



NEIGHBORHOOD STABILIZATION PROGRAM HOMEBUYER ASSISTANCE PROGRAM COMMUNITY DEVELOPMENT DIVISION

Congress passed legislation in the summer of 2008 providing funds to local governments to help homebuyers purchase foreclosed and abandoned homes in order to stabilize neighborhoods across the country. Pasco County is using these funds to assist homebuyers with their downpayment, closing costs, and rehabilitation so they can get into a safe, decent and standard home. This is a program for homebuyers, not investors. We want more homeowners in Pasco County.

Who is eligible for this program?

Applicants who make less than 120% of the median income for the Tampa Bay area may apply for assistance. This is adjusted for family size. Currently, this is as follows:

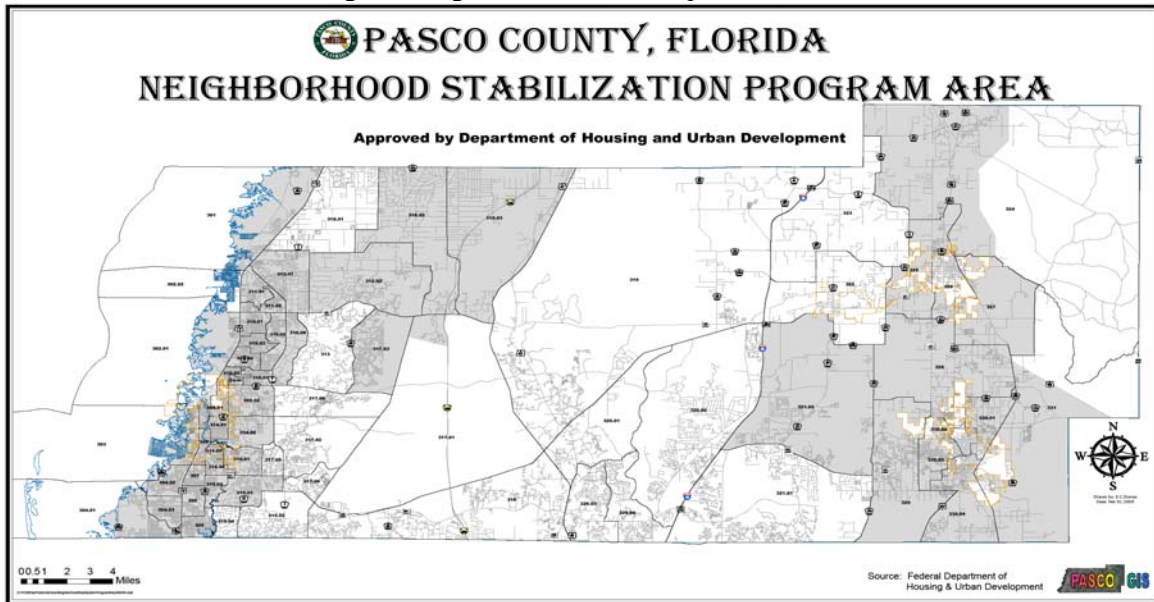
INCOME GUIDELINES AS OF JANUARY 30, 2008

		FAMILY SIZE					
		1	2	3	4	5	6
LOW INCOME	Hourly	\$ 9.52	\$ 10.87	\$ 12.24	\$ 13.58	\$ 14.66	\$ 15.75
	Monthly	\$ 1,650.00	\$ 1,883.33	\$ 2,120.83	\$ 2,354.17	\$ 2,541.67	\$ 2,729.17
	Annually	\$ 19,800.00	\$ 22,600.00	\$ 25,450.00	\$ 28,250.00	\$ 30,500.00	\$ 32,750.00
MOD/ MIDDLE INCOME	Hourly	\$ 22.85	\$ 26.08	\$ 29.37	\$ 32.60	\$ 35.19	\$ 37.79
	Monthly	\$ 3,960.00	\$ 4,520.00	\$ 5,090.00	\$ 5,650.00	\$ 6,100.00	\$ 6,550.00
	Annually	\$ 47,520.00	\$ 54,240.00	\$ 61,080.00	\$ 67,800.00	\$ 73,200.00	\$ 78,600.00

You do not have to be a first-time home buyer to participate in this program, nor be a current Pasco County resident. You must attend a County-sponsored Homebuyer class in order to receive assistance, and before you sign a contract to buy a house.

What kind of home can I buy?

Any type of home is eligible for this program, including single-family homes, condominiums, villas, and mobile or manufactured homes. Mobile and manufactured homes must be real property, and permanently affixed to the land. Homes must be located in targeted neighborhoods (see map below):



The homes that are eligible are foreclosed or abandoned. A foreclosed home is a home that has been foreclosed by the lender, and is still owned by the lender or whoever bought the home at the foreclosure sale. An abandoned home is a property that is under a foreclosure or scheduled for tax deed sale, the owner has not made payments for 90 days, and the house has been vacant for 90 days. Homes must also meet all County code and rehabilitation standards, and federal lead based paint rules. If the lender allows it, repairs can be completed after the closing, managed by the County, by licensed contractors (see below). The maximum sales price cannot exceed \$240,000, and the home must have a value of less than 85% of the appraised value, as obtained by the County.

How do I apply for assistance?

In order to apply for assistance, you must apply through one of the partner financial institutions that have signed agreements with the County. Lenders must agree to certain requirements of the NSP, and sub-prime loans are not allowed. When you apply for a mortgage loan at one of these financial institutions, they will make an initial determination on whether you need and are eligible for Pasco NSP funds. If you do, they will reserve funds in your name with the Community Development Division. You do not apply through the County for these funds. County staff will also ensure that the home meets the standards of the Pasco County Homebuyer Assistance Program Minimum Housing Standard Checklist, which is available on the County’s website.

How much County money can I borrow?

The amount of County funds that are available first depends on how much the financial institution is able to lend you and how much you can put down. There is a limit on how much can be lent, depending on your income level and your occupation:

Low Income:	50% of Sales Price
Moderate/Middle Income:	\$20,000

If you are an essential service employee, you may qualify for an additional \$10,000. Essential service workers are defined as government employees, School Board employees and other educational employees, including private education and higher education, law enforcement personnel, active military and retirees; and health care workers. Families that are going through the Family Self Sufficiency Program through the Pasco County Housing Authority may have those amounts doubled, in addition to the amounts listed above. Additionally, Pasco County and the Pasco County United Way have teamed together to fund the “Prosperity Campaign.” This program helps families obtained the Earned Income Tax Credit (EITC) from the Internal Revenue Service. If you receive EITC funds through the United Way’s program, and use all of those funds towards the purchase of your home, those funds will be matched by the County above and beyond the maximum amounts listed above.

Even though there are additional funds through both programs, the County assistance cannot be more than 50% of the sales price.

Do I have to put any of my own money into the purchase?

You do have to put some of your own money into the purchase of the house. We do not differentiate between your down payment, closing costs, or other pre-paid items. The amount that you will have to put down depends on your income level and the sales price of the house:

Income Level	Minimum Investment
Low Income	\$500
Moderate/Middle Income	\$1,250

What if the house needs repairs?

Once the bank reserves funds for you, a County employee will come to the property and perform an inspection to see what repairs are needed. Among eligible repairs that can be done include: creating additional living space; correcting substantial code violations, such as bad roofs and ceilings; upgrading electrical, heating sewer or water facilities; making handicapped modifications; and fixing any other deficiencies. Homes must meet County rehabilitation standards. Working with you, the County staff will complete a work write up and rehabilitation specifications. If it is necessary, the County's consulting architect will complete the work write-up for items that may need an architectural seal on the plans.

The County is able to lend up to a combined loan to value of the bank and lender's loan of 100%. This is based on the appraisal of the home post-construction. The lender may not allow for the loan to value to be that high – please check with your lender.

At closing, you will sign two loans: one with your financial institution and one with the County based on the estimated amount of the rehabilitation (and downpayment assistance, if applicable). Immediately after closing, the process of contractor selection shall begin. If you have a contractor in mind, and his bid is within ten percent of the County's estimate, you may select him if he meets the county's criteria. If you do not have a contractor in mind, we will bid out the project on your behalf to a list of over 30 contractors that are on the County's contractor list. An open house will be held at your property, giving the contractors the opportunity to take a look at your home. Bids are submitted to the County, and you may select any contractor within 10% of the County's estimate. If possible, the bidding process will occur before your closing and you can choose a contractor immediately after closing.

After you select a contractor, you will sign a contract with him. Depending on the size of the job, it may take up to 90 days to complete, but usually it does not take longer than 45 days. Both you and the County must approve all payments to the contractor. This is in addition to the City or County building inspectors. At final payment, the contractor obtains a release of lien from all subcontractors and delivers all material warranties. The contractor warranties all work that he has done for one year from final inspection.

Living in a home under construction is very stressful, and it also makes it difficult for a contractor to complete his work. For that reason, the County will give you a grant of up to \$1,000 per month to live somewhere else during construction.

It needs to be noted that under no condition can the homebuyer assistance and the rehabilitation assistance from the County exceed 50% of the sales price.

Do I have to pay these Pasco County funds back?

The funds that come from Pasco County will be in the form of a 0% interest loan. They will have to be paid back to the County. The funds that are paid back will help other families buy homes in the future. The term of the payback is variable depending on your ability to pay. You will have a term of up to 30 years to pay off your loan. If you cannot afford to pay back the loan immediately, the loan will be deferred for five years. At the end of that time you will start making payments, at the following schedule:

<u>Loan Amount</u>	<u>Term of Loan</u>	<u>Maximum Payment</u>
\$0 - \$5,000	10 years	\$41.67 per month
\$5,001 - \$10,000	15 years	\$55.56 per month
\$10,001 - \$15,000	20 years	\$62.50 per month
\$15,001 - \$20,000	25 years	\$66.67 per month
\$20,001 - \$25,000	30 years	\$69.44 per month
\$25,001 - \$30,000	30 years	\$83.33 per month
\$30,001 - \$35,000	30 years	\$97.22 per month
\$35,001 - \$40,000	30 years	\$111.11 per month
\$40,001 - \$45,000	30 years	\$125.00 per month
\$45,001 - \$50,000	30 years	\$138.89 per month

This only applies to deferred loans. Homebuyers who can immediately make payments may have a higher amount. Under no case can a payment be less than \$25 per month. You will know before you close what your payments will be and when you will begin to make them. If the property is rented or the homebuyer moves out, the loan will become immediately due.

This is a program for homeownership. Pasco County is giving you a large subsidy, because we know that neighborhoods with high homeownership rates generally have people that take care of their property, look after each other's kids, and have less crime. For you to sell the property quickly and receive a large payday is not the intent of the program.

Pasco County will recapture at time of re-sale or payoff the amount of equity that is not mortgaged by the lender loan and the County loan combined, at time of purchase.

Pasco Opportunity Program

The Pasco Opportunity Program (POP) is a partnership between Pasco County and several not-for-profit agencies. These agencies buy homes, have them repaired, and make them available for sale. They already meet all the rehabilitation standards listed above. They also may have homes that have been aided by slightly different programs than was listed above, which may have more homebuyer assistance available.

Please contact these agencies directly for the homes and programs they offer:

Catholic Charities	(352) 523-6958
Deaf Service Bureau	(727) 856-5921
Keystone Challenge Fund	(863) 682 1025
Tampa Bay CDC	(727) 442-7075
Workforce Housing Ventures	(352) 424-1009

The three Habitat agencies require sweat equity and work with you to build a new home, or fix an existing house for you to live in:

Central Pasco Habitat	(813) 929-0171
East Pasco Habitat	(352) 567-1444
West Pasco Habitat	(727) 442-7075

This agency is building a brand new subdivision in Dade City, with teams of home buyers building homes together:

Florida Home Partnership	(813) 672-7860
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For further information contact the Community Development Division at (727) 834-3445 in New Port Richey; (352) 521-4274, ext. 3445 in Dade City; or (813) 996-7341, ext. 3445 in Land O'Lakes or visit our web site at: www.pascocountyfl.net/menu/index/cdevindex.htm