Housing Authority of the City of Frederick

HOPE VI

Homeownership Program

*Turning hope into **homes**.*

The HOPE VI Homeownership Program helps Frederick County residents transition from renting to owning. Buyers must secure a first mortgage from a private lender; HOPE VI provides funds to cover the difference between the first mortgage and the purchase price.

The HOPE VI Homeownership Program is a partnership—not a charity. Upon sale of the home, the silent second mortgage will be immediately paid in full from the proceeds plus a portion of capital gains. No payments are due on this mortgage until that time.

The selection of homeowners will use criteria that do not discriminate on the basis of religion, race, or ethnic background. All applicable federal and state laws regarding mortgage lending will be followed.

You can learn more online at

hacfrederick.org/hope6

Housing Authority of the City of Frederick—HOPE VI Homeownership Program
209 Madison Street, Frederick, MD 21701
Equal Housing Opportunity

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HOPE VI Homeownership Program

Making homeownership possible for you

The HOPE VI Homeownership Program is a second-mortgage program, where eligible applicants obtain a first mortgage to purchase a home based on household income, and HOPE VI funds provide a silent second mortgage for the difference between the first mortgage and the sales price.

Qualified applicants will be able to purchase a home in two distinct communities:

Vermont Court

Minimum annual income requirement $17,500

3 bedroom, 1.5 bath units starting at $135,000
Silent second mortgage covers the difference between the purchase price and the qualified first mortgage amount.
Available immediately

North Pointe

Minimum annual income requirement $25,000

Lots 2 & 3—*Available September 2017—$382,850*
3 bd 3.5 ba—2052 finished sqft (including basement)
Silent second mortgage up to $182,850

Lots 67 & 68—*Available February 2018—$348,900*
3 bd 2.5 ba—1292 finished sqft—646 unfinished sqft (basement)
Silent second mortgage up to $150,000

You can learn more online at

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Program Qualifications

To qualify for participation in the HOPE VI Homeownership Program you must:

- Have a stable, verifiable household income within the minimum and maximum income requirements.

MINIMUM HOUSEHOLD INCOME	
$17,500	Vermont Court Properties
$25,000	North Pointe Properties

MAXIMUM HOUSEHOLD INCOME PER # OF HOUSEHOLD MEMBERS	
1	$52,550
2	$60,050
3	$67,550
4	$75,050
5	$81,100
6	$87,100
7	$93,100
8	$99,100

Based on 2017 HUD Income Limits

- Be consistently employed full-time (minimum of 30 hours per week) for one (1) year prior to purchasing a home.
- Be a first-time homeowner (no homeownership in past 3 years).
- Have sufficient creditworthiness to secure a 30 year fixed rate mortgage. (Minimum 620 credit score.)
- Contribute 3% of the purchase price, 1% of which must be from your own personal funds.
- Be in full compliance with your lease (including not owing your landlord any money).
- Successfully complete a homeownership certification class.
- If not a current HACF resident or participant, meet the eligibility criteria for admission to public housing.
- Provide a pre-approval letter from a lender.

Steps to Homeownership

If you meet the program qualifications, follow these steps to start the approval process:

1. COMPLETE HOMEOWNERSHIP TRAINING. Contact the Frederick Community Action Agency at 301-600-1506 to sign up for their next Homeownership 101 training session. (Remember to get your training certificate to submit with your application.)

2. GET A PRE-APPROVAL LETTER. Contact a mortgage lender and determine your mortgage qualification amount. A list of reputable lenders is available at www.bbb.org. Buyers must borrow the maximum approved amount.

3. SUBMIT APPLICATION AND DOCUMENTATION. Submit required documentation to Angie Liddiard, HACF Director of Economic Development. Mail to: 629 N. Market Street, Frederick, MD 21701. Email to: aliddiard@hacfrederick.org. If you have questions, please call 240-578-4012.

Required Documentation

- ☐ Pre-approval letter from lender
- ☐ Completed HOPE VI Homeownership Program Application (can be found online at hacfrederick.org/hope6)
- ☐ Copy of credit report and score (min. 620) from within last 90 days
- ☐ Previous 2 years' tax returns
- ☐ Last 3 months' statements for all bank accounts
- ☐ Last 3 paystubs
- ☐ Social Security Cards and Birth Certificates for all household members.
- ☐ Picture ID

4. FINAL APPROVAL. After you have completed all of the above steps, your information will be reviewed. If you are approved, you can begin the home-buying process.

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