

Down Payment and Closing Cost Assistance

The Algona Housing Assistance Program is designed to help low and moderate income persons purchase single family residences in Algona. This is done by providing grants towards down payments or towards closing costs of mortgage loans.

All applicants must meet the income guidelines for 125% of county median income as adjusted for family size. Applications are made to the City of Algona's Housing Commission. A total five percent (5%) of purchase price or five thousand dollars (\$5,000), which ever is less, can be awarded for the purpose of meeting the down payment requirement of your lending institution or for paying the closing costs of your housing loan.

All applicants are required to fill out the application form. This form is available at the Algona City Hall. Office hours are 8 AM—5 PM Monday-Thursday and 8 AM—4:30 PM Fridays. You will also be required to submit three (3) years of income tax returns, income verification forms or pay stubs, and other applicable documents for all adults living in the house.

Application Approval

All applications are submitted to and approved by the Algona Housing Commission. The Commission meets as needed, but will make every effort to process all applications within fifteen (15) working days of receipt of the application. All applications will be considered in the order received, and grants will be awarded based on eligibility and available funds. A total of \$50,000 has been allocated for this program. A minimum of 10 grants will be awarded.

Algona Downpayment Assistance Program		
Income Guidelines		
Persons In Household	100% Income	125% Income Limit
1	\$ 40,400	\$ 61,937.50
2	\$ 46,200	\$ 70,750.00
3	\$ 52,000	\$ 79,625.00
4	\$ 57,750	\$ 88,437.50
5	\$ 62,350	\$ 95,500.00
6	\$ 66,950	\$ 102,652.50
7	\$ 71,600	\$ 109,687.50
8	\$ 76,200	\$ 116,750.00
Source: Rural, Economic and Community Development Division US Department of Agriculture for Kossuth County, Iowa		

Quick Facts

- Applicants must not exceed 125% of county median income as adjusted for family size.
- Awards will be no greater than 5% of purchase price or \$5,000 which ever is less.
- All applicants must review and agree to all provisions of the program guidelines.
- All applicants must complete the application form.
- Payback is upon sale of residence or transfer of property.
- Applicants are not required to be first time home buyers.
- Awards are for single family dwellings only.
- Applicants must be purchasing or constructing residence for personal home occupancy.
- Residence must be within the city limits of Algona.
- Applicants must have less than \$10,000 in short term assets.

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