

# American Dream Downpayment Initiative (ADDI)

## What is ADDI?

The American Dream Downpayment Initiative (ADDI) aims to increase the homeownership rate, especially among lower income and minority households, and to revitalize and stabilize communities. ADDI will help first-time homebuyers with the biggest hurdle to homeownership: downpayment and closing costs.



## Is this a loan or a grant?

Funds will be provided in the form of a 0% loan that will be forgiven after five (5) years of owner occupancy. Repayment of the loan is not required as long as the homeowner occupies the property as a primary residence for at least five years.

## What can I do with ADDI?

ADDI will provide downpayment, closing costs, and rehabilitation assistance to eligible individuals. The amount of ADDI assistance provided may not exceed \$10,000 or six percent of the purchase price of the home, whichever is greater.

ADDI may be combined with up to an additional \$10,000 second mortgage loan, for a total loan of \$20,000, offered by the City of Raleigh, which can be repaid over a 30 year period.

## Do I qualify?

To be eligible for ADDI assistance, individuals must be first-time homebuyers interested in purchasing single family housing. A first-time homebuyer is defined as an individual and his or her spouse who have not owned a home during the three-year period prior to the purchase of a home with ADDI assistance.

Homebuyers must also complete a City-approved first-time homebuyer counseling course. The City of Raleigh contracts with DHIC, Inc. to provide



homeownership and credit counseling. For more information, contact DHIC at 832-4345.

The first-time homebuyer must be able to qualify for a first mortgage with a participating lender (a list of participating lenders is available upon request).

**What are the maximum household income limits for ADDI?**

Total annual household income must not exceed the following limits:

1 Person	\$39,950
2 Persons	\$45,650
3 Persons	\$51,350
4 Persons	\$57,050
5 Persons	\$61,600



**Where can I buy a house and how much can it cost?**

The property must be located in designated areas of the City (redevelopment, conservation, and approved census tracts, see map below). The purchase price cannot be more than \$150,000.

**How do I apply?**

Contact a participating lender to apply for your first mortgage and ask about ADDI. Call City of Raleigh Community Development at (919) 857-4330 to get a list of the lenders and to ask any questions about ADDI.



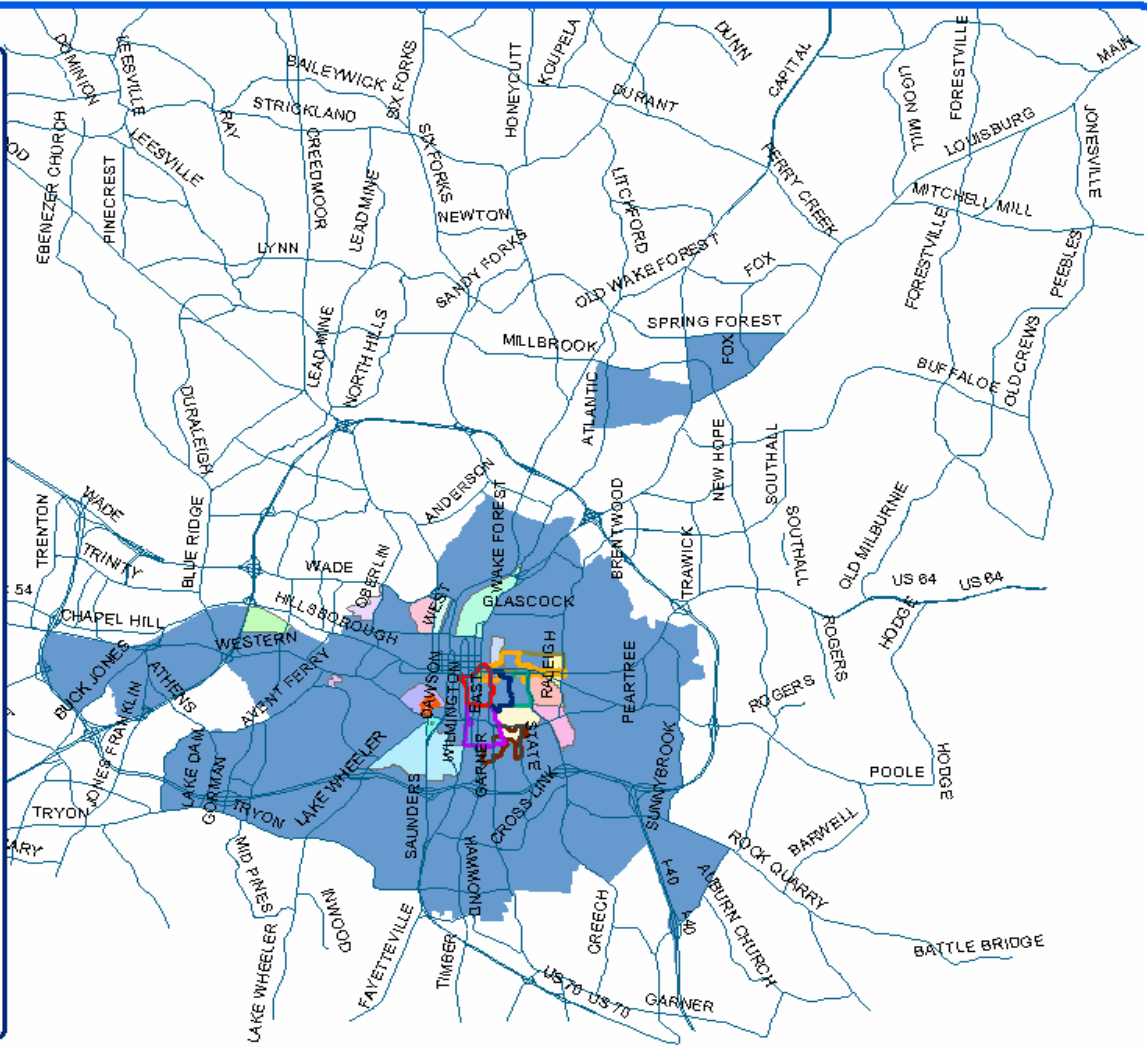
### Legend

- Downtown East
- Thompson Hunter II
- Saunders North
- Thompson Hunter I
- South Park
- New Bern/Edenton
- Jamaica Drive
- Garner Road
- College Park/Mdlewild

### Conservation Areas

#### NAME

- Battery Heights
- Boylan Heights
- Brooklyn
- Caraleigh-Fuller Heights
- Devereux Meadows
- Joe Louis Park
- Lincoln Park
- Method
- Mordecai
- Nazareth
- Oakwood
- Oberlin
- Watson Park
- Low-Income Census Tracts



## ADDI Eligible Areas

Information depicted herein is for reference purposes only and is compiled from the best available resources. The City of Raleigh assumes no responsibility for errors arising from the misuse of this map.

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