



City of Wichita's HOMEownership 80 Program First-Time Homebuyer Assistance

The City of Wichita offers a program that assists persons/families with low- to moderate-incomes in buying their first home. First-time homebuyer assistance is provided in the form of a zero-interest, deferred (no monthly payments) loan.

Facts About HOMEownership 80 Deferred Payment Loans

- The HOMEownership 80 Program deferred payment assistance loan is secured by a second mortgage on your new home and is payable to the City of Wichita when you sell your home, no longer occupy your home as your primary residence, or if you refinance your home.
 - Assists you in meeting your **down payment** and/or **closing costs** obligations.
 - Maximum amount of the assistance loan is the lesser of **20%** of the purchase price of the home, plus \$2,000 for closing costs, or the amount required by your first mortgage lender, for loan approval. Homebuyers may utilize additional cash assets or other down payment assistance programs in combination with HOMEownership 80. If this is the case, the assistance loan amount will be reduced to achieve a 70% loan-to-value first mortgage ratio threshold, unless lender approval conditions or payment ratio requirements dictate otherwise.
 - One-half of the loan will be forgiven following a period of 5 years, if your loan is less than \$15,000, or a period of 10 years, if your loan is greater than \$15,000. You must continue to own and occupy the home for the specified period, to be eligible for loan forgiveness. Your loan documents will specify the exact terms in this regard.
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The Following Criteria Must Be Met For Participation In The Program:

- Applicants must not have owned a home within the last three years unless they are single parents with custody of minor children.
- Program applicants should have a credit history free of delinquent obligations and have a *demonstrated ability to qualify* for a first mortgage that meets program requirements. (See details on reverse side of this page.)
- Completion of an approved homebuyer training course, as evidenced by a completion certificate.
- Applicants must be able to provide \$1,000 of their own money to complete the home purchase.
- Household income may not exceed the following amounts, based on household size.

1 - \$47,500
5 - \$73,300

2 - \$54,300
6 - \$78,750

3 - \$61,100
7 - \$84,150

4 - \$67,850
8 - \$89,600

Properties Eligible for the Program:

- Homes constructed by one of the City's Community Housing Development Organizations, or non-profit or for-profit housing development partners.

READ BEFORE FILLING OUT THE HOME 80 APPLICATION!

- 1. Application:** Submit an application to the Housing and Community Services Department. A copy of the most recent tax return for each applicant, copies of most recent W-2 statements for each applicant, copies of paystubs/pay documentation for the two most recent months. (If paid monthly, two paystubs, if paid two times per month, four paystubs, if paid every other week, five paystubs. Also, you must submit copies of your most recent bank statement for two months, and statements for IRA, 401K accounts or any other investment accounts, covering a period of two months.
- 2. Homebuyer Training Classes:** Attend and complete a city recognized homeownership training session. You can register for a training session by contacting Consumer Credit Counseling Services at 265-2000.
- 3.** After submitting your application, your income will be verified by the HOME 80 program staff. Applications that are incomplete or that do not include **ALL** of the requested documentation **WILL BE DELAYED**. Therefore, *it is imperative that you review your application BEFORE submission* to be certain you include ALL the information the application specifically requests, including signatures.
- 4.** When your application is approved, you will receive your HOME 80 funding **commitment letter** from the HOME 80 program stating that you are approved to purchase a home. If you are not approved, you will receive a **declination letter** in the mail.
- 5.** When applying for the HOME 80 program, we strongly encourage you to schedule a “pre-qualifying” appointment with a reputable lender (e.g., mortgage company, bank, etc.) offering competitive interest rates, if you have not done so. There is a possibility that you may have to resolve some credit problems or other home financing issues prior to qualifying for a home loan.
- 6. First Mortgage Loan Standards:** First mortgage loans used in conjunction with the HOMEownership 80 Program must be fixed-rate loans. “Balloon” payment loans, graduated payment loans, and adjustable-rate loans are not acceptable. First mortgage loan interest rates may not exceed the rate for 30-year fixed rate mortgage loans as reflected at www.freddiemac.com or prevailing rates for prime rate first mortgage loans for the Wichita area.
- 7. Loan Qualifying Guidelines:** Monthly mortgage payment amounts, including principal, interest, taxes and insurance (PITI) may not exceed 31% of monthly income, and PITI plus any monthly debt service payments may not exceed 43% of monthly income, as determined by your first mortgage lender.
- 8. A copy of the purchase contract signed by all parties must be provided to HOMEownership 80 Program staff.**
- 9.** Once you have a property under contract, you must obtain a commitment for a first mortgage loan from a lender. Please instruct your lender send a copy of the "**loan estimate**" to our office.

(Keep this sheet for your records before submitting the application.)



CITY OF WICHITA
Housing and Community Services Department

- HOMEownership 80
New Construction Infill
Other

Thank you for applying for assistance under one of the City's HOMEownership Assistance Programs. Please read the application carefully and supply all required information and documentation.

SECTION I - Personal Information

Yes, I've read and understand the attached informational flier that explains the City's program in detail. I am aware of all the requirements and limitations of the program.

1. Applicant

Soc.Sec.# Home Ph# Work Ph#

Are you a citizen or national of the United States? Yes No

2. Coapplicant

Soc.Sec.# Home Ph# Work Ph#

Are you a citizen or national of the United States? Yes No

Current Address Zip Code

Own or Rent? How long at this address? Years Months

Is this a Public Housing Unit or are you receiving Section 8 Assistance? Yes No

Marital Status Married Unmarried Legally Separated

Landlord Name Current Monthly Rent \$

Landlord Address

Last, Previous Address Zip Code

Own or Rent? How long at this address? Years Months

Names and ages of those who will live with you, in your new home, six months or more of each year:

Number of cars owned Make(s) and Year(s)

SECTION II - Work History

1. **Applicant's Current Employer:** _____ Start Date ____/____/____

Address _____

Annual income \$ _____ Do you receive overtime? _____ Monthly Gross \$ _____

Do you receive child support? Yes _____ No _____ Amount \$ _____ per _____
Court Case No. _____ (Provide case number for each child, whether or not child support is received.)

Attach a copy of your tax return for the most recent year. Provide all supporting tax schedules, 1099 forms and your W-2 forms. You must attach a copy of 5 of your most recent paycheck stubs if paid biweekly, 10 paystubs if paid weekly and 2 paystubs if paid monthly. In addition, it will be necessary for you to provide 2 months checking account statements, and/or savings account statement, statements for any IRA or 401 K accounts, and statements for any investment accounts. This information is required in order to determine your eligibility to participate in the program as a low-income, first-time homebuyer.

Previous Employer _____

Address _____

Dates: From _____ To _____ Annual Income \$ _____

Additional Income: Attach copies of supporting documentation, such as W-2s, 1099s, benefit statements, award letters, certificates of deposit, bonds, and any other interest bearing investment.

Source _____ Annual Amount _____

Source _____ Annual Amount _____

2. Co-Applicant's Employment

Current Employer _____ Start Date ____/____/____

Address _____

Annual income \$ _____ **Attach same supporting documents as required by Applicant 1**

Previous Employer _____

Address _____

Dates: From _____ To _____ Annual Income \$ _____

Additional Income: Attach same supporting documents as required by Applicant 1

Source _____ Annual Amount _____

Source _____ Annual Amount _____

SECTION III - Financial Information

Name of Bank _____

Address _____

Account # _____ Balance \$ _____

Account # _____ Balance \$ _____

PRESENT CREDITORS You MUST INCLUDE ALL installment and revolving accounts, term loans, day care payments, child support payments, alimony payments, etc.

<u>Name & Address</u>	<u>Loan/Acct No.</u>	<u>Balance</u>	<u>Payment</u>
_____	# _____	\$ _____	\$ _____
_____	# _____	\$ _____	\$ _____
_____	# _____	\$ _____	\$ _____
_____	# _____	\$ _____	\$ _____
_____	# _____	\$ _____	\$ _____
_____	# _____	\$ _____	\$ _____

(Use the back of this page to list any additional creditors.)

Have you ever filed for bankruptcy? _____ If yes, when? _____

Have you ever owned any real estate? _____ Did any ownership of real estate result in foreclosure or similar action? _____ If yes, please explain: (Use the back side of this page for additional space) _____

ASSETS

IRA Accounts/401K _____ Value _____

Stock Holdings _____ Value _____

Bond Holdings _____ Value _____

Real Estate: Address _____

Current Value \$ _____ Balance owed \$ _____

Whole Life Insurance Cash Value _____

You are required to provide your latest statement if you have any of the above assets.

SECTION IV - Federal Reporting: The following information is requested by the Federal Government for certain types of loans related to a dwelling, in order to monitor the Lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws.

BORROWER

Ethnicity: (Select only one)

Hispanic or Latino
 Not Hispanic or Latino

Race: (Select one or more)

American Indian/Alaska Native
 Black or African American
 Asian
 White
 Native Hawaiian/Other Pacific Islander

CO-BORROWER

Ethnicity: (Select only one)

Hispanic or Latino
 Not Hispanic or Latino

Race: (Select one or more)

American Indian/Alaska Native
 Black or African American
 Asian
 White
 Native Hawaiian/Other Pacific Islander

- I (we) certify that the above income and household composition is true and factual to the best of my knowledge and belief. I understand that by providing false information on income and family size, it will constitute a fraudulent action and my (our) application may be denied.
- I (we) understand that submitting this form does not obligate me (us) in any way, nor does it create any obligation by any other participating party or organization to sell me (us) a house.
- I (we) hereby authorize any credit reporting agency to release information to the Housing and Community Services Department, City of Wichita, and/or any participating lender for the purpose of verification: information concerning employment history, banking, landlord, mortgage or consumer loan rating, and any other information deemed necessary in connection with a consumer credit report for a real estate transaction. This information will be kept confidential.

DISCLOSURE STATEMENT

The assistance provided for the down payment and closing costs under the HOMEownership 80 program is provided in the form of a non-interest bearing deferred loan that will be secured by a **second mortgage** against your new home. There are no monthly payments required in connection with this loan. Repayment is not required until such time as you cease to use the property as your principal residence, or until you sell the home or refinance your first mortgage loan.

HOMEownership 80 assistance loans cannot be provided in connection with Contract for Deed, Contract Sale, or Installment Sale agreements.

Applicant Signature _____ Date _____

Co-Applicant Signature _____ Date _____

Please return completed application and supply us with all the necessary supporting information. Applications will be accepted at the following location between the hours of 8:00 a.m. and 5:00 p.m.:

Housing and Community Services Department, 455 N. Main, Wichita, KS 67202, 316-462-3700

This form MUST BE completed and returned with application!

Income Worksheet

Income Sources	List MONTHLY income for each	
	Borrower	Co-Borrower
Base Income from Employment (Gross)		
Overtime (Gross)		
Bonuses (Gross)		
Military pay allowances		
Dividends, Interest, Royalties, and Trust Income		
Business Activities or Investments		
Net Rental Income		
Social Security Income (Including Disability)		
Pension, Retirement, Disability Insurance Payments, or Death Benefits		
Veterans Administration compensation		
Unemployment Compensation; Workers Compensation; Severance Pay		
Sick Pay		
Alimony and/or Child Support		
Welfare Assistance		
Regular Contributions or Gifts		
Actual or imputed income from Family assets (including 401K and IRA plans)		
Any other income		
<i>TOTAL</i>	_____	_____
	<u>x 12</u>	<u>x 12</u>
TOTAL ANNUAL HOUSEHOLD INCOME	_____	_____

CHILD SUPPORT

Is there currently a child support order in place for any of your children, for whom you are not receiving child support payments? **(check one)** **Yes** **No**

If there is currently no child support order in place, are you pursuing a child support order?
(check one) **Yes** **No**

The information on this form is to be used to determine maximum income for eligibility for assistance under a Housing Services Department program. I/We certify that the information above is true and complete to the best of my/our knowledge and belief and is given under penalty of perjury.

Applicant Signature _____ **Date** _____

Co-Applicant Signature _____ **Date** _____

**Authorization for the
Release of Information**

**U. S. Department of Housing & Urban Development
Office of Housing - Office of Public & Indian Housing**

<p>HOME Program Housing and Community Services Department 455 N. Main Wichita, KS 67202 (316) 462-3700</p>	
<p>Purpose The U.S. Department of Housing and Urban Development (HUD) and the above-named organization and the information obtained with it, to administer and enforce program rules and policies.</p> <p>Authorization I authorize the release of any information (including documentation and other materials) pertinent to eligibility for or participation under any of the following programs: Home Investment Partnerships Program Low-Income Rental Indian Housing Low-Income Rental Public Housing Mutual Help HOMEownership Opportunity Program Rental Assistance Program (RAP) Rent Supplement Section 8 FSS Program Section 8 Housing Assistance Payments Program Section 23 and 10c Leased Housing Section 23 Housing Assistance Payments Section 202 Section 221 (d) (3) Below Market Interest Rate Turnkey III Homeownership Opportunities Program I authorize the above-named organization and HUD to obtain information about me or my family that is pertinent to eligibility for or participation in assisted housing programs. I authorize only HUD, and Indian Housing Authority, or a public Housing agency to obtain information on wages or unemployment compensation from State Employment Securities Agencies.</p> <p>Information Covered Inquiries May Be Made About: Childcare expenses Credit History Criminal Activity Family composition Employment Income, Pensions, and Assets Federal, State, Tribal, or Local Benefits Handicapped Assistance Expenses Identity and Marital Status Medical Expenses Social Security Numbers Residences and Rental History This form cannot be used to request a copy of a tax return. Instead use IRS Form 4506</p>	<p>Individuals/Organizations That May Release Information Any individual or organization may be asked to release information. For example, information may be requested from: Banks and Other Financial Institutions Courts Law Enforcement Agencies Credit Bureaus Employers, Past and Present Landlords Providers of: Alimony Child Care Child Support Credit Handicapped Assistance Medical Care Pension/Annuities Schools and Colleges U.S. Social Security Administration U.S. Department of Veteran Affairs Utility companies Welfare Agencies</p> <p>Computer Matching Notice & Consent I agree that a Public Housing Agency, Indian Housing Authority, or HUD may conduct computer matching programs with other governmental agencies including Federal, State, Tribal, or local agencies. The governmental Include: U.S. Office of Personnel Management U.S. Social Security Administration U.S. Department of Defense U.S. Postal Service State Employment Security Agencies State Welfare and Food Stamp Agencies The match will be used to verify information supplied by the family.</p> <p>Conditions I agree that photocopies of this authorization may be used for the purposes stated above. If I do not sign this authorization, I also understand that my housing assistance may be denied or terminated.</p>
<p>Print name</p>	<p>Print name</p>
<p>Date</p>	<p>Date</p>
<p>Address</p>	<p>Address</p>
<p>City, State, Zip</p>	<p>City, State, Zip</p>
<p>Signature</p>	<p>Signature</p>