

# APPLICATION PACKET



## Union County Affordable Housing Fund First Time Homebuyers Program

This packet includes  
Preliminary Application  
Rules and Procedures  
Income Limits

Revised May 27, 2010  
Revised October 8, 2009



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## **Union County Affordable Housing Down Payment & Assistance Program**

### Rules and Procedures

#### **I. Eligibility:**

- A. Applicant – Any legal resident of the United States who meets the income, use, location and residency requirements as hereinafter provided.
- B. Income Requirements – Total income of all members of the household cannot exceed 100% of the median family income for Union County as adjusted annually. The applicant must qualify as of the date of initial application to the Union County Affordable Housing Fund Board. The application shall expire after six (6) months from date of submission.
- C. Use Requirement – The applicant must reside in and use the purchased property as his/her principal place of residence. The property may be a one or two family home; income may be derived from rents for one dwelling unit. The property must meet the minimum property maintenance standards as recommended by the Union County Affordable Housing Fund Board and approved by the Union County Commissioners.
- D. Location Requirement – The property to be purchased must be located within Union County.
- E. Minimum Buyer Contribution – The applicant shall contribute a minimum of three (3%) percent of the purchase price of the property from their own sources, not including gifted funds.
- F. Credit History – Credit worthiness shall be determined by the participating lender, the applicant must have an acceptable credit history and the ability to make monthly mortgage payments on the property he/she expects to buy.
- G. Mandatory Home Owner Training – Applicants must obtain a certificate of completion from the Union County Housing Authority's Home Ownership Institute in order to be eligible for the program.

#### **II. Use of funds:**

- A. Second Mortgage Loans may be made to eligible applicants for the following purposes:
  - 1. Down Payment Assistance.
  - 2. Prepaid expenses at closing:
    - a. Real Estate Taxes
    - b. Insurance
    - c. Interest
    - d. Escrow for taxes and insurance.
  - 3. Improvements required by the lender.  
**Use of funds (continued)...**
  - 4. Improvements to structures necessary for handicapped accessibility.

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5. Other expenses including but not limited to closing costs, radon inspections, property inspections, and wood infestation inspections.
- B. Funds shall be distributed in the following manner:
  1. The maximum amount of any mortgage shall be \$10,000 or 10% of the purchase price; whichever is *less*.
  2. The total amount of any loan shall not exceed \$10,000.
- C. Second Mortgage Loans shall be recorded on behalf of the County of Union.
- D. Second Mortgage Loans shall be interest free.
- E. Second Mortgage Loans shall be repaid at such time as the property is refinanced or sold by the applicant. Second Mortgage loans are NOT forgiven.
- F. Approved funds shall be available until the expiration of the Sales Agreement.

### **III. Applications:**

- A. Applications shall be made to the Union County Affordable Housing Fund Board.
- B. Applications shall be made on forms approved by the Union County Affordable Housing Fund Board.
- C. Application procedures:
  1. Applicant must first be deemed eligible
  2. Complete Home Ownership Institute training.
  3. Obtain mortgage from a financial lender.

\*At any stage of the above application procedures an applicant may be pre-approved by a financial lender.
- D. Applications shall be accepted year round. The Union County Affordable Housing Fund Board shall meet on an as needed basis to review applications.
- E. The Affordable Housing Fund Board shall recommend to the Union County Board of Commissioners to approve any loan made under this program.

### **IV. Purchase Limits:**

1. Loans shall not be authorized for any purchase for which the appraised value of the property is less than the agreed upon purchase price of the property.
2. Construction Contracts for newly constructed dwellings shall be firm and shall contain no escalator clause of any kind.

### **V. Settlement:**

The lender, applicant, and the County shall make settlement arrangements.

The Union County Affordable Housing Fund Board shall be represented at settlement.

**Notice of Non-Discrimination** – *The Union County Affordable Housing Fund Program is conducted in a manner that shall not discriminate on the basis of race, color, creed, national origin, religion, ancestry, sex, age, handicap or familial status.*



Union County Affordable Housing Trust Fund  
 155 North 15<sup>th</sup> Street  
 Lewisburg, PA 17837  
 Phone: (570) 524-3840  
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**PRELIMINARY APPLICATION ASSISTANCE**  
**Union County Affordable Housing Trust Fund**

This form is to be completed by those applicants desiring to utilize the Union County Affordable Housing Fund Board's Second Mortgage Loan Program for first time homebuyers. Once completed, this form is to be submitted to the Union County Planning Department as facilitator of the program. Further, the applicant should obtain a copy of the program guidelines from the Union County Planning Department for complete details of the program.

APPLICANT (S) NAME (S) \_\_\_\_\_

CURRENT ADDRESS \_\_\_\_\_

If you have lived at your current address for less than 12 months, please list the last two (2) addresses:

Address 1: \_\_\_\_\_ Address2: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

APPLICANT'S TELEPHONE NUMBER (H) \_\_\_\_\_ (W) \_\_\_\_\_

**1. Family Size**

Please state the number of persons in the household \_\_\_\_\_.

Please list below the relationships of those who will live in the household.

\_\_\_\_\_  
 \_\_\_\_\_

**2. Income**

What is the total income of ALL members of the household: \_\_\_\_\_

(Please see the attached chart for the income limits for Union County.)

**3. First time homebuyer**

In the previous 3 years have you or any other member of your household owned a home?

YES\_\_\_ NO\_\_\_ If YES, please explain: \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_

**4. Principal Residence**

Will this be your primary residence?

YES\_\_\_ NO\_\_\_

**5. Property Location**

Is the property to be financed located in Union County, Pennsylvania?

YES\_\_\_ NO\_\_\_ If YES, please give the address: \_\_\_\_\_

\_\_\_\_\_

**6. Down Payment**

Do you understand that you must contribute from your own savings/assets a minimum of 3% of the purchase price? (Note: NOT including gifted funds.)

YES\_\_\_ NO\_\_\_

**7. Mandatory First Time Home Owner Training**

To be eligible for this program, you must obtain a certificate from the Union County Housing Authority's Home Ownership Institute. Do you currently have a certificate from the Union County Housing Authority's Home Ownership Institute? YES\_\_\_ NO\_\_\_

If YES, we will need a copy of the certificate along with this application.

If NO, you must obtain a certificate from the Union County Housing Authority's Home Ownership Institute.

**8. Please provide any additional information that you feel may help the Union County Affordable Housing Fund Board with their decision. Such information may include but is not limited to place of employment, residency over the years, etc.**\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**9. Please indicate who referred you to this program or where you first heard about this program.**\_\_\_\_\_

I/we hereby certify the foregoing to be true and accurate representations signed on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Borrower)

\_\_\_\_\_  
(Co-borrower, if applicable)

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OFFICE USE ONLY

DO NOT WRITE BELOW THIS LINE

Date Reviewed\_\_\_\_\_

Is the applicant eligible? \_\_\_\_\_YES \_\_\_\_\_NO

If NO, why not\_\_\_\_\_

DATE RECEIVED  
  
FOR OFFICE USE ONLY

# Union County Income Limits

100% of Median Income

Number of Family Members	Income Limits
1	\$ 41,500
2	\$ 47,400
3	\$ 53,300
4	\$ 59,200
5	\$ 64,000
6	\$ 68,700
7	\$ 73,500
8	\$ 78,200

Effective Date: May 27, 2010

These Income Levels are provided by U.S. Department of Housing and Urban Development and are subject to change.