

Eastern Panhandle HOME Consortium of West Virginia HOMEBUYER ASSISTANCE PROGRAM

WHAT IS IT? A **homebuyer assistance program (HAP)** for first time homebuyers in Berkeley County and Morgan County and the City of Martinsburg. HAP provides income-eligible buyers with a **deferred no-interest loan** for downpayment and closing costs. **The loan is forgiven if the buyer remains in the home for the term of the loan.** The amount of the loan depends on the buyer's need for assistance.

WHO CAN USE HAP?

- FIRST TIME HOMEBUYERS
- INCOME ELIGIBLE*
- GEOGRAPHIC LIMITS APPLY
- HOUSE MUST PASS CODE INSPECTION



HOW DOES HAP WORK?

- BE PRE-QUALIFIED BY A MORTGAGE LENDER
- COMPLETE HOMEBUYER EDUCATION
- BORROW UP TO \$20,000 FOR DOWNPAYMENT AND CLOSING COSTS
- **HAP LOAN AMOUNT DEPENDS ON HOMEBUYER'S ABILITY TO AFFORD THE FIRST MORTGAGE PAYMENT**
- TERMS ARE 5 YEARS FOR LOANS LESS THAN \$15,000; 10 YEARS FOR LOANS OF \$15,000 OR MORE.
- **HAP LOAN IS ZERO INTEREST AND DOES NOT NEED TO BE REPAYED IF BUYER REMAINS IN THE HOME FOR THE TERM OF THE LOAN (5 OR 10 YEARS)**
- NO MONTHLY HAP PAYMENT

*HOUSEHOLD INCOME LIMITS SHOWN FOR EACH HOUSEHOLD SIZE (March 20, 2009)

1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
\$38,750	\$44,300	\$49,800	\$55,350	\$59,800	\$64,200	\$68,650	\$73,050

FOR COMPLETE PROGRAM GUIDELINES & APPLICATIONS
CONTACT COMMUNITY DEVELOPMENT AT (304) 264-2131, EXT 278 or
pmcmillan@cityofmartinsburg.org



Program Requirements

Applicants Must:

- Secure a pre-qualification letter from a mortgage lender listing loan amount, rate and term. Only fixed-rated mortgages are allowed – no adjustable rate mortgages.
- Successfully **complete homebuyer education** through an approved housing counseling program, receiving a certificate of completion. Cost of homebuyer class can be included in homebuyer's required minimum cash contribution toward the purchase. Contact Telamon at 304-263-0916 x 13 for class schedule.
- Complete a Pre-Application for a HOME Certificate of Eligibility. The Certificate is valid for a period of six months the date issued. ***This is not a funds reservation or commitment.***

Finding a Home/Reservation of HOME Funds:

- Homebuyer finds a suitable dwelling within Berkeley County, the City of Martinsburg, or Morgan County (except Town of Bath). Eligible dwelling units may be an attached or detached single family home.
- The HOME Administrator will confer with lender, realtor and homebuyer to determine estimated HAP funding needed for the downpayment and closing.
- **The amount of HOME HAP funds is determined by the amount needed to qualify the purchasers for the first mortgage payment (Principal, Interest, Taxes and Homeowners Insurance) that does not to exceed 33% (maximum) of household monthly income.**
- **HOME funds will be reserved for certificate holders on a first-come first-served basis after they execute a contract for purchase. The reservation of HOME funds is valid for 90 days with possible extension.**
- **All household members and income must be included to determine income eligibility (not just the buyer).**
- The homebuyer must provide a minimum \$500 toward the purchase. HAP closing cost assistance will not exceed \$2,500.
- **Request an inspection.** Dwelling must meet local property codes, or purchaser must escrow sufficient funds to bring the property into code compliance within three months of purchase. Property may not be occupied until repairs are completed.
- The HOME Administrator will review, approve or deny all applications for HOME Homebuyer Assistance Program funds and commitment of HOME funds.
- The HOME Administrator will provide all grant agreement documents necessary to secure the HOME funds and to ensure compliance with program regulations and other federal requirements.

For more information, contact: Patricia McMillan, HOME Administrator
Community Development Department at (304) 264-2131 x 278 or pmcmillan@cityofmartinsburg.org

EQUAL HOUSING OPPORTUNITY