

City of Greenville
Downpayment Assistance and Secondary Mortgage Criteria

- Debt to Income Ratio's (32%-42%) (Ratios are calculated in the same manner of the typical mortgage lender and The North Carolina Housing Finance Agency.)
 - Front end debt ratio (32%) – consist of the mortgage payment as a percentage of monthly gross income. ¹PITI/Gross Monthly Income.
 - Back end debt ratio (42%) – consist of the mortgage payment and existing debt as a percentage of monthly gross income. (¹PITI + ²Current Debt + ³Other)/Gross Monthly Income.
 - ¹ Mortgage Payment (PITI) is principle, interest, tax and insurance
 - ²Current debt includes credit cards, car loans, personal loans, child support, payment plans, etc....)
 - ³Other includes homeowner's association dues and mandatory assessments.

- Gross Monthly Income – consist of pre-tax income (see list below) for all members of the household. Independent support must be provided for all sources. Note students financial aid cannot be counted as income.
 - Gross Monthly Wages, Commission and Bonuses
 - Gross Monthly Social Security or Disability Payments
 - AFDC
 - Food Stamps
 - Child Support
 - Non-Social Security Retirement
 - Reported Self-Employment Income

- Income Limits – as defined by the US Department of Housing and Urban Development for the Greenville Metropolitan Area.
 - For Downpayment Assistance Program (maximum income is 100% of median adjusted for household size)
 - For Secondary Mortgage Programs (maximum income is 80% of median adjusted for household size)

- Credit
 - Reportable Credit References:
 - Active accounts current
 - No outstanding non-medical liens, judgments or collections
 - Medical collections on approved payment plan
 - No outstanding balance due on charge-off accounts unless on approved payment plan with a 6 month payment history
 - Chapter 7 Bankruptcy must be discharged for 24 months
 - Chapter 13 Bankruptcy must have written permission of Trustee to acquire new debt

 - Nontraditional Credit Reference:
 - Credit Reference Letters from Landlord, Utility Company, Telephone Company, Cable Company, Day Care and Insurance Agent

- Other Information
 - Must provide Good Faith Estimate and Pre-qualification letter from the mortgage lender
 - Signed Offer to Purchase or Contract with Builder
 - Must use at minimum 20% of gross monthly income toward the PITI payment