



# CITY OF SAN ANTONIO NEIGHBORHOOD & HOUSING SERVICES DEPARTMENT

## Homeownership Incentive Program (HIP)

### *General Information for Homebuyers*

HIP can provide assistance to first-time homebuyers by lending between \$1,000 and \$12,000 as a 0% interest / No Payments second loan which can be used for any combination of the down-payment required by your lender and some of the additional costs associated with purchasing a home. 75% will be forgiven over a 10 year period and 25% will be paid back if there is a change in ownership. Only homes located within the city limits of San Antonio are eligible.

The first step for homebuyers is to prepare for the home buying process by completing a Homebuyer Education Class. A class is offered by the Neighborhood & Housing Services Department (NHSD). This eight-hour class will educate you about managing your money, understanding credit, obtaining a mortgage loan, and shopping for a home. Visit <https://www.sanantonio.gov/NHSD/Programs/DownPayment> for details on the next available class session to reserve your seat.

#### **BASIC QUALIFICATION CRITERIA**

- ✓ First-time Homebuyer who will purchase their primary residence
- ✓ Complete the Homebuyer Education Class offered by NHSD
- ✓ Total Household income must be below published limits
- ✓ Homebuyers must make a minimum \$500 earnest money deposit on the purchase contract
- ✓ Home purchased must be located within the City limits of San Antonio
- ✓ Home purchase price maximum is set annually
- ✓ Other qualification details will be reviewed, but these are the BASIC criteria

#### **HIP FACTS**

- HIP Loan depends on individual need but ranges between \$1,000 & \$12,000
- HIP is a 0% interest, forgivable loan and requires no payments by the homebuyer
- HIP is a second loan; homebuyers must qualify with a private lender for a first loan
- HIP will work with the home buyer's mortgage lender to request and complete a HIP loan
- HIP Loan must be used together with an FHA, VA or Conventional loan
- HIP can be combined with Homeownership Program for Employees (HOPE) (City employees)
- HIP can be combined with First Responders Homebuyer Assistance Program (FR HAP) (City employees)

#### **2018-2019 Income Limits**

(Updated by Department of Housing & Urban Development annually)

Household Size	1	2	3	4	5	6	7
MAX Total Income	\$37,450	\$42,800	\$48,150	\$53,450	\$57,750	\$62,050	\$66,300

Please contact the NHSD with questions at [www.sanantonio.gov/NHSD/programs/downpayment](http://www.sanantonio.gov/NHSD/programs/downpayment)

