



SANTA ROSA COUNTY DEVELOPMENT SERVICES - HOUSING

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6051 Old Bagdad Highway, Suite 201 | Milton, Florida 32583

First Time Homebuyer Program State Housing Initiative Partnership (SHIP)

Contact/Information:

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Purpose:

To enable eligible low and moderate-income families to attain homeownership.

Type of Assistance:

Down payment and/or closing cost assistance.

Limits of Assistance:

\$25,000

Terms of Assistance:

The amount of the award will subject to the execution of a promissory note with zero (0) percent interest and secured by a second mortgage. No monthly payment is required. The loan is a deferred payment loan (DPL) with a ten (10) year residency requirement. If the homeowner moves out, sells, transfers, rents, refinances or adds additional liens during the 10 years, the outstanding balance of said mortgage must be repaid. Half of the DPL will be forgiven at the completion of the 5th year, 20% will be forgiven for every remainder year.

Family/Underwriting Eligibility Requirements:

1. Applicant's gross household annual income must meet limitations as published for the Pensacola MSA by the U. S. Department of Housing and Urban Development (adjusted annually). As of May 15, 2023, Maximum income limits are as follows:

2.

Household

1	68,760
2	78,600
3	88,440
4	98,160
5	106,800
6	113,880
7	121,800
8	129,600

3. Applicant must have adequate, stable income and an acceptable credit rating, as determined by a participating mortgage lender.
4. **The housing unit must be affordable with total monthly principal, interest, taxes and insurance not exceeding 30% of the family's total gross monthly income.** A higher ratio of income to PITI, maximum 39%, may be considered if two or more of the following compensating factors apply:
 - ❖ Demonstrated ability to budget and save on a consistent basis with an average six (6) month savings of twice the PITI on the proposed loan.
 - ❖ History of steady employment for more than two years in the same line of work or having completed college or specialized training in the field currently employed with a good probability of continued employment verified by the current employer.
 - ❖ Credit score above 650.
 - ❖ Demonstrated ability to pay monthly rent on-time at a comparable amount to the proposed PITI on the new loan (no payment shock)

If an application is approved with a front-end ratio above 30%, the applicant will be required to sign an affidavit to signify that they are aware that the payment ratio exceeds the recommended program guidelines and that they are financially capable of meeting their monthly mortgage requirements. Applications with PITI to income ratios of 40% and higher will not be approved.

5. Applicant must be a first-time homebuyer, which is defined as: an individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers). A single parent who has only owned a home with a former spouse while married. An individual who is a displaced homemaker and has only owned with a spouse. An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations.
6. All recipients of SHIP funding (including all recipients on the loan and all spouse regardless of if on loan) are required to attend a HUD approved Homebuyer Education Class (in-person) prior to receiving funding. Classes are available through:
 - Community Enterprise Investments, Inc. (CEII). Reservations for the class can be made by calling Preston Denagall at 850-595-6234 extension 206. The class is provided free of charge to the prospective homebuyer. For convenience the course is also offered online www.ehomeamerica.org for a fee.
 - Pensacola Habitat for Humanity. Classes offered on a monthly basis. The Course is free and includes a light breakfast and lunch. For more information go to: <https://pensacolahabitat.org/housing-counseling> or contact Betsy McDonald at 850-434-5456, Ext 131 or via email emcdonald@pensacolahabitat.org
7. If applicant has more than \$25,000 in cash assets above the estimated to close, they are ineligible.

Property Requirements:

- New and Existing homes in Santa Rosa County with a maximum sales price of \$349,525.80 may qualify.
- Any items listed on the inspection report that require repair/replacement, must be completed and repair receipts/invoices must be submitted prior to the release of SHIP funds. If there are no items listed on the inspection report, a minimum of \$100 in repairs/upgrades must be documented within the past 12-months.
- Mobile/Manufactured homes with a **HUD approved insignia/sticker are not** an allowable purchase using SHIP funds. Modular home with a **DCA approved insignia/sticker ARE allowed** to be funded using SHIP funds.