



First Homes is a non-profit subsidiary of the Rochester Area Foundation with the goal of assisting individuals and families in the purchase of homes. **First Homes offers homebuyers low interest Gap Loans to reduce monthly mortgage payments, making home ownership affordable.**

You can be a new homeowner at The Gardens Development

New Construction Purchase Price: \$189,900

3 Bedroom, 2 Bath, 2 Car Garage (Slab on Grade-includes Lot)

1. Is your GROSS ANNUAL INCOME UNDER the limits based on household size?

Minnesota Housing Finance Agency Income Limits

Household Size	Gross Income Limits Rochester Area
1 to 2 Persons	\$88,600
3 Persons +	\$101,800

2. **Contact a Mortgage Lender:**
Mortgage lender completes the paperwork to determine eligibility and pre-qualifies buyers for a mortgage before a purchase agreement is signed.
3. **Attend a Homebuyer Education Workshop:**
Dates, times and location of classes available from Bank Lenders or First Homes.

***** Down Payment/Closing Costs Assistance Options Available for Qualified Buyers *****

***First Time Home Buyers or buyers that have not owned in the last 3 years may be eligible for:**
“Start Up” Funds through Minnesota Housing Finance Agency for down payment and/or closing costs.
Loan up to \$8,000 at 0% interest deferred to reduce buyer’s mortgage. Deferred loans have lower income limits.

***Buyers purchasing a home (not first-time homeowners) may be eligible for:**
“Step Up” Funds through Minnesota Housing Finance Agency for down payment and/or closing costs.
Loan up to \$12,000 to reduce the buyer’s mortgage payment.
Monthly payments amortized over 10 years with a fixed interest rate same as mortgage interest.

Minnesota Housing Finance Agency website: www.mnhousing.gov

***First Homes - Gap Loan**
Gap Loan Funds through First Homes, for down payment and/or closing costs.
Loan up to \$10,000 at 2% interest to reduce the buyer’s mortgage.
Monthly payments amortized over 10-year term.

*Balance on loans are due when homeowner sells or refinances their home or when first mortgage is paid off.
Lenders determine gap loan amount needed for buyer(s) based on their debt to income ratio and household size.

Questions? Call Shirley Lee or Steve Borchardt at First Homes office at 507-287-7117.

