

**Washtenaw County
Neighborhood Stabilization Program
HOME & American Dream Down Payment assistance
HOMEBUYER ASSISTANCE QUICKFINDER**

CALL MSU Extension at 734 997-1678 to register for required buyer education classes

Eligible Applicants	
Applicants	<ul style="list-style-type: none"> • Eligible Homebuyers work with a non-profit • Non-profits <ul style="list-style-type: none"> ○ Must have at least 3 years experience managing HUD-funded housing contracts
Eligible Households	
Households	<ul style="list-style-type: none"> • HOME funds: Households with incomes between 50% and 80% of Area Median Income • NSP funds: Households with incomes between 50% and 120% AMI • Households with incomes between 30% and 50% AMI only approved for a Huron Valley Habitat for Humanity home, Habitat can provide housing up to 60% AMI • Does not have to be first time homebuyer, unless HOME ADDI funds • No more than 30% of gross income can be spent on housing costs (principal, interest, insurance, and taxes) • No more than 42% of gross income can be spent on monthly debt
Eligible Properties	
NSP Property Only	<ul style="list-style-type: none"> • Foreclosed Properties: The foreclosure must be completed and the title for the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure in accordance with state law • Abandoned Properties: A home that tax or mortgage foreclosure proceedings have been initiated for that property, AND no mortgage or tax payments have been made by the property owner for 90 days, AND the property has been vacant for at least 90 days
Property type	<ul style="list-style-type: none"> • Single family, condominium, co-op • Manufactured housing less than 10 yrs. old on fee simple lots (only allowed under stand alone DPA)
Property Location	<ul style="list-style-type: none"> • NSP funds: Designated NSP census tracts, see attached map • HOME & ADDI: Urban County jurisdictions, see attached map
Property Value	<ul style="list-style-type: none"> • The purchase price cannot exceed \$160,000 in all jurisdictions except the City of Ann Arbor and Ann Arbor Township (cannot exceed \$180,000) • NSP: Purchase price must be a minimum of 15% less than appraised value • Appraisal must be in conformity with the appraisal requirements of the URA at 49 CFR 24.103, attached • Appraisal must be completed within 60 days prior to an offer made for the property
Property Standards	<ul style="list-style-type: none"> • All property must meet the standards of the 2006 International Property Maintenance Code and Model Energy Code before the property is occupied • All rehabilitated property must also meet the 2006 Michigan Residential Rehabilitation Code • The MI Rehabilitation Code must be met within 90 days of signing a contract with a general contractor for the HPR program • The MI Rehabilitation Code must be met within 180 days of purchase for the ADR program • Energy Star rating and HUD "Healthy Homes" standards are encouraged
Eligible Activities	
Down Payment Assistance (DPA)	<ul style="list-style-type: none"> • Stand Alone Activity • Up to \$15,000 for down payment and closing costs
Homebuyer Purchase/Rehab (HPR) with non-profit partner	<ul style="list-style-type: none"> • Combines DPA with moderate rehabilitation funding • Homebuyer purchases a home • Rehab is managed by non-profit partner • Maximum combined assistance: \$50,000, inclusive of up to a maximum of \$15,000 for DPA at closing • Code violations, accessibility, energy improvements, and approved general improvements
Acquisition Development Resale (ADR), including \$1 HUD homes, with non-profit partner	<ul style="list-style-type: none"> • Acquisition and rehabilitation • \$1 HUD homes are limited to households at 50% AMI or less • Home acquired by Washtenaw County, sold to non-profit, rehab overseen by non-profit and sold to eligible homebuyer • Sales price to homebuyer will not exceed investment by non-profit • Combines DPA with moderate rehabilitation funding • Maximum combined assistance: \$50,000, inclusive of up to a maximum of \$15,000 for

	<ul style="list-style-type: none"> DPA at closing Code violations, accessibility, energy improvements, and approved general improvements
Eligible Costs	
Acquisition	<ul style="list-style-type: none"> Purchase costs Closing fees and pre-paid items Appraisal
Project Hard Costs – HPR/ADR	<p>The costs of rehabilitating the housing, including:</p> <ul style="list-style-type: none"> Code violations Energy-related repairs and improvements Improvements necessary for persons with disabilities Abatement of lead-based paint and other hazards General improvements to improve marketability (ADR and HPR), if approved and funding is available
Project Soft Costs	<ul style="list-style-type: none"> Will be paid out of the developer fee
Developer Fee	<ul style="list-style-type: none"> DPA: 15% of DPA ADR/HPR: 20% of total project costs, inclusive of DPA assistance HPR/DPA total development cost does not include private acquisition funds, only includes County investment Developer Fee is in addition to home buyer assistance maximum
Home buyer Education	<ul style="list-style-type: none"> Must complete 8 hours of HUD or MSHDA certified education course Must complete approved home maintenance class (included in 8 hours total) CALL MSU Extension at 734 997-1678 to register
Relocation	<ul style="list-style-type: none"> If property is occupied by a renter at the time a purchase is offered, relocation will apply and expense is not included in home buyer assistance maximum Includes homeowners who have lost their home due to foreclosure and who are occupying the home as a renter from the new owner
Recapture & Affordability Requirements	
Documents	<ul style="list-style-type: none"> Mortgage and Note as provided by the County, with the County as Mortgagee
Compliance	<ul style="list-style-type: none"> Must be primary residence of owner for 20 year compliance period If property is sold, transferred, or is no longer primary residence, then the funds are subject to recapture as noted under loan terms
Loan Terms	<ul style="list-style-type: none"> 0% Interest, deferred payment, 20-year loan Recapture formula: The County will be repaid both the principal and a percent of appreciation (based on the County's subsidy as a percent of the home's after rehab value), at the time of sale or transfer. If at the time of sale or transfer, the home has not appreciated in value or the proceeds are insufficient to repay both the principal and shared appreciation, the balance of the owner's unpaid lien shall be forgiven. If the owner remains in the home as the primary residence for 20 years, the principal and appreciation is forgiven after 20 years.
Minimum Assistance	<ul style="list-style-type: none"> \$5,000 per assisted unit
Maximum Assistance	<ul style="list-style-type: none"> DPA: \$15,000 HPR: \$50,000 inclusive of a maximum of \$15,000 DPA ADR: \$50,000 inclusive of a maximum of \$15,000 DPA Additional assistance provide on a case by case basis
NSP DPA	<ul style="list-style-type: none"> NSP DPA includes all the closing costs and up to 50% of the down payment

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How to determine if the property is in an eligible area for Community Development funding?

Look at the attached maps. By viewing them on the computer, the zoom feature can be used increase the size of the map and the street names become more legible.

OR Step 1: Determine property address

Step 2: Go to <http://gisapp/ewashtenaw.org/comdev/>

Step 3: The base map shows the municipalities (cities and townships) that are part of the Urban County of Washtenaw. The "Urban County" is a HUD designation. Cities, townships and villages can choose to join the "Urban County" in order to receive federal CDBG and HOME funds. The municipality does not have to be in an urban area.

- All municipalities with a grid pattern of black dots on them, are members of the Urban County.
- Eligible homebuyers can purchase a home in one of these jurisdictions; and if funding is available, apply for HOME funds for down payment assistance (DPA) or homebuyer purchase and rehabilitation (HPR) through the WHEP program, by calling MSU Extension at 734 997-1678 to register for classes

Step 5: Find your property on the map

- Under the "Task" window, click on search by address.
- Enter the address in the window that pops up
- Click on Search
- The address will pop up under the "Results" window
- Click on the plus sign next to the search by address result
- Click on the plus sign next to Parcel 1
- The address will pop up – if this is the correct address, click on the plus sign
- Scroll down to look at parcel information – including the jurisdiction to determine if it is an Urban County Jurisdiction
- If the address does not show up: try typing in different variations (road, rd, no road etc). OR zoom in to the general area you think the property is at until you see the road you are looking for. The property address shows up on the parcels as you zoom in close enough to read them. Click on the parcel.

Step 5: Parcel Information

- Under the "Results" window, click on the blue underlined series of letters and numbers next to the word "PIN". This will take you to the BS&A database for communities that have their parcels in BS&A.
- BS&A includes sales data, zoning, square footage of unit, land acreage, taxes, and photos etc.
- Determine if the property has been foreclosed on or is abandoned and vacant? A foreclosed property should show a sale to a lender in the sales data area

Step 6: Zoom to your property

- Right click on the word "parcel 1"
- A menu pops up – and click on "zoom to selected feature" and the map zooms to your property

Step 7: Other Features

- Turn on the aerials map layer by clicking on the box next to "2005 aerials"
- Use the measuring tools on the menu bar

Step 8: Determine if NSP eligible area

- NSP funds can only be used in specific census tracts in the City of Ann Arbor, Superior Township, City of Ypsilanti, and Ypsilanti Township
- Once you have zoomed to your parcel, click on the minus button on the toolbar at the top of the screen to zoom out.
- The NSP eligible areas do not turn on until you are zoomed out to about ¼ to ½ mile radius
- At that point, grids ranging in color from yellow to dark red will show up on the NSP-eligible census tracts
- On the "Map Contents" bar on the bottom right, click on the plus sign next to "Base"
- Scroll down to the "Neighborhood Stabilization Program Eligible Areas" and click on the plus sign
- The legend for the NSP-eligible areas will range in scores from a 6 in yellow to a 10 in dark red/brown.
- The census tracts outlined in purple, are called Low-mod census tracts and are different than NSP-eligible census tracts. Low-Mod census tracts are used to determine eligibility of infrastructure projects, not housing