



DOWN PAYMENT ASSISTANCE LOAN PROGRAM

The Common Council of the City of Whitewater adopted Policy 602.01 Affordable Housing Policy in July of 2023. The purpose of the Policy is to assist home buyers and developers by addressing the lack of housing stock available in the City and the creation of affordable housing opportunities such as supporting home buyers in acquiring homes for use as their primary residence. The Down Payment Assistance Loan Program is a component of that Policy and is administered by the Community Development Authority of the City of Whitewater (CDA).

Program Features:

- Loan to support purchase of single-family home for use as borrower's primary residence.
- Loan is 0% interest.
- Repayment of the loan is deferred until the home is sold or is no longer the borrower's primary residence.
- The maximum amount allowed for a second mortgage through the Homebuyer Program is \$25,000 and may be applied to lender-required down payment.

Borrower Requirements:

- Meet program income guidelines.
- Be mortgage ready and able to secure affordable superior mortgage loan from Bank, Credit Union, USDA Rural Development, or other conventional lender.
- Must qualify for a conventional loan through a reputable lender.
- Land Contract purchase does not qualify.
- To increase the probability that a house payment will remain affordable, the first mortgage used to purchase a home must be a fixed rate mortgage. City of Whitewater will not provide a second mortgage for a house purchase transaction that does not have a fixed rate mortgage.
- To be eligible for the Down Payment Assistance, Applicants must have a combined household income of 150% or less of current HUD Income Limits by county.

Property Requirements:

- Home must be move in-ready and meet Housing Quality Standards at the time of purchase.
- Must be fee simple title at purchase.
- Homes that qualify for Down Payment Assistance can be stick built, modular, new manufactured or condominium on a permanent foundation. A home on a rented or leased lot does not qualify.

Application Process:

Applicants must first select a home and have a mortgage loan in place as specified above. Applicant should then complete the Program's Application Form and submit to the CDA (see below) for review by Economic Development staff for referral to the Board of Directors of the CDA for approval. If approved, Staff will prepare a Down Payment Assistance Agreement and Mortgage, attend the residential real estate closing to present the down payment check and have program documents signed, and record the mortgage at the appropriate Register of Deeds Office for the County in which the residence exists.

For questions or assistance, please contact:

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