



# Department of Housing and Community Development

PAAO Department



VIRGINIA DEPARTMENT OF HOUSING  
AND COMMUNITY DEVELOPMENT  
*Partners for Better Communities*





# Program

- Down Payment Assistance (DPA)



# Down Payment Assistant (DPA)

## Goal of Program

The **DPA** is a deferred loan program that provides opportunities for first-time homebuyers to obtain homes that are safe, decent, and affordable.

The long term goal is sustainable housing and growth in personal wealth and equity for low-moderate income (LMI) Virginians.



# Borrower Eligibility

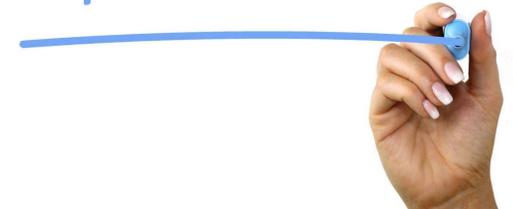


1. Client must be a first-time homebuyer\*
2. Must meet income guidelines and credit underwriting criteria
  1. 80% AMI or under
  2. 620 minimum FICO score
3. Property eligibility

## DPA Guidelines

- DPA Provided to homebuyer
  - Up to 10% of sales price-15% in some counties
    - 15% for high cost or economically distressed counties identified by DHCD/ HUD
- Maximum funds available per household \$40,000.00
  - Includes DPA and up to \$2,500 in closing cost assistance

GUIDELINES



## Role of the DPA Provider

- Perform intake with potential homebuyer
- Collect documentation to determine eligibility (mini underwriting)
  - Income
  - Assets
  - Liabilities
  - Property Eligibility
- HUD Housing Counselor
  - On staff or 3<sup>rd</sup> party
  - Homebuyer Education Classes
  - Budget/Housing Counseling
- Work with Homebuyer, First trust lender, Realtor and Title Company
- Submit documentation to DHCD
  - CAMS



The DPA application is open in  
CAMS through 5/3/2024



## Current Down Payment Assistance Providers

- Guideline Updates:
  - The DPA and closing costs assistance provided has a maximum cap of \$40,000.00 from 2024 forward.
  - 5 and 10 year period of affordability period for Deed of Trust
    - \$37,500 max DPA if closing costs are utilized
    - \$40,000 max if closing costs are not utilized



- Guideline Updates
  - DHCD has expanded the lenders to any lender licensed to operate in Virginia. We will not work with 3<sup>rd</sup> party brokers.
    - The loan must be USDA, VHDA, VA, Conventional, FHA or Habitat.\*
    - The loan must be a fixed rate loan with a term of 20-38 years.
    - Adjustable rates, negative amortization, interest only and subprime rates are not eligible loan types.



DPA Provider Training- May 22, 2024  
1:00- 2:30 PM- Virtual Training

Covering:

- Updated Forms
- CAMS Templates for Setup/ Completions
- Completing the Environmental Property Review
- Contract Amendments/ Budgets
- General Q\*A



# *Contact Information*

**Cheri Miles**

804-371-7114

[Cheri.Miles@dhcd.virginia.gov](mailto:Cheri.Miles@dhcd.virginia.gov)