



## Things Homeowners Should Know Before Participating in the Purchase Assistance Program of the City of Boynton Beach

The State Housing Initiatives Partnership (SHIP) Program assists income eligible homebuyers with the purchase an existing property or a new home. Assistance may include gap financing, down payment and closing costs, and rehabilitation repairs needed to make the unit habitable. Rehabilitation is defined as repairs or improvements needed for safe and sanitary habitation, to correct substantial code violations, to improve accessibility for persons with special needs. **Property must be located within the City limits of Boynton Beach, Florida.**

### Terms:

1. Repayment loan/deferred loan/grant: Deferred loan secured by a note and mortgage.
2. Interest Rate: 0%
3. Years in loan term: 15 Years
4. Forgiveness: The loan is forgiven at the end of the 15-year term.
5. Repayment: No repayment as long as the loan is in good standing and no default occurs.
6. Default: The loan is in default if any of the following occurs during the loan term: sale, transfer, or conveyance of property; conversion to a rental property, vacating of property, loss of homestead exemption status; failure to occupy the home as primary residence, refinancing with cash out or debt consolidation, or subject to a Reverse Mortgage. If any of these occur, the outstanding balance of the deferred loan is due and payable to the City of Boynton Beach.

In cases where the qualifying homeowner(s) die during the loan term, an income eligible heir who will occupy the home as a primary residence may assume the loan. If the legal heir is not income eligible, chooses not to occupy the home, or the house is sold, transferred, or refinanced, the outstanding balance of the loan will be due and payable to the City of Boynton Beach. An income-eligible heir must execute a Mortgage and Promissory Note. The Mortgage will be recorded in the public records of Palm Beach County.

In the event where failure to pay the superior mortgage lien holder leads to foreclosure and/or loss of property, the City may foreclose and take legal actions to recover the secured mortgage funds.

Applicant must be a first-time homebuyer. Applicant(s) must complete a 6-hour Homebuyer Education class from a HUD-approved housing counseling agency or website prior to loan closing.

### Additional Information:

1. Applicant(s) must secure a fixed-rate, 30-year first mortgage loan from an institutional first mortgage lender with a rate not to exceed 0.5% over the "Primary Mortgage Market Survey". All bank and loan fees cannot exceed 6% of the loan amount.
2. Eligible properties include the purchase of existing single-family homes, duplexes,

townhouses, villas and condominiums. **Mobile homes are ineligible.**

3. Eligible property must be located within the City limits of Boynton Beach.
4. Applicant(s) minimum cash contribution shall be as follows:
  - Very Low Income or Disabled Households – \$1,000 or 1% of the purchase price, whichever is less. Includes all items pre-paid by the applicant;
  - Low Income – \$2,000 or 1.5% of the purchase price, whichever is less. Includes all items pre-paid by the applicant; and
  - Moderate Income – \$3,000 or 2% of the purchase price whichever is less. Includes all items pre-paid by the applicant.
5. Applicant(s) who have monetary assets exceeding \$25,000 (gifts included in the asset calculation) must contribute one-third (1/3) of the funds in excess of \$25,000, toward the purchase. The exception to this would be if the applicant has funds in a retirement fund accessible only by termination or retirement. This contribution would count toward the minimum down payment requirement.
6. Applicant(s) must not own any other property used for residential purposes.
7. Property will be inspected by a City Building Inspector or Construction Coordinator as part of the application review process, to ensure that the funding amount to be awarded would fully cover the cost to bring the property into compliance with minimum building codes intended to provide safe and sanitary habitation, as well as corrections needed to remedy substantial code violations.
8. Subordination of the SHIP program loan will not be approved for purposes other than to refinance the first mortgage on the subject property to improve rate and/or term. The City of Boynton Beach will only allow One (1) subordination approval during the term of the SHIP program loan. The City may consent to a subordination of its loan to allow the homebuyer to receive cash out for emergency home repairs that become necessary to sustain homeownership and maintain the health and safety of the residents.
9. The City of Boynton Beach reserves the right to deny any subordination request it deems not in its' or the homeowner's best interest i.e. exorbitant closing cost fees (closing cost may not exceed 6% of loan amount), interest rate may not exceed 1.5% of the current first mortgage. The authority to approve subordinate requests or exceptions to the Subordination Policy will rest the City Manager or his/her designee.

Applicant's gross household income (income from all sources before taxes and withholding for every household member, age 18 and over) may not exceed 120% of the area median income, as determined by the U.S. Department of Housing and Urban Development (HUD). Eligible applicant(s) will be assisted based on funding availability. Applicant(s) will be selected on a first-qualified, first-served basis. Only completed applications, with all applicable supporting documentation will be processed.

Order of Ranking Priority is as follows, with first-time applicants being a priority in each category:

- a. Special Needs households
  - a. Very low
  - b. Low
  - c. Moderate
  
- b. Essential Services Personnel
  - a. Very low
  - b. Low
  - c. Moderate

**PALM BEACH COUNTY INCOME GUIDELINES**  
 Palm Beach County Median Income = \$111,800  
2025 INCOME LIMITS

	1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons
Extremely Low-Income 30% Median	24,550	28,050	31,550	35,050	37,900	43,150	48,650	54,150
Very Low-Income 50% Median	40,950	46,800	52,600	58,450	63,150	67,850	72,500	77,200
Low-Income 80% Median	65,450	74,800	84,150	93,500	101,000	108,500	115,950	123,450
Moderate Income 120% Median	98,280	112,320	126,240	140,280	151,560	162,840	174,000	185,280

Source: HUD Income Limits (*subject to change annually*)  
 Fiscal Year 2025  
 Palm Beach County Median Income = \$111,800  
 HUD Released: 4/1/2025  
 FHFC Posted: 4/8/2025  
 Effective: 4/1/2025

In Accordance with the Provisions of the Americans with Disabilities Act, this document can be requested in an alternate format. Contact 561-742-6276 for assistance.