



LOUISIANA HOUSING FINANCE AGENCY

" The American Dream. Louisiana's Dream. Our Dream For You "

LHFA's Interest Rates: HOME/MRB: 5.49%
Assisted: 6.99% CDBG/MRB: 5.44%

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The Mission of the Louisiana Housing Finance Agency is to assure that every Louisiana resident is granted an opportunity to obtain safe, affordable, energy efficient housing. Each day this ongoing challenge is met by a dedicated staff of professionals who allocate federal and state funds to help low to moderate-income citizens make their housing dreams a reality.

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Homeownership (Single Family)
First-time Homebuyer Program

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Program Documents

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Louisiana Housing Finance Agency offers a number of opportunities for low- and moderate-income Louisiana families to realize their dreams of owning a home through its First-Time Homebuyer Program.

The program offers a 30-year, fixed-rate mortgage at a below-market interest rate to first-time homebuyers. LHFA's current **2008B Program** offers a three-tiered interest rate structure:

HOME/MRB Program Loans:

The HOME/MRB Program will bear interest at **5.49%**. Assistance Payments equal to 4.50% to 9% of the Mortgage Loan amount will be paid at closing to cover part of the down payment, closing costs, and prepaid items. For HOME/MRB borrowers, up to 2% of the interest rate each month on a HOME Assisted Program Loan may be deposited into an escrow fund and transferred to an eligible borrower obtaining a HOME Assisted Program loan in order to provide assistance to such eligible borrower for prepaying insurance premium payments. Lenders are **required** to complete the “Escrow Subsidy Agreement Exhibit “Q” for borrowers receiving this subsidy. The Escrow Subsidy Agreement will be transmitted to lenders upon approval of loans.

CDBG/MRB Program Loans:

The CDBG/MRB Program will bear interest at **5.44%**. Assistance payments equal to 4.50% to 9% of the Mortgage Loan amount will be paid at closing to cover part of the down payment, closing costs, and prepaid items. Properties are limited to 11 parishes and must be 1 family or 2 family homes in designated recovery zones or properties on the FEMA list of damaged properties, or properties having sustained at least \$5200 damage due to Hurricane Katrina or Rita. All applicants must be first-time homebuyers and must agree to use the home as their primary residence for at least 3 years.

Assisted Program Loans:

The interest rate for the Assisted Program will bear interest at **6.99%**. Assistance payments equal to 4% of the Mortgage Loan amount will be paid at closing to cover part of the down payment, closing costs, and prepaid items.

American Dream Downpayment Initiative (ADDI):

Louisiana Housing Finance Agency (the “Agency”) has implemented a homeownership initiative in partnership with its participating lenders to expand homeownership opportunities for low-income households throughout the State of Louisiana.

The ADDI program will provide grants up to 6% of the sales price or \$10,000, whichever

is greater, in connection with the lender's first mortgage loan.

Eligibility

2008A Bond Issue allows for the following:

- The first-time homebuyer rules are waived for the Assisted and Low Rate Programs ONLY in all 64 parishes located in the State of Louisiana.
- The purchase price and income limits are elevated to targeted area limits for the Assisted and Low Rate Programs ONLY in all 64 parishes located in the State of Louisiana.
- Visit the website viewing Exhibit F1 for Standard MRB Maximum Permissible Acquisition Cost & F2 for HOME/MRB Maximum Permissible Acquisition Cost AND
- Visit the website viewing Exhibit G 2008 HOME/MRB Income Limits and 2008 MRB Income Limits
- For **HOME/MRB** and **CDBG Program Loans** use the HOME/MRB Income and Purchase Price limits.

The prospective homeowner must also meet [income](#) and [purchase price limits](#). Income limits vary with the number of persons in the household and by parish. Purchase price limits vary according to the number of units in the property and if it is located in a targeted or non-targeted area. Also, the homebuyer must use the house as his/her principal place of residence.

If you are interested in owning your home, please contact a participating lender who can provide you with detailed information regarding these programs and guide you through the financing options that are available. Your lender and real estate agent can help you through the process of purchasing your first home and should be able to answer any questions you may have regarding the program.

LOANS ARE AVAILABLE ON A FIRST-COME, FIRST-SERVED BASIS.

2415 Quail Drive, Baton Rouge, LA 70808 | Main: 225.763.8700 | Toll-Free: 888.454.2001 | Fax: 225.763.8710 | TYY/TDD: 225.763.8762

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