

Hamburg Community Development

6100 South Park Avenue * Hamburg * New York * 14075

(716) 648 - 6216 * www.townofhamburgny.com/cdbg

Director of Community Development: Christopher Hull

Hamburg Town Board: Supervisor Steven J. Walters * Councilman Thomas M. Best, Jr. * Councilman Michael P. Quinn, Jr.



Program Year 2016

Dear Prospective Applicant:

You have expressed interest in purchasing an existing **single-family** home within the township of Hamburg (includes the Villages of Blasdell and Hamburg) through the Town of Hamburg's Hometown Housing "Existing Home Program" for First Time Homeowners. In order for the Town of Hamburg to determine eligibility for this program, you **MUST** complete and send back the three (3) enclosed forms labeled "A" and "B", and the Certification Form labeled "C". In addition to these three (3) forms, you are required to forward the specific income verification documentation that pertains to your specific income situation. Our office requires "original" signatures by all persons applying for the grant.

In order to become an eligible applicant for this program, you must satisfy certain income requirements as mandated by the United States Department of Housing and Urban Development (HUD) and the Town of Hamburg. The following income restrictions are based on figures received from the United States Department of Housing and Urban Development (HUD) as last updated on **March 28, 2016**. To purchase a single-family home, a families gross income cannot be greater than that shown on the following chart. (Gross Family Income includes all members of a household and a percentage of all bankable funds, stocks, bonds, annuities, land value etc). Income verification/qualification for all clients will take place again prior to your actual mortgage application/qualification and prior to the home closing as required by the rules and regulations for this program.

Maximum Allowable Income

<u>Family Size:</u>	<u>Maximum Income:</u>
1	\$37,700
2	\$43,100
3	\$48,500
4	\$53,850
5	\$58,200
6	\$62,500
7	\$66,800
8 or more	\$71,100

{These income limits are subject to change at any time by HUD}

Once your income has been verified and you are approved or denied by the Town of Hamburg for this program you will be sent correspondence advising you of your status (approved, denied, more information required). Due to the number of applications submitted for entry into this program, notifications pertaining to income status *may* take as long as two (2) weeks, depending upon the level of cooperation and documentation you provide to our office for program purposes. If for any reason, a determination of your current gross income cannot be made, your application will be returned for further information and/or an extension of time through which the income verification process will be required.

**The Town of Hamburg Department of Community Development
has the sole authority to approve or deny
program applications and/or to request further documentation
and/or to extend time frames required for making income determinations**

No application for assistance will be accepted/processed for any person(s) who has/have previously owned a home or was listed on a deed as co-owner. Certain circumstances such as divorce can still make an applicant considered a first time homeowner under specific conditions (call for details).

No application for assistance will be accepted/processed for any person(s) who has/have entered into a contract of sale for a home *or* is/are in the process of bidding on a home. If it is later determined that a contract of sale was entered into or negotiations were initiated for a specific home prior to receiving your Town of Hamburg “programmatically approved”, the programmatically approval will be revoked and no monetary assistance will be provided through this program.

Eligible homes approved for this program will be limited to single-family only. Due to limited program funding for this program, no two-family homes, condominiums, townhouses or mobile homes will be authorized for purchase at this time.

Any home purchased through the Town of Hamburg Hometown Housing Program must meet a purchase amount utilizing our “but for” underwriting standard. That is, *we must conclude that the assistance is needed to make the transaction feasible and affordable and that it could not happen “but for” the assistance.* The total value of the primary purchase mortgage and the Town of Hamburg’s secondary Note and Mortgage cannot exceed 95% of the homes appraised value as determined by the Department of Community Development. This statement explains that you, the home buyer, are required to expend 5% of the total cost of the dwelling with your own funding. This is NOT a total purchase subsidy program. You will be responsible for a small portion of the costs associated with the purchase of a dwelling through this program, including closing costs. If you have any questions about this statement, please contact our office immediately!

IN ORDER TO RECEIVE ASSISTANCE THROUGH THIS PROGRAM, YOU MUST FIRST BE PROGRAMMATICALLY APPROVED (See step one (1) below). Applicants whose verified income falls within the specified income range will be “programmatically approved” and instructed to proceed with program procedures. Program procedures include but are not limited to the following:

- 1) Programmatically Application Approval.
- 2) Mortgage pre-qualification, if not previously completed.
- 3) Home search begins.
- 4) Home to purchase is found.
- 5) Purchase offer submitted for home selected.
- 6) Purchase offer accepted for home selected.
- 7) Town of Hamburg home/lead inspection and appraisal verification.
- 8) Town of Hamburg home/lead inspection and appraisal reports sent.
- 9) Required repairs and lead based paint abatement completed, (if necessary).
- 10) Town of Hamburg re-inspection(s), (if necessary).
- 11) Town of Hamburg dwelling approval after all inspections have been passed.
- 12) Conditional Grant Commitment issued to client.
- 13) Conditional Grant Commitment signed, notarized and returned to the Town of Hamburg by client.
- 14) Attorney/Bank correspondence sent and required documentation received from clients attorney.
- 15) Homebuyer counseling course completed.
- 16) Grant funding requested.
- 17) Home closing scheduled. **{No Early Occupancy of Homes is allowed through this program}**

Due to the length of the process outlined above, progression through this program might require additional time beyond that of a standard home sale. Therefore, if you become programmatically approved for this program and are putting a “Contract of Sale” together to purchase a home, please allow enough time within said “Contract of Sale” to allow for the completion of all of our required procedures. It is highly suggested that a minimum of forty-five (45) days be allowed from the contract signing to the closing date.

It will be beneficial to you if you have a mortgage pre-qualification amount from a financial institution prior to initiating any existing home search. This will narrow your search for a home to a level you know you can afford. Programmatically Approved applicants will have grant funds committed to them on a first-come/first-served basis based upon purchase offer acceptance and the home passing our program inspections and regulatory procedures.

In addition, per the Hometown Housing Program rules and regulations, a mandatory live-in requirement of ten (10) years accompanies this conditional grant. This is a first-time homeownership program with “up to” ten thousand dollars (\$10,000.00) conditionally granted for “Mortgage Principal Reduction”. If the home you purchase through this program is sold, has its title transferred or changed (including quit claim deeds) within the ten year live-in period, the grant funding must be re-paid in full*. Also, the home MUST be your principal place of residence or the grant funding must be re-paid in full. (Other mortgage conditions will apply! These will be given to you prior to closing on the dwelling being purchased).

While it is necessary for all program applicants to qualify below the specified *maximum* income levels for this program, **it is also necessary for the applicant to possess an income necessary to qualify for and secure a mortgage from a lender/financial institution.** For determining your credit worthiness, lenders, mortgage brokers and financial institutions will utilize your credit information, banking history, debt to income ratio, credit reports, etc. In addition, applicants cannot have more than a specified amount (pertaining to familial size) annuities/stocks/land value in their possession/name nor can you have owned a home previously.

Enclosed are the three (3) forms (A, B and C) that MUST be completed and returned by each applicant. Please provide the information requested. In addition, we have also enclosed a listing of the income verification documents you will provide. Only applications that have completed Forms A, B and C along with a copy of the **2015** federal tax return (Federal Form 1040, 1040A, 1040EZ etc. with all pertinent schedules), a copy of the **2015** New York State tax return (with all pertinent schedules), current employer payroll verification, and all other verifications listed on the required documentation page for all members of the household will be accepted.

(The Town of Hamburg Department of Community Development respects your privacy and security. Therefore, confidentiality is a main priority for all of our programs. Any information received by our department for program application purposes will be kept confidential within the department. Records must be kept on hand for a minimum of six months after your application is received. After that time, if you are not progressing through our program, all applicant information and documentation will be shredded for security and confidentiality purposes).

*** Incomplete Applications will be sent back to the applicant ***

*** Only one application will be accepted per family ***

Programmatic Approvals issued to approved applicants do not guarantee a commitment of grant funds

*** Program funding is currently available! ***

All programmatically approved clients who purchase a house through our program are required to attend “Housing Counseling” classes as part of the requirements of our program. These “Housing Counseling” classes are provided *free of charge* by the Town of Hamburg Department of Community Development.

When you have completed the two Forms, “A” and “B” and Form “C”, the “Certification Form” and when you have compiled your complete income verification documents, please either deliver all items to our office or mail them to:

**Hometown Housing Program Application
c/o Town of Hamburg
Department of Community Development
6100 South Park Avenue
Hamburg, New York 14075**

If you have any questions about this letter or forms please contact the:

**Town of Hamburg
Department of Community Development
6100 South Park Avenue
Hamburg, New York 14075**

Phone Number: (716) 648-6216

Fax Number: (716) 648-0151

*******IMPORTANT CONFIDENTIALITY INFORMATION*******

We have also included with this application packet, a “**Consent to Release Confidential Information**” form. If you would like our office to speak with your realtor, lender, attorney or anyone else pertaining to your application and/or application status, you **MUST** completely fill out this form and return it to the Department of Community Development with your completed program application. Each file pertaining to this program is confidential. An example of this would be if you are working with a realtor to search for a home and they call our office to get program details or information for you as an applicant. The realtor (or other designated person(s)) would have to have had been designated on the “Request for Release of Confidential Information” form by you as the applicant. Without the completed form we cannot discuss your file with anyone else, even family members that are not directly included within the application itself. If you have any questions about the “Consent to Release Confidential Information” form, please contact our office at the number listed above.

IMPORTANT REMINDERS

Any home purchased through the Town of Hamburg Hometown Housing Program must meet a purchase amount utilizing our “but for” underwriting standard. That is, we must conclude that the assistance is needed to make the transaction feasible and affordable and that it could not happen “but for” the assistance.

The total value of the primary purchase mortgage and the Town of Hamburg’s secondary Note and Mortgage cannot exceed 95% of the homes appraised value as determined by The Town of Hamburg Department of Community Development. This statement explains that you, the home buyer, are required to expend approximately 5% of the total cost of the dwelling with your own funding. This is NOT a total purchase subsidy program. You will be responsible for a small portion of the costs associated with the purchase of a dwelling through this program, including closing costs. If you have any questions about this statement, please contact our office immediately!

*** Early occupancy of homes purchased through this program is strictly prohibited ***

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I/We, _____ her eby authorize the Town of Hamburg

[Client(s) Name(s)]

Department of Community Development to *release/obtain* information *to/from* (attorney, lender, realtor, etc.) for the purpose of expediting my process and/or progress through the Town of Hamburg Hometown Housing Program.

Name: _____
(1st Contact)

Name: _____
(2nd Contact)

Address: _____

Address: _____

Phone #: _____

Phone #: _____

Relationship: _____

Relationship: _____

[If more contact information needs to be listed, please write the contact(s) on back of this form and place a check-mark here]

★ I am proceeding through the Town of Hamburg housing program listed below:

_____ By completing this form, the Town of Hamburg Department of Community Development is authorized to discuss my file/case with the above named person(s) for the program/reason listed. I understand that I waive any confidentiality I had with the Town of Hamburg Department of Community Development. With my signature below, I understand that the Town of Hamburg, The United States Department of Housing and Urban Development, The State of New York or the County of Erie, its employees or agents are NOT responsible or liable for any breach of confidentiality, liability or damage which might arise from release of confidential information.

Client One Signature

Client Two Signature

STATE OF NEW YORK
COUNTY OF ERIE) SS:

On the ____ day of _____, in the year _____, before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

I hereby waive my need for a Notary Public witness:

(Initials)

FORM "A": Applicant(s) Information (Existing Home Program)

Applicants

Full Name: _____ SS#: _____

Partner/Spouse

Full Name: _____ SS#: _____

Former Name(s) if divorced or other: _____

Maiden Name(s) if divorced or other: _____

Applicant _____ Partner/Spouse _____

Residence: _____ Residence: _____

Applicant Phone #'s: H: _____ W: _____ Cell: _____

Partner/Spouse Phone #'s: H: _____ W: _____ Cell: _____

Total number of persons (not limited to family members) to reside in the home to be purchased: _____

Applicant's Employer: _____

Address: _____

Occupation: _____ Hourly Rate: _____ Start Date: _____

Applicant's Employer: _____

Address: _____

Occupation: _____ Hourly Rate: _____ Start Date: _____

Spouse/Partner Employer: _____

Address: _____

Occupation: _____ Hourly Rate: _____ Start Date: _____

Any/All Part-Time Employment: _____ Rate: _____ Hrs/Wk: _____

_____ Rate: _____ Hrs/Wk: _____

Current GROSS (not net) Annual Income for ENTIRE household: _____

(This MUST include ALL persons to reside in the home to be purchased)

Have you (your partner) ever owned a home, mobile home or been listed on a deed as an owner or co-owner?

YES: ___ NO: ___ YES: ___ NO: ___ {If "yes" please attach sheet of paper with explanation}

I/WE have over \$5,000.00 in value of any/all of the following: Savings; Checking; Annuities; Stocks; home or land value:

YES: ___ NO: ___ {If yes, a % of bankable funds and assets is considered income}

(Attach copy of 2015 Federal and State Tax Returns)

(Attach copies of the four (4) most current pay stubs for each person in household employed)

(Attach all other income verification documents required; see attached list (COPIES ONLY))

FORM "B"

Department of Housing & Urban Development (HUD) Data Collection

(Not utilized for program selection purposes)

Ethnicity: (Select only one) **Hispanic or Latino:** _____

Not Hispanic or Latino: _____

Race: (Select one or more) **American Indian or Alaska Native:** _____

Asian: _____

Black or African American: _____

Native Hawaiian or Other Pacific Islander: _____

White: _____

Person (s) to reside in home and age(s) (including the applicant(s)):

Name: _____ **Age:** _____

Total number of persons to reside in home to be purchased: _____

This information will *not* be used in the selection of program participants. All housing is available on an Equal Opportunity Basis. The Town of Hamburg heeds all Federal and State Fair Housing Laws as well as having its own Fair Housing Ordinance. In addition, the Town of Hamburg is under contract with Housing Opportunities Made Equal (HOME) to further Fair Housing within the town. For more information on Fair Housing, please contact the Town of Hamburg or Housing Opportunities Made Equal. For a brochure on the Town of Hamburg's efforts pertaining to Fair Housing, please contact 648-6216.

***** For Town of Hamburg purposes only *****

How did you hear about the Town of Hamburg's First Time Buyer program? (Please Print)

FORM "C"

Certification Form (Existing Home Program)

With (my)(our) signature(s) below the following is specifically understood and agreed to:

- 1) (I)(We) have read and completely understand all information provided within this application/package.
- 2) The information provided within Forms A & B is true and accurate to the best of my knowledge. I understand that Section 1001 of Title 18 of the United States Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to matters within its jurisdiction.
- 3) (I)(We) also certify that all financial information accompanying this program application is true and accurate. If upon further review, information that was provided to the Town of Hamburg for program purposes is found to be false, I understand that any of the following circumstances can be activated:
 - A) Criminal proceedings will be commenced.
 - B) If Programmatic Approval for the Hometown Housing Program was awarded, I understand that the Programmatic Approval will be revoked and criminal proceedings will be commenced.
 - C) If a home was obtained through the Hometown Housing Program, I understand that foreclosure proceedings will be commenced on the home purchased and criminal proceedings will be commenced.
- 4) (I)(We) hereby authorize the Town of Hamburg Department of Community Development to investigate any and all information provided within this Hometown Housing Program application.
- 5) (I)(We) hereby understand that this is a First-Time Homeownership Program and that (I)(We) have not owned a home in the past, do not currently own a home/mobile home or have not been or are not listed on a deed for any purpose. In addition, (I)(We) are not currently in the process of purchasing a home, are not under contract for purchase of a home, are not bidding on a home, nor have been negotiating for a home.
- 6) I\We hereby consent to the sharing among you of any credit information which you obtain for the purpose of processing my\our application for the Town of Hamburg Housing Hometown Housing Program. I\We waive any rights which I\We may have to keep that information confidential so long as it is shared only among you for determining my eligibility to receive a Conditional Grant through this program. I\We also agree to hold harmless the Town of Hamburg from any claims for damages for use of that information in the manner provided by this waiver. **NOTICE TO APPLICANT(S): By signing this form you consent to lenders sharing credit information about you to process this application.**
- 7) I\We hereby consent to the sharing among you of any employment information which you obtain for the purpose of processing my\our application for the Town of Hamburg Housing Hometown Housing Program. I\We waive any rights which I\We may have to keep that information confidential so long as it is shared only among you for determining my eligibility to receive a Conditional Grant through this program. I\We also agree to hold harmless the Town of Hamburg from any claims for damages for use of that information in the manner provided by this waiver. **NOTICE TO APPLICANT(S): By signing this form you consent to employers sharing employment information about you to process this application.**
- 8) I\We acknowledge the receipt of the Consent for Release of Confidential Information Form.
- 9) I\We acknowledge the requirement that all programmatically approved clients who purchase a house through this program will be made to attend "Housing Counseling" classes for "First Time Homebuyers" as part of the requirements for this program. The specific Housing Counseling classes are provided free of charge by the Town of Hamburg Department of Community Development.

Form "C"

Certification Form "Signature(s)/Notary" Page (Existing Home Program)

ATTENTION ALL APPLICANT(S): This form MUST be signed AND notarized prior to submission to the Town of Hamburg Department of Community Development. Applications without signatures and notaries will be returned as incomplete!

Applicant Printed Name: _____ **Date:** _____

Applicant Signature: _____ **Date:** _____

Applicant Printed Name: _____ **Date:** _____

Applicant Signature: _____ **Date:** _____

STATE OF NEW YORK)
COUNTY OF ERIE) SS:

On the ____ day of _____, in the year _____, before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
COUNTY OF ERIE) SS:

On the ____ day of _____, in the year _____, before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

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EXHIBIT "A"

TOWN OF HAMBURG HOMETOWN HOUSING PROGRAM REQUIRED INCOME VERIFICATION DOCUMENTS

(Provide copies of the following documents (for each applicant) that pertains to each of your specific income situation(s)!

- 1) Copy of **2015** federal and state income tax filings, **including all schedules and 2015 W-2's**.
- 2) Verification of checking and savings accounts, interest and annuities.
(Provide last two (2) months statements from your financial institution for proof of accounts).
- 3) Verifications of employment: **(Four (4) most recent pay stubs for all persons employed who are eighteen (18) years of age or older).**
- 4) Verification of benefits (**Benefit Statement from source is REQUIRED**):
 - a) Social Security
 - b) Pension
 - c) SSI
 - d) Disability
 - e) Alimony/child support (**Include court documents/transcripts, etc. detailing support payments**)
 - f) Food stamps/HEAP/Etc.
 - g) Veterans
 - h) Unemployment
 - i) Welfare
 - j) Insurance dividends
 - k) Other
- 5) Verification of ANY land owned (Deed or title to property).
- 6) Verification of ANY Certificates of Deposit (Produce all financial documentation).
- 7) Verification of all other income from insurance policies, annuities, settlements, etc (provide all relevant documentation).
- 8) Copies of divorce settlement papers, etc., if applicable.
(**Please ensure to include court transcripts detailing allocation of assets**)

Please submit COPIES of all income documentation for all persons 18 years of age or older who will reside in the dwelling to be purchased through this program!