

Purchase Assistance Program

1. What it is:

- Provides down payment and closing cost assistance to people meeting the eligibility criteria of the program
- Amount of assistance is based on household income and need.

2. Requirements:

- Potential applicants must apply with Marion County Community Service Department.
- Marion County must pre-screen the applicant.
- Marion County will refer applicant to an approved lender of the applicant's choosing.
- If lender approves applicant for financing, lender will provide a letter of commitment and refer applicant back to Marion County Community Services.
- **Applicant must be referred back to the program by an approved lender.**

3. Eligibility criteria:

- Total household income at or below 80% MFI
- Cannot currently own a home
- Home purchased must be primary residence
- Currently only existing homes are eligible for assistance (no new construction)
- The home you buy must be in Marion County, **but outside the City of Ocala limits.**
- Homebuyer must successfully complete an approved [Home Buyer Education class](#) within one year prior to home purchase. (You can find the Home Buyer Education class schedule [here](#) in the lower half of the Purchase Assistance webpage.)

4. Important Points to Understand:

- Homebuyer is still responsible for payment of some of the closing costs ("out of pocket" expenses such as the lender application fee, lender's appraisal, flood certification or credit report, home inspection, first year's homeowners insurance, deposit required by the realtor and required escrows for taxes and insurance) and must have approx. \$2,000 – \$3,000 for closing
- Assistance will be provided in the form of a 30 year LOAN (Not a Grant).
 - a. The homebuyer does not need to make monthly payments and the loan does not accrue any interest.
 - b. The loan becomes due payable if the person: sells or rents the home, moves to a different home, wants to refinance to get cash out or in case of death (loan is not transferrable to family members)
 - c. Loan will be forgiven if person lives in home as primary residence for 30 years

5. Process:

- Meet with a representative from Marion County Community Services Department and get list of approved lenders.
- Contact a lender on the list and apply for financing. Let the lender know you are interested in the Purchase Assistance program.
- Lender approves applicant and refers them back to Community Services to complete application process.
- Sign-up and complete a Homebuyer Education Class from one of the approved providers
- Set-aside up to \$3,000 for closing costs

6. What NOT to do:

- Do NOT start actively looking for a home
- Do NOT put a contract on a home prior to being approved both by the lender and Community Services
- Do NOT open any new credit cards, close any current credit cards or make any major purchases while you are in this process