

**LEE COUNTY HUMAN AND VETERAN SERVICES**  
**HOME DOWN PAYMENT ASSISTANCE PROGRAM**

1. The HOME Down Payment Assistance Program provides down payment and/or closing cost assistance to those who qualify. Lee County will determine the minimum amount of assistance based on need. The lender required minimum down payment (less earnest money deposit paid by homeowner) and reasonable closing costs will be considered. The lender required minimum down payment assistance will be determined by the lender and input on the application for assistance. Maximum assistance in any case is 10% of the current applicable maximum HOME purchase price. Lee County will not provide additional down payment assistance to lower debt-to-income ratios to be within our required 35/45 ratios. If homebuyer utilizes a loan program that requires \$0 down payment, then Lee County will only provide closing cost assistance (minimum assistance \$1,000). If all of the approved funds are not utilized at the closing, the title company will be required to issue a refund payable to Lee County BoCC, c/o Lee County Human and Veteran Services.

The intent of HOME assistance is to provide what is needed and not to provide a standard subsidy amount. Therefore, HOME assistance will be provided after accounting for all other forms of down payment and closing cost assistance, including Florida Bond/Florida Assist funds, applicant earnest money, gifts, or other grant funds. The shortfall between the lender required minimum down payment assistance amount and these funds will be the eligible HOME assistance amount (up to 10% of the current applicable maximum HOME purchase price).

The home being purchased must appraise at or above the sales price in order to qualify for assistance. The **homebuyer cannot receive any cash back at closing**, including the reimbursement of any money paid towards earnest money deposit, application fee, appraisal, etc.

Some **ineligible** closing costs are:

- ✓ payment of debts such as collections
- ✓ home inspection fees
- ✓ home repairs

We can cover other reasonable closing costs and pre-paids including prepaid interest, tax and insurance escrows, discount points (as needed, to qualify for program), broker's fees, homeowner's and flood insurance premiums, etc.

2. Lee County does not require a minimum credit score for HOME program approval.
3. Homebuyer must be able to obtain a commitment for a **new** first mortgage (not an assumption) from a lending institution (30+ year, fixed rate; no ARM or balloon mortgage and no prepayment penalties allowed). Property taxes and homeowner's insurance must be escrowed. **NOTE: Non-occupying co-borrowers/co-signers are NOT allowed. Any borrower not on Lee County's mortgage and note cannot be on the deed.**
4. Must be purchasing a single family home, condo, or PUD in **Lee County, Florida**. Double-wide mobile/manufactured homes are also included if 1978 or newer and situated on owned land; but **no** duplexes or homes with attached or detached *mother-in-law* units. Homes with **in-ground pools of any type are not allowed**.
5. The home must be existing (must have received its certificate of occupancy **at least one year prior** to making application for assistance). No new construction. **MAXIMUM PURCHASE PRICE IS \$340,000 (effective 9/1/2024)**.
6. The house being purchased must be: **currently occupied by the owner, vacant, or occupied by the homebuyer**. At the time the buyer and seller enter into a contract (all the way through to the closing), the house cannot be occupied by tenants not purchasing the property.

7. Homebuyer's household must meet HUD's guidelines for low income households:

| HUD's Guidelines effective June 1, 2024 |                                       |             |                                       |
|---|---------------------------------------|-------------|---------------------------------------|
| Family Size                             | Maximum Gross Annual Household Income | Family Size | Maximum Gross Annual Household Income |
| 1                                       | \$52,450                              | 5           | \$80,900                              |
| 2                                       | \$59,950                              | 6           | \$86,900                              |
| 3                                       | \$67,400                              | 7           | \$92,850                              |
| 4                                       | \$74,900                              | 8           | \$98,850                              |

8. Homebuyer must attend a HUD certified homebuyer education workshop/class and **provide a certificate of completion to Lee County**. You can contact one of the following agencies to sign up for the class:

- Lee County Housing Development Corporation  
Phone: 239-275-5105
- Affordable Homeownership Foundation Inc.  
Phone: 239-689-4944
- Habitat for Humanity of Lee & Hendry Counties  
Phone: 239-652-1675

9. Homebuyer does not need to be a first time homebuyer, but **cannot own any other homes at the time of application**.

10. Married couples living separately, or planning to live separately are **not eligible** for assistance. **All household members must be U.S. Citizens or have Permanent Resident status**.

11. **We place a ten-year (10) second mortgage on the property being purchased**. Zero percent interest (0%) and no monthly payments will be due. The second mortgage is self-amortizing and will reduce at a rate of 10% per year. Homebuyer must agree to occupy the property as their principal residence and maintain a homestead exemption during the ten (10) year second mortgage term. As long as the property is occupied as a primary homesteaded residence for the ten-year term, a satisfaction of mortgage will be given, and the second mortgage will not have to be repaid. If, during the ten-year term, the property is sold, transferred, leased, **or first mortgage is refinanced**, or is not owner-occupied and homesteaded, then the prorated balance of the second mortgage will be due and payable. Future requests for subordination will be considered on a case by case basis. Annual monitoring of properties will take place during the second mortgage term including random site checks to ensure that properties are still owner-occupied.

12. **Mortgage payment must be affordable. Maximum front-end ratio is 35%**, effective 3/1/2020 (total housing payment plus homeowner's association fees, if any, divided by gross monthly income **cannot** exceed 35%). **Maximum back-end ratio is 45%** (total housing payment, plus homeowner's association fees, if any, AND other recurring debts such as credit card payments, car payments, student loans, etc. divided by gross monthly income cannot exceed 45%). There are **NO exceptions** to these maximum debt-to-income ratios. We use the income of **all occupying household members** to calculate the debt-to-income ratio. **Another debt-to-income consideration is that the property taxes are based on the current year's (most recent) tax bill, regardless of the property status.**

13. All assets will be considered when calculating annual income (i.e.: checking/savings accounts, IRA's, 401(k)'s, CD's, cash value life insurance, etc.)
14. The property **must pass HUD's required inspection.** The Lee County Human and Veteran Services' inspector will perform the inspection. **NOTE: This inspection is NOT a home inspection.** We strongly encourage all homebuyers to obtain a home inspection. If buyer obtains a home inspection, a copy should be forwarded to Lee County. If homebuyer obtains a home inspection, the house must still pass HUD's required inspection. **House must not exceed HUD's guidelines for the number of persons allowed per bedroom.**
15. **If the house being purchased was built PRIOR TO 1978,** the Lender will provide Lee County with a lead-based paint inspection **conducted by an EPA/HUD certified inspector or certified lead-based paint risk assessor** indicating a lead-based paint hazard free home. Buyer will have to pay for this inspection. **Inspection should not be ordered until a HOME Down Payment Assistance Approval has been issued.**
16. **The lender applies for the assistance from Lee County (on behalf of the homebuyer).** The lender completes a (1) lender referral form, (2) includes a completed DPA Application and (3) attaches several required documents as listed on DPA application checklist and forwards the package to Lee County for review. Lenders, please note:
  - a. If the title company chosen is not a Lee County Vendor please add one week to the process for set up.
  - b. The time required to receive a check from Lee County is 2 to 2-1/2 weeks (in addition to file processing time).
  - c. If the property does not pass the HUD required inspection the project cannot be funded.
  - d. Checks and closing packages can be released only after the Closing Disclosure has been approved by Lee County.

If you have any questions or need further information please contact:

**Debbie Curran**  
Housing Finance Counselor  
Lee County Human and Veteran Services  
Phone: (239) 533-7938  
Fax: (239) 533-7955  
E-mail: dcurran@leegov.com

**Our mailing address is:**  
Lee County Human and Veteran Services  
Attn: Debbie Curran  
P.O. Box 398  
Fort Myers, FL 33902

**Our office is located at:**  
2440 Thompson Street  
Fort Myers, FL 33901

**PLEASE CALL FOR FUNDING AVAILABILITY AS FUNDS ARE LIMITED FOR THIS PROGRAM.**

**Please note that some information may be subject to change without prior notice.**

**Visit our new website for updates: <https://www.leegov.com/dhs/assistance/financial>**

