



**120 Maple Street
Wadsworth, Ohio 44281**

**FY2010 COMMUNITY HOUSING IMPROVEMENT PROGRAM
(CHIP)**

DOWNPAYMENT ASSISTANCE/REHABILITATION PROGRAM



City of Wadsworth
120 Maple Street
Wadsworth, Ohio 44281
FY 2010 CHIP

**INSTRUCTIONS FOR COMPLETING
DOWNPAYMENT ASSISTANCE/REHABILITATION APPLICATION**

1. All persons living in the household must be included in the application.
2. All persons in the household receiving income must be indicated on the application.
3. The employer's name and address for those persons working must be indicated on the application. All persons working must submit a copy of your pay stubs for the past 3 months.
4. The name and address of the pension provider must be furnished.
5. Self-employed? Attach copies of the last three (3) Federal Tax Returns filed.
6. Not employed? Submit a hand-written notarized statement to that effect.
7. Full-time Student? Submit proof of enrollment (copy of your schedule or other document showing status as full-time student.) Please indicate if you are employed.
8. Receiving Social Security, Disability or Pension? Attach a copy of your benefit statement indicating gross received monthly. To obtain your Social Security Benefit Statement call SSA 1-800-772-1213 between 7:00 a.m. and 7 p.m. or go to www.ssa.gov.
9. All information requested on the application must be completed. In not applicable please indicate N/A.
10. The applicant must sign the certification and authorization statement.
11. Other persons working in household must also sign the authorization statement.

Any questions regarding the completion of the application form should be directed to the CT Office (330-746-1200 x555).

PLEASE RETURN YOUR COMPLETED APPLICATION TO City of Wadsworth CITY HALL OR MAIL TO:

CT CONSULTANTS, INC.
20 FEDERAL PLAZA WEST, SUITE 303
YOUNGSTOWN, OHIO 44503



DOWNPAYMENT ASSISTANCE/REHABILITATION PROGRAM

1. Program Name and Description

The City of Wadsworth will institute a Downpayment Assistance/Rehabilitation (DAPR) Program. Applicants must be of low and moderate income and must meet the requirements of the program. The City of Wadsworth will coordinate this activity with the local banks regarding down payment assistance. A maximum of \$27,500.00 per unit will be made available for the DAPR Program.

2. The local banks have expressed interest in the program, and chances to qualify for a mortgage are excellent. The downpayment assistance provided will be for downpayment only. The Rehabilitation will be for correcting code violations, and meeting OHCP Residential Rehabilitation Standards (RRS).

3. Homebuyer Counseling

Homebuyer education and counseling is a requirement for the City of Wadsworth DAPR Program. All approved applicants for downpayment assistance MUST be able to show written evidence that education and counseling has taken place prior to CHIP downpayment assistance.

The City of Wadsworth will coordinate the counseling activity with Medina Metropolitan Housing Authority. Approved applicants MUST schedule an appointment with MMHA at 330-725-7531.

The content of the education and counseling program shall contain the following elements:

- The homebuyer's decision. This element should include: analyzing initial and long-term affordability; finding the "right" house; identifying the players; making the offer and signing the contract; shopping the financing and arranging for insurance.
- Budgeting and credit management. This element should include: establishing a savings plan and setting goals; understanding credit; building and maintaining a credit record; and understanding the consequences of default and the pros and cons of refinancing.
- The mortgage loan closing process. This element should include: understanding the pre-closing requirements; understanding the loan closing documents; and understanding the closing process.

- Home maintenance and repair. This element should include: developing a maintenance plan; identifying problems and performing basic preventive maintenance; understanding basic repair safety precautions; hiring and dealing with a contractor.
- Client follow-up. This element should describe how the provider will assess the degree of success that recipients are having with home ownership. Follow-up contact should be made three months after closing. The provider will inform the City of Wadsworth of the findings of the follow-up.

4. Availability of Affordable Homes

The Community believes that there are available affordable homes in the City of Wadsworth. A list of affordable homes can be provided by a local realtor indicating the availability to assist in implementation of this activity.

5. Income Eligibility Guidelines

The following are the income guidelines to be utilized for this activity:

DEFERRED LOANS – HOMEBUYERS PROGRAM LOW INCOME LIMITS

1 Person	\$36,300.00	5 Persons	\$56,000.00
2 Persons	\$41,500.00	6 Persons	\$60,150.00
3 Persons	\$46,700.00	7 Persons	\$64,300.00
4 Persons	\$51,850.00	8 Persons	\$68,450.00

The basis for determining annual gross income (Section 8 Method) will be to verify present monthly gross income and multiply by 12. If needed, W-2's, pay stubs, income tax returns will be utilized to determine annual gross income. All sources of income to the household will be contacted for verification, usually in writing. Incomes considered are wages, pensions, social security payments, welfare payments, rent payments, and other public assistance, and interest income.

An affordable analysis will be made and included in case file.

6. Client Selection Criteria

All applicants for the homebuyer's project activity must be either first-time homebuyers or not have owned a house within three (3) years from the date of application. (See attached application form). The application must be approved by a lending institution of the balance of the loan. No down payment assistance will be provided for land contract purchases. Applications will be processed on a first come first serve basis.



7. Limits of Downpayment Assistance (10% of down payment required or \$6,000 whichever is less).

The limits of assistance will be \$6,000 to qualified homebuyers. It is estimated that two (2) cases will be processed

8. Finance Mechanisms

The DAPR will be in the form of a deferred loan for **5 or 10 year** period. The property occupied by the first-time must be retained as the principal residence by the owners. Subletting a first-time homebuyer property, even on a temporary basis, is not permitted. The loan will be forgiven at 17% per year over the life of the 5 or 8.5% per year for the 10 year period, and after 5 or 10 years, 15% must be paid back to the City upon sale or transfer of the property. (ie: less than \$15,000 – 5 years; greater than \$15,000 – 10 years.)

<u>Assistance Type</u>	<u>Number Cases</u>	<u>Income Group</u>	<u>Estimate CDBG CPU</u>	<u>Total</u>
Deferred Loan	2	50-80%	\$26,250.00	\$52,500.00

9. Rehabilitation Standards

The housing unit must be inspected by the City of Wadsworth authorized personnel to determine if any rehab work needs to be performed to meet OHCP rehabilitation standards. Any rehab work to be performed must be estimated and included as part of the mortgage loan approval. The unit must meet OHCP Residential Rehabilitation Standards with six (6) months of closing.

10. Monitoring/Record keeping

The City of Wadsworth will check the mortgage limits as established for the City, and maintain the mortgage lien for prescribed period.

11. Affordability Requirements

Other than the eligibility requirements mentioned in the Income Eligibility Guidelines and Client Selection Criteria sections, there are no further affordability requirements.

12. Other Requirements

The project activities will meet the National Objectives of assisting low and moderate income persons. This shall be documented in the Beneficiaries file for the Program.

The Community will comply with other requirements such as Displacement, Relocation, Acquisition, EEO, Fair Housing, Labor, Lead Based Paint, Conflict of Interest, Debarment and Suspension, Intergovernmental Review, and other required assurances, by carrying out existing ordinances, resolutions, and policies governing said requirements. In addition, the Community will carry out the affirmative marketing strategy developed by the State of Ohio.



FY 2010
DOWNPAYMENTASSISTANCE/REHABILITATION APPLICATION

Each applicant for the City of Wadsworth Downpayment Assistance/Rehabilitation Program is required to furnish all the information contained in this application. Failure to complete the application completely will not allow evaluation of the application for assistance.

ADDRESS OF PURCHASE PROPERTY: _____

PERSONAL INFORMATION:

Applicant #1 _____
SS# _____ Telephone(D) _____
(E) _____

Applicant #2 _____
SS# _____ Telephone (D) _____
(E) _____

Current Address _____
Number/Street/City/Zip

How Long _____ Marital Status _____

Owner of residential property within the last three (3) years? YES _____ NO _____

If Yes, Give Address _____

Please list all addresses within the last three (3) years

Number of Persons in Household _____ List Names, Age and Relationship Below:



Applicant #1 Employer _____ How Long _____
Address _____
Phone No. _____ Monthly Income _____

Applicant #2 Employer _____ How Long _____
Address _____
Phone No. _____ Monthly Income _____

Other Income: (trust fund, pension, social security interest, workman's compensation, disability, ADC, Part-time Work, Child Support, etc.) Note: All persons residing in household and receiving an income must be identified on this application. (Use additional sheet if necessary)

NAME: _____

SOURCE: _____ MONTHLY AMOUNT: _____

ADDRESS: _____

LIST PREVIOUS EMPLOYERS IN LAST THREE (3) YEARS:

EMPLOYER	ADDRESS	FROM	TO
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

STRUCTURE

a. Current Owner: _____ Phone _____
Address: _____

b. Real Estate Agent's Names _____
Phone Number: _____

BANK LENDING INSTITUTION PROVIDING MORTGAGE LOAN:

NAME: _____

ADDRESS: _____

LOAN OFFICERS NAME: _____ PHONE NO: _____

PROPERTY IS PRESENTLY OCCUPIED BY: ____OWNER ____TENANT ____ VACANT

If Vacant, how long? Years _____ Months _____

Age of Structure _____ Number of Bedrooms _____ Property Taxes: _____

Purchase Price: _____ Property Value: _____

Property Decent, Safe and Sanitary? _____



I/We certify under penalty of perjury that all information contained on this application and furnished in support of the application is true and complete to the best of my/our knowledge and belief. Verification may be obtained from any sources that the City of Wadsworth requires.

I/We further understand and authorize the bank or the lending institution servicing my mortgage loan to provide information for the processing of my/our application for the Downpayment Assistance/Rehabilitation Program with the City of Wadsworth.

Any applicant that purposefully omits or intentionally supplies false or misleading information may be rejected from participating in the Program.

Date

Applicant's Signature

Date

Co-Applicant's Signature

Sworn to and subscribed before me this _____ day of _____, 20____.

Notary Public



CERTIFICATION BY APPLICANT (S)

Please read the following statement. If you do not understand any part of it or have any questions about what you are asked to sign, please ask someone at the Agency to help you. Both applicants must sign in ink below.

I certify that all the information in the application for a Housing DPA/Rehabilitation Deferred Loan is true and complete to the best of my knowledge. I understand this information is subject to verification.

I authorize City of Wadsworth, through its representatives, and designees of the Office of Housing and Community Partnerships (OHCP) and the US Department of Housing and Urban Development (HUD) to inspect and evaluate actual services provided to me. I understand that any and all information provided in this application may be used for that purpose.

I understand that the personal financial information contained in the application is necessary for evaluation of my application for homeownership assistance. This information, however, will remain confidential and will not be disclosed to the news media or other third parties. I further understand that my name, address and total amount of homeownership assistance will be subject to public disclosure since public funds are being utilized to purchase and rehabilitate my property.

Penalty For False Or Fraudulent Statement. U.S.C. Title 18, Sec 1001, provides, "Whoever, in any matter within the jurisdiction of any department or agency of the United State knowingly and willfully falsifies... or makes any false, fictitious or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than five years, or both."

Signature of Applicant

Date

Signature of Applicant

Date

I further acknowledge that I have received a copy of the Fair Housing Notification, and the Community Housing Bulletin #1.

Signature of Applicant

Date

Signature of Applicant

Date



AUTHORIZATION FOR RELEASE OF INFORMATION

I/We the undersigned hereby authorize _____
(Bank) to release to the City of Wadsworth any and all information contained in my/our mortgage application file. It is the purpose of this release to allow the aforementioned bank to forward to the City of Wadsworth, information to assist the Community in compiling necessary information to make a decision on my/our application for down payment assistance funds.

It is understood and agreed that either the bank or the City of Wadsworth may find it necessary to copy and keep on file records pertaining to my/our finances, employment history and credit history.

I/We hold harmless the bank and the City of Wadsworth from any possible civil suit or legal action resulting from the release of the above mentioned information. This release is given with the understanding that all information will be held except for purposes of reviewing my/our application for assistance and compliance with local state and federal regulations.

Date

Borrower's Signature

Date

Co-Borrower's Signature



**City of Wadsworth
120 Maple Street
Wadsworth, Ohio 44281
FY 2010 CHIP**

**DOWNPAYMENT ASSISTANCE/REHABILITATION PROGRAM
LENDING INSTITUTION
LOAN OFFICER
CHECKLIST**

The following items must be furnished by the Loan Officer to the Program Administrator prior to the release of funds for down payment assistance to eligible applicants:

1. Residential Property Disclosure Form
2. Residential Appraisal Report
3. Copy of Property Deed
4. Letter of Loan Approval to Program Administrator indicating the terms of the loan including loan amount, term, interest rate, and monthly P&I Payment. Letter should also indicate if insurance and taxes are escrowed.

Upon closing, a copy of the Settlement Statement must be furnished to the Program Administrator.

The above information is to be mailed to:

***CT Consultants, Inc.
20 Federal Plaza West, Suite 303
Youngstown, Ohio 44503***

Thank you for your cooperation.

George A. Zokle, Jr.
Program Administrator



City of Wadsworth
120 Maple Street
Wadsworth, Ohio 44281
FY 2010 Community Housing Improvement Program

AUTHORIZATION BY APPLICANT

I hereby authorize the City of Wadsworth to obtain verification of employment and financial information.

Date

Signature

Please print:

Name: _____

S.S. No. _____

If applicable:

Name of Employer: _____

Address of Employer: _____

City _____, Ohio Zip _____

Phone No. of Employer: _____

Other income received from:



City of Wadsworth
120 Maple Street
Wadsworth, Ohio 44281
FY 2010 Community Housing Improvement Program

AUTHORIZATION BY APPLICANT

I hereby authorize the City of Wadsworth to obtain verification of employment and financial information.

DATE

SIGNATURE

Please Print:

Name: _____

S.S. #: _____

If applicable:

Name of Employer _____

Address _____

City, State Zip Code _____

Phone Number: _____

Other income received from:





Medina County Fair Housing Office
144 N. Broadway, Medina, Ohio 44256
FAIR HOUSING OFFICE

Wadsworth
330-336-6657 x9217

The Fair Housing Act

The Fair Housing Act (the Act) specifically prohibits discrimination because of race, color, religion, sex, national origin, disability, and familial status in:

- Sale or rental of dwellings;
- Residential Real Estate – related transactions; and
- Provision of services and facilities in connection with such activities.

It is unlawful to:

1. Refuse to sell, rent, finance, or insure housing or property;
2. Tell any person that housing is not available for inspection, sale, rent or lease;
3. Refuse to lend money for the purchase, construction, rehabilitation, repair or maintenance of housing or property;
4. Discriminate against any person in the terms and conditions of fire, extended coverage or homeowner's insurance;
5. Refuse to consider income of both husband and wife;
6. Print, publish, or circulate any statement or advertisement which would indicate a preference or limitations; or
7. Deny any person membership in any multiple listing or real estate service.

If you feel you have experienced discrimination in renting or buying a residence, please call your local Fair Housing Office:

Wadsworth
330-336-6657 x9217