

HAMBURG COMMUNITY DEVELOPMENT

6100 South Park Avenue * Hamburg * New York * 14075
(716) 648-6216 * www.townofhamburgny.com/community-development
Director: Christopher Hull * Assistant Director: Timothy J. Regan

Hamburg Town Supervisor - Community Development Liaison: Supervisor James M. Shaw
Councilman Thomas Best, Jr. * Councilwoman Elizabeth Farrell * Councilman Michael Mosey * Councilman Michael Petrie



First Time Home Buyer Application - 2018 Program Year

Dear Prospective Applicant(s);

Thank you for your interest in applying for the Town of Hamburg's "Hometown Housing Program" for first-time home buyers. This program provides an opportunity for you/your family to purchase an existing, single-family home within the Town of Hamburg, which also includes the Villages of Blasdell and Hamburg. In order for the Town of Hamburg to determine your/your family's 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 specific income verification documentation that pertains to your/your family's income situation (**see Exhibit "A" at the end of this packet**). Our office requires **original** signatures that have been legally notarized for **all** persons applying for grant funds through this program.

In order to become an eligible applicant for this program, you must satisfy specific income requirements as regulated by our funding source, the United States Department of Housing and Urban Development (HUD). The following income restrictions are based on figures received from HUD and were last updated on **April 1, 2018** (these income limits are subject to change at any time by HUD). Currently, to purchase a single-family home through this program, an applicant's 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 owned, etc.). Income verification/qualification for all clients will take place as you initially apply for our program and again at various stages throughout your progress through our program, as mandated by the regulations for this program. Again, an applicant's gross income cannot exceed the amount shown for the number of persons to reside in the home to be purchased through the program.

<u>Family Size:</u>	<u>Maximum Income:</u>
1	\$41,850
2	\$47,800
3	\$53,800
4	\$59,750
5	\$64,550
6	\$69,350
7	\$74,100
8 or more	\$78,900

Once we receive your completed application with all of your appropriate income documentation, we will review the information to make a determination as to your eligibility for our program. Currently, notifications pertaining to program approvals may take as long as three (3) weeks. This time varies for all applicants and is dependent upon the level and quality of the documentation provided with your application. If for any reason a determination of your current 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 has the sole authority to approve/deny applications for entry into its program.

The Town of Hamburg can request further documentation and/or extend time frames required for making income determinations for entry into this program.

Current First-Time Home Buyer Program Procedures

- A) All applicants will receive correspondence from our office stating one of the following options:
- 1) Programmatically Approved for entry into the program.
 - 2) Denied for entry into the program.
 - 3) Required to submit further documentation to clarify your application.
- B) No application for entry into this program will be accepted/processed for anyone who has:
- 1) **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 (call our office for specific details)).
 - 2) **Already entered into a Contract of Sale for a home.**
(If it is determined that a contract of sale was entered into for a specific home prior to receiving our Town of Hamburg "Programmatic Approval", the programmatic approval will be revoked and no monetary assistance will be provided through this program).
 - 3) **Is bidding or has already bid on a home.**
(If it is determined that negotiations were initiated for a specific home prior to receiving our Town of Hamburg "Programmatic Approval", the programmatic approval will be revoked and no monetary assistance will be provided through this program).
- C) Eligible homes approved for this program will be limited to single-family only.
- D) Any home purchased through this 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 grant assistance.**
- E) The total value of the primary purchase mortgage and the Town of Hamburg's secondary "Note and Mortgage" cannot exceed 95% of the home's 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 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.

- G) Program step process: Applicant(s) who are programmatically approved for entry into this program will follow the program procedures listed below. These include, but are not limited to the following:
- 1) Client receives programmatic approval into the program.
 - 2) Client gets mortgage pre-qualification, if not previously completed.
 - 3) Home search begins. (Must be in Town of Hamburg, including the Villages of Blasdell & Hamburg)
 - 4) Client finds and views homes to purchased.
 - 5) Client selects home and submits a purchase offer (via realtor or lawyer).
 - 6) Contract of Sale signed and agreed by all parties. **(Our office requires a signed, original Contract of Sale)**
 - 7) Town of Hamburg home, electrical, lead paint inspection and appraisal scheduled and completed.
 - 8) Town of Hamburg home, electrical, lead paint inspection and appraisal reports sent to all involved.
 - 8a) Required repairs and/or lead based paint abatement completed **(If Necessary)**.
 - 8b) Town of Hamburg re-inspection(s) completed **(If Necessary)**.
 - 9) Town of Hamburg dwelling approval after all inspections have been passed.
 - 10) Conditional Grant Commitment issued to client.
 - 11) Conditional Grant Commitment signed, notarized and returned to the Town of Hamburg by client.
 - 12) Attorney/Bank correspondence sent and required documentation received from client's attorney.
 - 13) Client completes required "Homebuyer/Budget Counseling" course and submits documentation.

- 14) Final income certification completed with client.
- 16) Grant funds are requested.
- 17) Home closing scheduled.
- 18) Home closing completed.

Due to the length of the process outlined above, progression through this program might require more time than that of a standard home sale. Therefore, once you progress to steps 5 and 6 above, ensure that enough time is included within any "Contract of Sale" to allow for the completion of all of our required procedures. We highly recommend that a minimum of forty-five (45) days be allowed from the date of the contract signing to the actual closing date at the Erie County Clerk's office.

H) Other Important Information:

- 1) 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.
- 2) This is a first-time homeownership program with "up to" ten thousand dollars (\$10,000.00) conditionally granted for "Mortgage Principal Reduction". Grant amounts are figured based upon income and other factors and will be confirmed within your programmatic approval correspondence.
- 3) A mandatory live-in requirement of ten (10) years accompanies this conditional grant. 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.
- 4) The home MUST be your principal place of residence for the entire ten (10) year live-in period 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 home being purchased.
- 5) 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) of annuities/stocks/land value in their possession/name, nor can you have owned a home previously.
- 6) All programmatically approved clients who go on to purchase a house through our program are required to attend "Housing/Budget Counseling" classes as part of the requirements of our program. These counseling classes are provided free of charge by the Town of Hamburg. We will provide contact information to you at the appropriate time. In most cases, our free counseling class will be sufficient for your lender, since our counseling classes are HUD certified.

I) Application:

Enclosed are 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 must provide with your application (Exhibit "A"). Only applications that have completed Forms A, B and C along with a copy of the 2017 federal tax return (Federal Form 1040, 1040A, 1040EZ etc., with all pertinent schedules), a copy of the 2017 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.

J) Privacy/Confidentiality:

The Town of Hamburg 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.

K) Notifications:

- 1) Incomplete Applications will be sent back to the applicant.
- 2) Only one application will be accepted per family.
- 3) Programmatic approvals issued to approved client(s) does not guarantee a commitment of grant funds to said client(s).
- 4) Program funding is currently available.

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

L) Confidential Information Release Form:

Included within this application packet is a "Consent to Release Confidential Information" form.

If you would like our office to speak with your: Realtor, Lender, Attorney, Family member, etc. 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 need to have 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 phone number listed above.

M) How Did You Hear About This Program?

In order to assist us with our advertising, how did you hear about the availability of our program?

At the bottom of Form "B", Department of Housing & Urban Development Data Collection, please answer the question pertaining to where you heard about this program. Thank you!

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Confidential Information Release Form

I/We, _____ hereby 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)

Address: _____

Phone #: _____

Relationship: _____

Name: _____
(2nd Contact)

Address: _____

Phone #: _____

Relationship: _____

Name: _____
(3rd Contact)

Address: _____

Phone #: _____

Relationship: _____

Name: _____
(4th Contact)

Address: _____

Phone #: _____

Relationship: _____

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

Town of Hamburg First Time Home Buyer - Program Application - FORM "A":

Applicant - 1
Full Name: _____ SS#: _____

Applicant - 2
Full Name: _____ SS#: _____

Previous Name if divorced/other: _____ Maiden Name if divorced/other: _____

Applicant - 1 Residence/Address: _____ Applicant - 2 Residence/Address: _____

Applicant -1 Phone #'s: H: _____ W: _____ Cell: _____

Applicant -2 Phone #'s: H: _____ W: _____ Cell: _____

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

Applicant - 1 Employer: _____

Address: _____

Occupation: _____ Hourly Rate: _____ Start Date: _____

Applicant - 1 Employer: _____

Address: _____

Occupation: _____ Hourly Rate: _____ Start Date: _____

Applicant - 2 Employer: _____

Address: _____

Occupation: _____ Hourly Rate: _____ Start Date: _____

Applicant - 2 Employer: _____

Address: _____

Occupation: _____ Hourly Rate: _____ Start Date: _____

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

_____ Rate: _____ Hrs/Wk: _____

Current GROSS annual income for all persons to reside in home to be purchased: _____

(This must include all persons to reside in the home to be purchased via this program)

Has any applicant ever owned a home, mobile home or been listed on a deed as an owner or co-owner previously?

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 funds/assets is considered income.

(Attach copy of 2017 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 Exhibit "A" (Copies Only))

FORM "B"

Department of Housing & Urban Development Data Collection
(Not utilized for program selection purposes)

Ethnicity: (Select only 1)

Hispanic or Latino: _____

Not Hispanic or Latino: _____

Race: (Select 1 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: _____

Name: _____ Age: _____

Name: _____ Age: _____

Name: _____ Age: _____

Name: _____ Age: _____

Name: _____ Age: _____

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 Law. In addition, the Town of Hamburg is under contract with Housing Opportunities Made Equal 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 our fair housing brochure, 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:

(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 packet and that by signing this certification, (I)(we) totally understand and will comply with the Town of Hamburg's Hometown Housing Program procedures in their entirety.
- 2) The information provided within Forms A & B is true and accurate to the best of my knowledge. (I)(We) 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)(we) 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)(we) 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)(we) 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 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)(our) 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 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)(our) 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.

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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))

- 1) Copy of **2017** federal and state income tax filings, including all schedules & **2017** - W2's.
- 2) Verification of ALL checking and savings accounts, interest and annuities:
* Provide last two (2) months' statements from all of your financial institutions for proof of each account.
- 3) Verifications of employment:
* Four (4) most recent pay stubs for all employed persons 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 statements/documentation.
- 8) Copies of divorce settlement papers, etc., if applicable:
* Please ensure that you 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!