

DOWN PAYMENT ASSISTANCE PROGRAM TYPES & FEATURES

Down Payment Assistance (DPA) programs make up 73% of the programs in the Down Payment Resource database and are available for income- and credit-qualified homebuyers who are ready for homeownership.



DPA PROGRAM STATISTICS

64% HAVE DEFERRED PAYMENTS

43% ARE FORGIVABLE LOANS

38% ARE FORGIVABLE LOANS WITH DEFERRED PAYMENTS

Repayable DPA programs are often a 0% interest second mortgage. Some may accrue interest, while others may be amortizing loans. Typically range from 5-year to 30-year loans with varying payback provisions.

Nearly two-thirds of all DPA programs are silent seconds or deferred loans. Loan payments are postponed until one of several events occurs — usually, when the borrower sells, refinances, rents or moves out of the original home purchased.

Forgivable second mortgage programs account for almost half all of DPA. Some or all of the down payment assistance amount is forgiven. Typically, a percentage of the loan will be forgiven each year for a certain number of years.

Grant programs are gifts which do not have to be repaid by the homebuyer. These programs offer a true gift to the buyer at closing to help cover the cost of some or all of the down payment or closing costs and provide immediate equity.



2,223

HOMEOWNERSHIP PROGRAMS AVAILABLE

ACROSS THE COUNTRY 81% OF PROGRAMS HAVE FUNDS AVAILABLE



STATES WITH THE GREATEST NUMBER OF PROGRAMS, RANKED IN ORDER:

1. California
2. Florida
3. Texas
4. Maryland
5. New York
6. Massachusetts
7. Minnesota
8. Ohio
9. Pennsylvania
10. Virginia

HOMEOWNERSHIP PROGRAM TYPES

73% DOWN PAYMENT & CLOSING COST ASSISTANCE

Grants: Gifts which do not have to be repaid

Second Mortgages: Loans with very low or no interest rate where the payment may be deferred or forgiven incrementally for each year the buyer remains in the home.

Combined First Mortgage & Down Payment Programs

11% ADDITIONAL PROGRAMS

Includes matched savings programs, Housing Choice Vouchers (HCV) and other programs.

10% FIRST MORTGAGES LOANS

Below-market interest rates, lower or no mortgage insurance, or 100% financing.

5% MORTGAGE CREDIT CERTIFICATES (MCCS)

Provide up to \$2,000 in annual tax credits for the life of the loan.