



TCEDA Housing Program

- Are you looking to move up to ownership if you're renting?
- Is your present home too small for your growing family?
- If you are eligible for the Homeowners Opportunity Program in Thayer County, this may be the time to get **AFFORDABLE HOUSING** for your family.



HOMEOWNERSHIP OPPORTUNITY PROGRAM (HOP)

- What is it?
- How can it work for you?

Read the rest of this handout to see if you and your family qualify for this DOWNPAYMENT ASSISTANCE

PROGRAM SUMMARY SHEET
Homebuyers Downpayment Assistance Program
for Thayer County Communities and surrounding areas
(A Program of the Thayer County Economic Development Alliance - TCEDA)
October 2010

Background: Thayer County Economic Development Alliance has received funds from the Nebraska Affordable Housing Program to provide down payment assistance to Homebuyers for the purchase of **existing homes**, within Thayer County. This Program Summary Sheet will outline the requirements of the Program. For more information, please contact **Arlis Hohl** at the address listed below.

Timeframe: This program will continue until all Downpayment subsidy funding is obligated or through October 2011. This program will be available to individuals and families on a first come, first serve and first to close basis until the funds are depleted.

Guidelines: Homebuyers must meet the following qualifications to receive assistance.

- 1 **Maximum Down Payment Subsidy:** Up to 20% of the total project cost, not to exceed \$17,000, with the total purchase price, not to exceed \$117,000 for an existing home. (Gap financing, only as needed for affordable housing.)
- 2 **Required Buyer Down Payment:** Homebuyers must contribute at least 2% of the purchase price as a minimum. This can be accounted for in closing costs and verified by a completed HUD 1 form.
- 3 **Other Property Requirements:** The home to be purchased cannot be located in a 100-Year flood zone area. The home to be purchased must be located within an area zoned for residential or agricultural use. If located within the county, the acreage on which the home is located must meet zoning regulations and be limited to three (3) acres. The home to be purchased must pass a "**Housing Quality Standards**" (HQS) inspection and a "**Lead Paint Hazard Screening**", (especially if the home was constructed prior to 1978), prior to closing. The home must be the **primary residence** of the new owner(s).
- 4 **Applicant Income Qualifications:**
Anticipated Income: Gross Annual Household Income cannot exceed the following, based on 100% of the Area Median Income and Household size indicated for Thayer County.

1 Person	2 People	3 People	4 People	5 People	6 People	7 People	8 + People
\$38,000	\$43,400	\$48,800	\$54,200	\$58,600	\$62,900	\$67,300	\$71,600

Eligibility determinations are based on anticipated income within the limits above. Copies of at least 2-current Wage statements, interest statements, unemployment compensation statements, and certification of any other forms of income verifications necessary will be required. (Applicant will also be required to furnish a copy of the latest Federal Income Tax Return.)

- 5 **Applicant Needs Primary/Lead Lender:** The applicant(s) are required to have a primary/lead lender finance the remaining balance of the home purchase. The HOP assistance will be a "conditional deferred loan", as a second mortgage. Therefore, the applicants must apply and secure financing from a financial institution of their choosing for a first mortgage. Land contracts will not be considered. Please contact Arlis Hohl at the address listed below for information on locating non-standard financing.
- 6 **Minor Rehabilitation:** TCEDA may provide funds to complete minor repair and/or rehabilitation work in the form of a "conditional grant" to meet Nebraska Department of Economic Development (DED Rehabilitation Standards. The maximum amount of these grants will be \$8500 per home. Any and all work to be completed must meet the DED rehabilitation Standards. Additional rehabilitation funds may also be secured through the USDA RD Section 502 or 504 programs. TCEDA reserves the right to deny assistance in the event that the rehabilitation work required to bring the home up to DED Housing Rehabilitation Standards

exceeds the maximum allowable grant amount of \$8500 and/or the home cannot be brought up to the Standards. These grants may be \$0 to \$8500 depending on the needs of the home. This rehab money is available on a first come, first serve priority until the money is depleted. The TCEDA Housing Committee must approve any rehabilitation projects. Bids are required for each project. All approved rehabilitation work will be completed after the purchase of the property and must be completed within 6 months of the purchase closing dates.

OTHER PROGRAM CONDITIONS:

Homeownership Education: Applicants must complete a **Homebuyer Education Class** prior to any loan closing. Please work with your mortgage lender for a list of classes or contact TCEDA at the address listed below for a list of homebuyer education providers.

Security: The buyer will be required to execute a **Promissory Note** in the amount of the downpayment assistance, which will be a “soft” second mortgage with no direct repayment as a “conditional deferred loan”. For any rehabilitation funds used in the project a second Promissory Note will be required identifying a “Conditional Grant”. TCEDA will place a **Deed of Trust** against the property as security for the Promissory Note(s). Security Documents will be executed at loan closing and filed at the County Register of Deeds.

- The obligations of the **“Conditional Deferred Loan”** will hold for the entire ownership of the property. Obligations under the note are as follows: If the buyer moves, rents, sells, transfers the title or abandons the home purchased through this program, repayment of the subsidy amount in full will be required at 0% interest.
- Any **“Conditional Grant”** for rehabilitation activities will have a decreasing balance and will be forgiven after 5 years.

Program Application Process:

In order to access this program, the following steps should be taken:

- Complete the HOP Application
- Provide a copy of the applicant’s latest Income Tax Return for all household members that are required to file.
- Provide a copy of the applicant’s current wage statements (at least two consecutive pay periods), for all household members employed.
- Return the executed Application and requested documents to Arlis Hohl, TCEDA Housing Program Manager, 225 North 4th Street, Hebron, NE 68370, phone 402-768-7407 or fax 402-768-6128.

Further Information: If you have any questions, or need additional information, please contact Arlis Hohl at the address listed below. Thayer County Economic Development Alliance is an equal opportunity housing organization working to assist Homebuyers. We congratulate and encourage Homebuyers on their efforts to purchase homes and build equity for the future.

Thayer County Economic Development Alliance, Inc.
225 North 4th Street, Hebron NE 68370
Phone: (402) 768-7407 ~ Fax: (402) 768-6128 ~ E-mail: tceda@diodecom.net
Equal Housing Opportunity

APPLICATION FOR
The HOMEOWNERSHIP OPPORTUNITY PROGRAM (HOP)
FOR THAYER COUNTY

provided by the
THAYER COUNTY ECONOMIC DEVELOPMENT ALLIANCE (TCEDA)

http://www.thayercounty.org/house_prog.htm

SECTION ONE: APPLICANT DATA

Name of Applicant: _____ SS# _____
Spouse: _____ SS# _____
Applicant Birthday: _____ Spouse Birthday: _____
Current Address: _____
Phone: _____
How long have you lived at this address? _____ Years _____ Months
Previous address if less than 2 years at the above address:

Others living with you at this address:

<u>Name:</u>	<u>Age:</u>	<u>Relationship</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

SECTION TWO: EMPLOYMENT DATA

Please Note: This information will be verified with employer.

Please include information on each member of household over 18:

<u>Employer Name/Address:</u>	<u>Position:</u>	<u>Years on Job:</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

If employed in current position for less than two years, please furnish information about previous:

<u>Employer Name/Address:</u>	<u>Position:</u>	<u>Years on Job:</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

SECTION THREE: APPLICANT INCOME DATA

Please Note: This information will be verified and the lending institution of your choice will obtain a credit report on each working member of the household. The TCEDA may also obtain a credit report.

Include **all Gross income** from all sources; sources may include wages, child support, alimony, social security, etc. Overtime and bonuses need not be included as they are not guaranteed income.

	<u>Source(s)</u>	<u>Monthly Income</u>	<u>Annual Income</u>
Applicant Income:	_____	\$ _____	\$ _____
	_____	_____	_____
	_____	_____	_____
Spouse Income: (Co-applicant)	_____	_____	_____
	_____	_____	_____
Other Sources:	_____	_____	_____
	_____	_____	_____
TOTAL HOUSEHOLD INCOME.....		\$ _____	\$ _____

ASSETS:

Liquid Assets – Bank, Savings & Loan (S&L) & Credit Union

Name of Bank, S&L or Credit Union: _____
 Address: _____
 _____ Current Balance: \$ _____

Name of Bank, S&L or Credit Union: _____
 Address: _____
 _____ Current Balance: \$ _____

Name of Bank, S&L or Credit Union: _____
 Address: _____
 _____ Current Balance: \$ _____

Liquid Assets - Stocks & Bonds

Company Name: _____
 Address: _____
 _____ Value: \$ _____

Company Name: _____
 Address: _____
 _____ Value: \$ _____

Liquid Assets – Life Insurance

Company Name: _____
 Address: _____
 _____ Net Cash Value: _____
 _____ Face Value: \$ _____

Liquid Assets – Life Insurance

Company Name: _____
 Address: _____
 _____ Net Cash Value: _____
 _____ Face Value: \$ _____

Assets – Real Estate Owned

Address: _____

Market Value: \$ _____

Assets – Real Estate Owned

Address: _____

Market Value: \$ _____

Assets – Retirement Fund

Vested Interest in Retirement Fund: _____
Address: _____

\$ _____

Assets – Retirement Fund

Vested Interest in Retirement Fund: _____
Address: _____

\$ _____

Assets – Automobiles

Auto #1 Make/Model: _____
Auto #2 Make/Model: _____
Auto #3 Make/Model: _____

Year: _____ Value: \$ _____
Year: _____ Value: \$ _____
Year: _____ Value: \$ _____

INCOME LIMITS for the HOP in THAYER County and Communities:

- | | |
|---------------------|---------------------|
| 1 PERSON: \$38,000 | 5 PERSONS: \$58,600 |
| 2 PERSONS: \$43,400 | 6 PERSONS: \$62,900 |
| 3 PERSONS: \$48,800 | 7 PERSONS: \$67,300 |
| 4 PERSONS: \$54,200 | 8 PERSONS: \$71,600 |

Does your Gross Annual Household Income fall **below** these limits for your family size?

Yes _____ No _____

SECTION FOUR: APPLICANT DEBT DATA

Please include and provide details for rent, utilities, child support paid, alimony paid, charge accounts - any amount that is paid out monthly.

<u>Creditor:</u>	<u>Monthly Payment:</u>	<u>Unpaid Balance:</u>
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____

SECTION FIVE: MISCELLANEOUS DATA

Please answer the following questions by checking Yes or No as appropriate.

- 1. Have you owned residential real estate within the past three years? Yes No
- 2. Are you willing to attend a class on Homeownership? Yes No
- 3. Can you furnish a letter of recommendation from your landlord? Yes No
- 4. Do you presently budget your expenses? Yes No
- 5. Are there any outstanding judgments against any member of your household? Yes No
- 6. Has a member of your household been declared bankrupt within the past 7 years? Yes No
- 7. Are any members of your household currently party to a lawsuit? Yes No
- 8. Are you currently delinquent or in default on any loan of any kind? Yes No
- 9. Are you obligated to pay alimony, child support, or maintenance? Yes No
- 10. Are you a co-maker or endorser on any note? Yes No
- 11. Are you a United States citizen? Yes No

12. Address/Location of proposed property for purchase:

13. Do you have a proposed Purchase Agreement for the identified property? Yes No

14. Do you anticipate changes in the income of any household member during the upcoming 12 months? Yes No
Please explain any anticipated change: _____

SECTION SIX: APPLICANT CERTIFICATION

If preliminary approval is obtained for eligibility for the Homeownership Opportunity Program, please be advised that a loan application will need to be made and subsequently approved by a lending institution for long-term financing of the new home (1st Mortgage).

*****Please Note: This program requires a minimum 2% downpayment from the buyer on the purchase price of a home. Assets in excess of \$5,000.00 may be required to be applied to closing costs and the downpayment.***

CERTIFICATION

I/WE CERTIFY THAT THE INFORMATION PROVIDED WITHIN THIS APPLICATION IS TRUE AND CORRECT AS OF THE DATE SHOWN BELOW. IN THE EVENT THAT MY/OUR FINANCIAL CIRCUMSTANCES CHANGE BEFORE THE CLOSING OF THE LOAN ON A HOME, I WILL, WITHIN TEN DAYS, NOTIFY THAYER COUNTY ECONOMIC DEVELOPMENT ALLIANCE (TCEDA) AND RE-SUBMIT AN APPLICATION TO TCEDA..

I (We) hereby authorize the TCEDA to verify the following items:

- Incomes
- Employment
- Assets
- Deposits
- Information supplied to primary lender, including loan conditions and credit scores

We also understand that this federally funded program requires the following:

- "Housing Quality Standards" (HQS) Inspection for the proposed home to be purchased (Cost to be covered by Buyer and/or Seller)
- "Lead Hazard Paint Screening" for the proposed home to be purchased (Cost to be covered at program expense, not homebuyer or seller.)
- Homebuyer Education training

Signature: _____ Date: _____

Signature: _____ Date: _____

**Homeownership Opportunity Program (HOP)
Housing Survey**

If you have identified a home you are interested in purchasing, please complete the following.

Name(s): _____

Address of Home to be Purchased: _____

City/Zip: _____

Proposed Purchase Price: \$ _____

- | | | | |
|--|-----|----|------------|
| Has the home been built in the last 6 months (circle one)? | Yes | No | Don't Know |
| Was the home built before 1978 (circle one)? | Yes | No | Don't Know |
| Have you signed a Purchase Agreement (circle one)? | Yes | No | |

If you have applied for financing, please complete the following:

Lead Lender: _____

Contact Name: _____

Address: _____

City/State/ZIP Code: _____

Phone: _____

Financing Application Date: _____

Has your financing been approved (circle one)? Yes No In Progress

Please mail or bring this signed application to:

Arlis Hohl – TCEDA Director
Thayer County Economic Development Alliance
225 North 4th Street
Hebron, NE 68370
(402) 768-7407

(Last updated 12/09)

