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# Bryan Announces 'V.I. Slice', a New Homeownership Program Where the EDA Pays Downpayment For Qualifying Applicants

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Governor Albert Bryan has made reality a program he said was in the works for 90 days: "V.I. Slice", a new, moderate income homeownership program that sees the V.I. government, through the V.I. Economic Development Authority, funding the downpayment of an approved mortgage with up to \$100,000.

With the executives of four of the territory's top banks by his side — Oriental Bank, FirstBank VI, Bank of St. Croix and Banco Popular — the governor said the announcement is part of his administration's effort to turn more Virgin Islanders into homeowners. Merchant's Bank is also part of the program

"The whole point of this program is to provide gap financing that puts you in a home," Mr. Bryan made known Thursday. The V.I. Slice program took into consideration and addressed a hurdle that many potential homeowners faced: their income bracket exceeded the limits of qualification for available programs. In V.I. Slice, households making up to \$242,000 annually in St. Thomas, \$260,000 annually on St. John, and \$216,000 annually on St. Croix qualify for the program, Mr. Bryan made known.

It also covers several mortgage categories, including home purchase, home renovations, or even construction of a new home.

The governor also revealed, "One of the beauties of this program though, is that we know that paying a mortgage in the Virgin Islands is no joke, so in order to accommodate that, for the first time you can actually have a rental unit that's in your construction plans so that when you actually buy the house, you have something to supplement the income."

To qualify, an applicant has to be a resident of the territory for three years, or a born Virgin Islander. Additionally, if you were a past resident of the territory for ten years prior to moving elsewhere, you are eligible, the governor explained.

Here's how it works: Once you've identified a home to buy, renovate, or build from ground up, you apply for a mortgage through one of the five participating banks, the bank goes through the traditional process of mortgage approval, including credit history and employment status among other verifying processes. Once approved, the bank determines the downpayment you will need to come up with. Once the amount is determined, the EDA steps in to provide what is called the gap funding to the bank on behalf of the successful applicant. The EDA will fund up to \$100,000 for each successful applicant and keep a lien on this funding for ten years. After ten years has passed, the lien is dissolved and the applicant will continue making payments to the bank for the duration of the mortgage. The funding provided by the EDA becomes a grant after the 10-year lien, meaning the homebuyer will only pay the mortgage amount owed to the bank, and not the funding provided by the EDA. Each applicant will need to provide a minimum of \$5,000 towards the downpayment.

It is critical that applicants remember they must go through the traditional lending processes through a participating bank of their choice before being qualified. Applicants must also participate in and complete [an online homebuyer education course](#) with the V.I. Housing Finance Authority as part of the approval process.

"Just like a conventional mortgage, you find the house, you go to the bank to finance, the bank will determine how much money you need in order to do it," Mr. Bryan said. The program is being funded through American Rescue Act Plan with \$20 million, and applicants can begin the process now.