

FIRST-TIME HOMEBUYER PROGRAM

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MORTGAGE LOANS FOR FIRST-TIME HOMEBUYERS

If you're in the market for your first home and need help with down payment and closing costs, the Ohio Housing Finance Agency (OHFA) can help. OHFA offers 30-year fixed-rate FHA, VA, USDA-RD and conventional mortgage loans designed especially for homebuyers with low- to moderate-incomes, with out-of-pocket costs as low as 1% of the purchase price.

DO I QUALIFY?

You may qualify for an OHFA loan if:

- You have never owned real estate
- You have not owned or had an ownership interest in your principal residence in the last three years
- You are a U.S. veteran, active duty military and reserve
- Your credit score is 640 or higher[†]
- You meet income and purchase price limits^{††}
- You purchase a home in a designated target area

Additional requirements may apply to specific homeownership products.

WHICH OHFA LOANS ARE RIGHT FOR ME?

OHFA offers three basic loan packages for the first-time homebuyer – Down Payment and Closing Cost Assistance, Ohio Heroes and Grants for Grads.

Down Payment Assistance provides 2.5% of the home purchase price, up to \$10,000, to use toward your home's down payment, closing costs, or other pre-closing expenses. Your mortgage rate will be up to .5% higher than the current OHFA rate. Down Payment Assistance is forgiven after five years. If you sell or refinance your home within five years, you must repay the assistance provided.

- **Closing Cost Assistance** offers up to 2% of your loan amount (after down payment) to cover the costs of a home purchase. Closing costs are fees charged by various parties such as your lender, title company, insurance company and local taxing authority. Closing Cost Assistance is available at a slightly higher mortgage rate and may only be used with Down Payment Assistance.

Ohio Heroes honors residents who serve the public with a mortgage interest rate at .25% below OHFA's current rate. U.S. veterans, active duty military and reserve, teachers, direct patient caregivers, police officers, firefighters, EMTs and others are eligible. You can choose to include Down Payment and Closing Cost Assistance in your Ohio Heroes loan for a slightly higher rate. Down Payment Assistance is forgiven after five years. If you sell or refinance your home within five years, you must repay the assistance provided.

Grants for Grads rewards recent graduates earning an associate's, bachelor's, master's or doctorate degree from a qualified program within the last 24 months. Graduates earn an interest rate of .25% below OHFA's current rate. Grants for Grads includes Down Payment Assistance and optional Closing Cost Assistance. Down Payment Assistance is forgiven in annual installments over five years as long as you remain in the state of Ohio.



57 East Main Street | Columbus, OH 43215
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John R. Kasich, Governor, State of Ohio
Douglas A. Garver, Executive Director



OTHER OHFA OPTIONS

Mortgage Tax Credit: OHFA provides eligible first-time homebuyers with a tax credit to help with home ownership expenses. First-time buyers get a tax credit of up to 40% of their annual mortgage interest. Tax credits provide a dollar to dollar reduction of your federal tax liability, and you can still claim the remaining percentage of your mortgage interest tax deduction. Receive a mortgage tax credit certificate for a nominal fee with any OHFA loan.

FHA Home Rehabilitation and Repair 203(ks)

The FHA 203(ks) loan helps borrowers purchase or refinance properties that need repairs, up to \$35,000. To qualify, you must occupy the home as your primary residence after repairs are complete. The amount of your loan will be added to your primary mortgage. No additional OHFA fees apply.

FHA Energy Efficient Mortgage

FHA's EEM loan saves you money on utility bills by adding energy-efficient features to your home. The amount of your loan will be added to your primary mortgage. No additional OHFA fees apply. EEM can also be used with the 203(ks).

Homebuyer Education

OHFA requires free homebuyer education for all borrowers once your OHFA loan is reserved. Information on OHFA's streamlined homebuyer education program is available on our website, MYOHIOHOME.ORG. Or, you may complete a course offered by any U.S. Department of Housing and Urban Development (HUD) approved housing counseling agency.

HOW DO I APPLY FOR AN OHFA LOAN?

OHFA loans do not come directly from OHFA. Instead, OHFA works with lenders, credit unions, and mortgage companies across the state to offer loans to qualified borrowers. Visit MYOHIOHOME.ORG to find an OHFA-approved lender in your area, along with tips to help you with the application process. Or, call us toll-free at 888-362-6432.

†Your Credit Score

If your credit score is below 640, you can take steps to improve your rating. Make sure all of your bills are paid on time – late payments impact your score. Pay down your credit balances – “maxed out” credit cards can also lower your score. Check your credit report for errors. If you find errors on your report and can prove mistakes have been made, the credit bureau will correct them.

††Income and Purchase Price Limits

For income and purchase price limits in your area, visit MYOHIOHOME.ORG.

OHFA is an Equal Opportunity Housing entity. Loans are available on a fair and equal basis regardless of race, color, religion, sex, familial status, national origin, military status, disability or ancestry.



MYOHIOHOME.ORG
OHIO HOUSING FINANCE AGENCY

We Open the Doors to an Affordable Place to Call Home



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