First Homes Community Land Trust (CLT)
GAP LOAN ELIGIBILITY & GUIDELINES

Eligible Borrower	Individuals and families who are first-time homebuyers
Eligible Property Types	Single Family, Townhomes, Condos Must be in First Homes CLT Must be owner-occupied
Ineligible Property Types	Manufactured homes Rental or investment property (non-homestead) Additional seasonal properties or second homes
Lending Area Counties	Olmsted, Dodge, Mower, Wabasha, Winona, Goodhue, Fillmore
Income Limits	Low to Moderate Income *As Defined Below* First Homes income limits are based on 80% Area Median Income (AMI) Other income limits may be required for specific funded programs or agencies
Gap Loan Amount	New construction - up to $10,000 for closing costs and/or down payment assistance Existing home - up to $5,000 for closing costs and/or down payment assistance Lender determines the need for a borrower based on debt-to-income ratio **Borrower may not receive funds or cash back at closing**
Program Requirements	Borrower(s) need to invest a minimum of $500 from their own funds (includes earnest funds)
Terms / Rates	0% interest-deferred gap loan up to 30 years (contiguous with first mortgage) Lender determines the buyer's affordability need on a case-by-case basis
Fees	$400 one-time gap loan processing fee paid at closing by buyer Additional title company and/or recording fees may apply
Re-Payment Agreement	Deferred Gap Loans are due and payable: 1. Upon sale/transfer of the title of the home 2. Refinance the loan 3. Termination of first mortgage or pay off first mortgage 4. Home is no longer owner-occupied by the borrower 5. There is no penalty to pay the loan off before one of these scenarios occur First Homes will only allow the gap loan to be subordinated when refinancing to shorten the term and/or reduce the interest rate on the first mortgage
Home Buyer Education	Homebuyers are required to complete a homeownership education class Classes are available in-person or online; cost may vary Class Information: www.threeriverscap.org or www.hocmn.org or www.semmchra.org

Location	*Income Limit	
Olmsted & Dodge Counties	$100,500	(*Income Limits Change Annually, as of 6/2/2025)
Other Counties	$93,600	