

City of Greenville
Downpayment Assistance and Secondary Mortgage Criteria

- **Debt to Income Ratio's (33/45) ¹**
 - Front end debt ratio (33%) – consist of the mortgage payment as a percentage of monthly gross income. PITI/Gross Monthly Income.
 - Back end debt ration (45%) – consist of the mortgage payment and existing debt as a percentage of monthly gross income. $(PITI^4 + Current\ Debt^2 + Other^3)/Gross\ Monthly\ Income$.

NOTE:

1. Ratios are calculated in the same manner of the typical mortgage lender.
2. Current debt includes credit cards, car loans, personal loans, child support, payment plans, etc.
3. Other includes homeowner's association dues and mandatory assessments.
4. Mortgage Payment (PITI) is principle, interest, tax and insurance.

- **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: financial aid cannot be counted as income.

- Gross Monthly Wages, Commission and Bonuses
- Gross Monthly Social Security or Disability Payments
- AFDC
- Food Stamps (for budget use only)
- Child Support (past 12 month proof of receipt of funds)
- 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 120% of median adjusted for household size)
- For Secondary (HOME Grant) 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.
- Bankruptcy must be discharged

Nontraditional Credit Reference:

- Credit Reference Letters from Utility Company, Telephone Company, Cable Company 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