

# Down-Payment Assistance Program



**!! Applicants must be approved for this program BEFORE writing an offer on a property of interest!!**

## HOW DO I QUALIFY FOR THIS PROGRAM?

- The home purchased must be the borrower's primary residence.
- The home must be located within the corporate city limits of Wausau.
- Household income must be within the guidelines established by the U.S. Department of Housing & Urban Development (HUD).
  - Definition of Household & Income Determination – A household includes all persons residing together, (except live-in aides, foster children, and foster adults) regardless of relationship status or whether they'll be a co-borrower on the loan. Income must be verified from all sources by each household member age 18+, is head of household or co-head of household, plus unearned income by or on behalf of each dependent who is under 18 years of age.
- The borrower(s) must contribute \$1,000 toward the purchase and have an additional \$500 for reserves.
- The borrower(s) have no outstanding judgements/collections that would supersede a City of Wausau Mortgage.

### Income Limit per Number of Persons in a Household

Effective 4/1/25

1	2	3	4	5	6	7	8
\$55,350	\$63,250	\$71,150	\$79,050	\$85,400	\$91,700	\$98,050	\$104,350

### Potential Amortization Schedule

Term Years	Loan Amount	Monthly Payment	Possible Forgiveness
12	\$6,000	\$46.90	\$562.80
12	\$7,000	\$54.72	\$656.54
13	\$8,000	\$58.28	\$699.36
14	\$9,000	\$61.47	\$737.64
15	\$10,000	\$64.35	\$772.20

## WHERE CAN I PURCHASE A HOME?

- Within Wausau's corporate city limits

## ARE THERE ANY INELIGIBLE PROPERTIES?

- Homes outside Wausau's corporate city limits.
- Income producing properties.
- Homes that fail a Housing Quality Standards Inspection.
- End Loan Financing for Manufactured Home on land owned by borrower.
- A property with an accepted offer to purchase dated prior to approval for the Down-Payment Assistance Program.

## WHAT TYPE OF HOME CAN I PURCHASE?

- Any owner-occupied or vacant single-family home.

## WHEN DO I HAVE TO PAY THIS LOAN BACK?

- The first payment will be due one month after the loan closes or the 5th of the month if Auto Payment is chosen.

## WHAT ARE THE TERMS OF THE LOAN?

- The City of Wausau will execute a loan between \$5,000 – \$10,000 with a fixed 2% interest rate.
- Loan Terms are between 12-15 years with monthly payments between \$46.90-\$64.35/mo.
- The City of Wausau will record a mortgage on the property in 2nd or 3rd lien position until the loan is satisfied.
- The final year of payments may be forgiven if all payments are made as agreed per the promissory note.
  - If the loan is paid off prior to the maturity date, and the home remains the borrower's primary residence, the final year of payments may still be forgiven if/when a 5-year residency requirement is met, and all payments made as agreed.
- If the home is sold, foreclosed (includes Deed in Lieu & Short Sale), paid off due to a refinance or is no longer the borrower's primary residence prior to the end of the loan term, the final year will not be forgiven.

**Applicant(s) are required to complete Pre-Purchase Homebuyer Education & Counseling.**  
It's recommended & most valuable to complete this process in the earliest stage of the homebuying process.

## CONTACT US

**Shannon Graff**  
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HUD Certified Housing Counselor

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scan for application



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## WHAT DOCUMENTATION IS REQUIRED?

- Completed and Signed Down Payment Application
- Copy of Photo ID for Household Members 18+
- 3 mos. current & consecutive paystubs for all employed household members age 18+
- 18+ Verification of any additional income for all household members
- 2 Yrs. Most Recent Federal & State Income Tax Return
- 2 Yrs. Most Recent W2's
- 3 mos. current bank statements for ALL Checking and Savings accounts
- 1 mo. current statement for ALL Retirement and/or other investment accounts.
- Pre-Approval Letter from a lender
- Credit Report (can be requested from lender)
- Pre-Purchase Homebuyer Education & Counseling Intake Forms

## IS MY CREDIT CHECKED?

- Yes, Community Development will order a credit report on all applicants unless the lender is willing to share a copy of your report. If we pull your report, it is considered a soft pull which does not provide a credit score and does not count as an inquiry.

## HOW WILL I KNOW IF I'M APPROVED?

- Successful applicants will receive an approval letter from the City of Wausau Mayor along with a Down Payment Certificate.

## WHAT ABOUT OBTAINING A MORTGAGE?

- Applicant(s) will have 15 days from receipt of the Down Payment Certificate to provide a Pre-Approval Letter from their chosen lender if not provided at time of application.

## HOW MUCH TIME DO I HAVE TO FIND A HOME?

- Approved applicants will have 90 days from the approval date to provide Community Development, an accepted offer to purchase of an eligible property. Approval Extensions may be granted with approval by Community Development.

## DOES ANYONE NEED TO INSPECT THE PROPERTY?

- Yes, Community Development will inspect the home to ensure it meets Housing Quality Standards. This must be included as a contingency in the offer to purchase. This inspection does NOT take the place of a recommended Home Inspection.

## WHAT ARE THE MAXIMUM CLOSING FEES THAT CAN BE CHARGED BY THE LENDER?

- 1st mortgage closing costs shall not exceed \$4,500 which does not include prepaids (Homeowners Insurance, Taxes, etc.). Closing costs may exceed established amounts under special circumstances and the approval of the Development Director and/or Community Development Administrator.
- If a government loan (WHEDA, VA, FHA), closing costs can rise to \$5,500.

## HOW DO I APPLY?

- PDF Fillable applications can be obtained from the City of Wausau website below or by scanning the code below:
  - [www.wausauwi.gov/your-government/community-development/housing/available-assistance-programs](http://www.wausauwi.gov/your-government/community-development/housing/available-assistance-programs)
- Required documentation must be submitted via fax, email, mail, or hand-delivery to the contact on the front of this flyer

scan for application

