

Summary:

The purpose of the Homeownership Assistance Program is to provide safe, decent, affordable housing. So often families in Washtenaw County are unable to live in the community in which they work because of the cost of the housing. The Homeownership Assistance Program was designed to bridge that gap while healing communities at the same time.

This goal is best achieved by engaging those that already reside within the targeted area. Through this program, we want to address problem properties, bring in resources and rebuild not just a house, but a community!

If finding affordable housing has been an issue for your household, you should consider this program, as it may be the key to owning a home of your own.

For More Info. Contact:

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HOMEOWNERSHIP ASSISTANCE PROGRAM

*Funded By The Washtenaw County
Home Consortium/Urban County*

**Administered By:
Community Housing Alternatives,
Non-Profit Housing Corporation &
Gateway Community & Economic
Development Corporation.**



Making Homeownership A Reality!

The Washtenaw HOME Consortium and Urban County are working in collaboration with non-profit Community Housing Development Organizations (CHDO's) to increase homeownership opportunities for families wishing to reside in Ypsilanti City and the following Townships: Ypsilanti, Pittsfield, Superior, Northfield, Salem, Ann Arbor and Bridgewater .

Through the Homeownership Assistance Program (HAP), CHDO's are working to rehabilitate distressed homes or construct new homes for sale to lower income buyers. Purchasers assisted through this program can receive a subsidy of up to \$40,000 to make the home fit into their households allowable budget!

How Does The Subsidy Work?

The subsidy is set up in what is called a Recapture Formula. The formula is broken down into three parts.

- 1/3 of the subsidy shall be forgiven at the time that the buyer closes on their home and shall require no repayment.
- 1/3 of the subsidy provided shall be repaid if the property is resold using a formula which reduces the amount by 1/15th annually. If the owner resides in the property for the full 15 years, no payment will be required.
- 1/3 of the subsidy shall be in a 0% interest deferred payment loan, which shall be repaid in full at the time that the property is sold along with **a share of the appreciation of the unit.** These funds will then be used to give another household a chance at homeownership!

All Eligible households must meet the following criteria:

1. Household must income qualify.
2. Household must complete required Homebuyer Education classes offered by Washtenaw Housing Education Partners (WHEP) approved agencies.
3. Household income must not exceed 80% of HUD's Area Media Income. Program targets households between 50 & 80% of HUD's AML. (see your housing counselor for more information)
4. Household must not exceed qualifying ratios of 30/42 (debt to housing vs. total debt), unless approved by WHEP.
5. The purchase price of the unit may not exceed the Single Family Mortgage limit (see your Housing Counselor for the current year limits).
6. To request a home in this program, the buyer must be pre-approved by a lender for a fixed rate mortgage or other approved mortgage product.

Please note: Your Lender must sign a Participation Agreement , which will be provided to you.

7. Household purchaser must contribute at least 1% of their own funds towards the acquisition of their home.
8. Buyers should have at least two months of reserves in the bank at the time that they enter their purchase agreement.



**Making your housing
dreams into a
reality!**

Who Should Enter this Program?

If you are a **first-time** homebuyer seeking an affordable option to homeownership and wish to reside in your home for more than just a few years, then you should consider this program.

A first time homeowners is defined as follows:

- A. An individual or household that has not owned home during three year period prior to purchase of HOME-assisted unit;
- B. and/or A **"displaced homemaker "** or **"single parent "**, and who, even if while a homemaker or married, owned a home with his or her spouse or resided in a home owned by the spouse.

What is the goal of this program?

The goal of the program is to empower communities, **which can be achieved by increasing homeownership opportunities.** A home is an investment and a place where families can feel that they can make a difference. Once you purchase the home, it is yours. We want encourage owners to continue to invest in their home as they will be able reap the long term rewards as the property values continues to increase over the years! **For more information, please feel free to contact:**

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