

Highlights of the City of Frisco Targeted Down Payment Assistance Program

The Targeted Down Payment Assistance Program provides forgivable loans of **up to \$10,000** to qualified homebuyers for the purpose of down payment and closing cost assistance.

- Eligible households must be first time homebuyers (with some exceptions).
- Families with at least one adult working full time for the City of Frisco or Frisco ISD can be assisted in purchasing a home in Frisco.
- Loan amount is considered income by the Internal Revenue Service. Taxable income will be reported equivalent to the portion forgiven each year for the life of the loan.
- Assistance Program can be used with other First Time Homebuyer Programs to help make homeownership possible for almost everyone.

For more information contact:
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Targeted Down Payment Assistance Program

City of Frisco and Frisco ISD Employees



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What is the Targeted Down Payment Assistance Program?

The City of Frisco Targeted Down Payment Assistance Program is designed to assist full-time City of Frisco and Frisco ISD employees with the purchase of their first home. The \$10,000 forgivable loan can be used for:

- down payment
- closing costs
- prepaids
- discount points

What are the terms?

- The Targeted Down Payment Assistance (TDPA) Loan will be non-amortizing with a zero percent interest rate. The loan will be forgiven in equal installments over a period of time determined by the amount of the TDPA loan.
- The unforgiven portion of the loan must be immediately repaid if, within the loan period:
 - The house is sold,
 - The house is re-financed (to cash-out),
 - The homebuyer is no longer employed by the City of Frisco or FISC, or
 - The house is no longer the homeowner's primary residence.

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Am I eligible?

To be eligible a household must meet all of the following requirements:

- Combined household income of all adults may not exceed \$131,989.
- Home purchase price may not exceed \$404,800.
- At least one adult household member is a full-time employee (for at least 6 months) with the City of Frisco or the Frisco Independent School District (FISD).
- Be a first-time homebuyer, defined as not having owned a home in the last 3 years (other exceptions apply).
- Provide at least 1% of the purchase price from personal funds (not from other programs or assistance).
- Purchase a home within the city limits of Frisco.
- Qualify for a loan.
- Attend a HUD approved homebuyer education course.

And agree to...

- Occupy the property as the primary residence.



How do I apply for the Program?

Step 1: Contact a lender to determine your ability to qualify for a first mortgage.

Step 2: Once the lender has qualified you for a mortgage loan, obtain a pre-qualification letter stating the amount for which you are qualified.

Step 3: Visit the City of Frisco website [here](#). Under "Projects and Programs" look for Down Payment Assistance. Review the program qualifications and if you believe you qualify, download, complete, and submit the application and required documentation.

Step 4: City staff will review the application and, if the application is complete and meets the eligibility requirements, then the City Staff will forward the application to the Social Services and Housing Board for approval.

Step 5: The Social Services and Housing Board meets once a month to approve applications.

Step 6: Once an applicant is approved, a commitment letter is issued for \$10,000. These funds are reserved for the approved applicant for 4 months.

Step 7: The applicant must complete a HUD approved homebuyer training class and submit a certificate of completion in order to receive funds. Please register for the class [here](#).

Step 8: The applicant purchases a house with a sales price of \$404,800 or less.

Step 9: At closing the city transfers funds to the title company, and the borrower executes the required paperwork for the funds.

Loans will be reviewed and approved on a first come, first serve basis to all eligible applicants each month.