's contribution is based on the applicant's entire financial portfolio.
- Purchase price of Home must not exceed Home Value allowed by HUD (\$494,000)

\* Waiver for U.S. Military Veterans possessing a DD-214, verifying honorable service.



# 3 Step Process



## STEP 1:

# APPLICATION PROCESS

- ❑ A completed application should be submitted to the Department of Development (DOD).
- ❑ If eligible, applicant will be notified and work with Income Verification Team on next steps.
- ❑ If not eligible, applicant will be informed.
- ❑ If application is incomplete, DOD will inform applicant of missing information and documentation.
  - ❑ Applicant will be have up to 15 business days to provide missing documentation to complete their application.





STEP 2:

EDUCATION

INCOME  
VERIFICATION

LOAN  
ORIGINATION



The Income Verification Team will assist:

- ❑ The Homebuyer during the entire homebuying process.
- ❑ Applicants must complete a Mortgage Counseling /Education Workshop.
  - Resources will be provided, including homebuyer education, workshops and individual counseling, in English and in Spanish.
- ❑ Determine the amount the applicant is eligible to receive in Down Payment Assistance.
- ❑ NR Department of Development will issue a voucher stating how much the applicant is eligible for.
- ❑ Once voucher is issued, applicant has 90 days to find home. An extension can be given for an additional 90 days upon request

## STEP 3:

# LOAN CLOSING PROCESS

## LOAN CLOSING PROCESS

- ❑ City will assist with the property evaluation (inspections) as the property must meet HUD guidelines.
- ❑ Prepare paperwork to finalize the DPAP loan.
- ❑ Consult with the mortgage lender on final package.
- ❑ DOD will prepare check on the final agreed upon DPAP loan amount and bring the day of the closing.





# Q&A



# Contact Information

For additional information or questions, contact us at:  
[CommunityDevelopment@newrochelleny.com](mailto:CommunityDevelopment@newrochelleny.com)

Or visit us at:

<https://www.ideallynewrochelle.com/down-payment/>

