



HOME: Down Payment Assistance Program

The Chicago Housing Authority (CHA) offers down payment assistance in the form of a forgivable grant for eligible first-time homebuyers who meet program guidelines and the primary lender's lending requirements. The following eligibility requirements may be subject to change without notice.

Eligibility Requirements include:

- Attending the DPA Orientation.
- Household Income(s) less than 81% of the current HUD's Area Median Income (AMI)¹
- Pre-Approval from a lender on our approved lender's list.
- Executed Purchase Agreement.
- Certificate of Completion of an eight (8)-hour Homebuyer Education class (HBE) from a HUD approved agency, for all person(s) on the note.
- Buyer contribution of their own funds for the purchase must not be less than \$3,000. (For applicants receiving Social Security benefits, the requirement is \$2,000.)²
- Current United States government issued photo ID for all buyers (i.e. State ID, Driver's License, US Passport).
- The maximum allowable back-end Debt-to-Income (DTI) ratio is 45%³.

Down Payment Assistance Options:

- \$20,000 for CHA residents and \$10,000 for non-CHA residents that meet the program eligibility requirements.
- Layered grants and other credits including seller's credits and gift funds cannot exceed 20% of the purchase price.
- This grant cannot be combined with CHA's Choose to Own Homeownership Program.

Geographical Restriction:

- Properties being purchased must be within the City of Chicago.

Additional requirements:

- The primary loan can be for a 15, 20, 25, or 30-year loan term, and must be a fixed-rate loan.
- Properties purchased can be a single family detached (SFD), townhome (TH), 2-3 flat⁴, new construction property or condominium (Condo).
- Purchases with a non-occupant co-borrower and/or with co-signers, are not eligible.
- Property purchased must be the homebuyer's primary residence (2nd homes not permitted).

¹ Current residents and participants of CHA household income cannot be more than 120% Area Median Income (AMI).

² Not required for VA loans.

³ The back-end DTI ratio is the total amount of monthly debt payments (e.g. house costs, credit card payments, student loans, and all other debts) divided by monthly gross income.

⁴ Applicants that wish to purchase a 2-3 flat unit must show proof of property management experience and/or certified property management/landlord training.