

SUFFOLK COUNTY HOME CONSORTIUM
2013
DOWN PAYMENT ASSISTANCE PROGRAM
FOR FIRST-TIME HOMEBUYERS
PROGRAM GUIDELINES

**PLEASE RETAIN A COPY OF THESE PROGRAM GUIDELINES
AFTER YOU SEND IN THE APPLICATION AS IT CONTAINS
IMPORTANT PROGRAM INFORMATION**



STEVEN BELLONE, COUNTY EXECUTIVE
SUFFOLK COUNTY COMMUNITY DEVELOPMENT OFFICE
P.O. BOX 6100
100 VETERANS MEMORIAL HIGHWAY
HAUPPAUGE, NY 11788-0099
631-853-5705

SUFFOLK COUNTY HOME CONSORTIUM

DOWN PAYMENT ASSISTANCE PROGRAM FOR FIRST-TIME HOMEBUYERS

2013 PROGRAM GUIDELINES

APPLICATIONS MUST BE SUBMITTED BY OCTOBER 31, 2013

1. **GOAL:** To help make the “American Dream” of homeownership a reality for first-time homebuyers in the Suffolk County Consortium of municipalities.

2. **GRANT ASSISTANCE:** The Suffolk County HOME Consortium down payment assistance funds are essentially a zero-interest deferred loan. The grant assistance will be in the amount of \$14,000 granted to eligible applicants to assist with the down payment toward the purchase of an owner occupied, single family residence. The applicant will be required to sign a Note & Mortgage which is subordinate to the bank or lending institution that will be providing the primary mortgage.

3. **ELIGIBILITY CRITERIA:** An applicant must:
 - Be a First-Time Homeowner. Defined by the U.S. Department of Housing and Urban Development (HUD) as a household that has not owned a home during the three-year period immediately prior to the purchase of a residence with HOME funding.
 - Be a Low to Moderate Income Household. All prospective applicants must have an annual income not exceeding 80% of the area median income (set forth below) as determined by HUD.
 - Have tax returns and pay stubs (or other applicable documentation) to prove a minimum annual household income of at least \$30,000.
 - Attend one-on-one mortgage counseling at a HUD certified not-for-profit housing agency.
 - Have adequate financial resources and credit to qualify for a mortgage.
 - Occupy the subject property as a principal residence.
 - Not have entered into a Contract of Sale to purchase a home prior to being approved for this program and issued a Purchaser Certificate from the Community Development Office.

4. **2013 INCOME GUIDELINES:** The maximum permitted annual household income for applicants shall not exceed 80% of the area median annual household income as determined by HUD. Such amounts are set forth below.

Household Size	Maximum Allowable Income*	Minimum Annual Income
1	\$ 59,300	\$30,000
2	\$ 67,800	\$30,000
3	\$ 76,250	\$30,000
4	\$ 84,700	\$30,000
5	\$ 91,500	\$30,000
6	\$ 98,300	\$30,000
7	\$105,050	\$30,000
8 or more	\$111,850	\$30,000

*Please note that the maximum allowable income includes all income such as overtime, bonuses, pensions, social security, 401-K distributions, tips, etc. Your gross income cannot exceed the maximum annual income for your household size. The Suffolk County Community Development Office must project the income that will be received for the upcoming 12-month period.

5. **HOME BUYER CONTRIBUTION:** The applicant is required to have a minimum of \$3,000 of their own funds in their bank account at the time of application.

6. **PROPERTY VALUE LIMIT:** The maximum appraised value of a single-family residence to be purchased within the Suffolk County Consortium HOME Selection Area cannot exceed **\$333,000 for existing housing or \$388,000 for new construction.**

7. **TYPES OF ELIGIBLE HOUSING:** Pre-existing or newly constructed single family residences located within the Suffolk County Consortium HOME Selection Area must be occupied as a principal residence, including single-family houses, condominiums, cooperative apartments (co-ops) or manufactured homes. **Residences cannot contain any rental units or second kitchens.** Manufactured homes must be placed on real property owned or to be owned by the purchaser.

8. **CONSORTIUM AREA:**

Applicants **must** purchase a home within the Suffolk County Consortium of municipalities stated below:

- **Town of Brookhaven** – and the Villages of Bellport, Lake Grove, Patchogue, Port Jefferson and Shoreham
- **Town of East Hampton** – and the Village of Sag Harbor
- **Town of Huntington** – entire town
- **Town of Riverhead** – entire town
- **Town of Shelter Island** – excluding incorporated villages

- **Town of Smithtown** – and the Village of the Branch
- **Town of Southampton** – and the incorporated Villages of Sag Harbor, Southampton, Westhampton Beach and West Hampton Dunes
- **Town of Southold** – excluding incorporated villages

***Please note that the Town of Babylon and the Town of Islip do not belong to the Suffolk County HOME Consortium of municipalities. Eligible applicants cannot purchase homes in these towns.**

9. Mortgage Counseling Requirements and Homebuyer Education: Applicants must have adequate financial resources and credit to qualify for a mortgage. In order to help you with the home buying process, it is required that all applicants obtain mortgage counseling from a HUD certified not-for-profit housing agency. Set forth below are some of these housing agencies. There may be a fee for such counseling services. These organizations have a great deal of knowledge in this field and can advise you on many aspects of purchasing a home and securing a mortgage. Even though it is the responsibility of the applicant to secure a mortgage, some of the housing agencies can refer you to banks that offer first-time homebuyer mortgage products. They can also assist you with clearing up any credit problems you might have. Therefore, you are advised to schedule an appointment as soon as possible. All applicants are required to provide us with a mortgage counseling certificate as proof that the counseling session was completed.

A Mortgage Counseling Certificate must be sent in with your application.

AGENCY	PHONE #	FEE
Bellport, Hagerman, East Patchogue Alliance 1492 Montauk Highway, Bellport, NY 11713	631-286-9236	N/A
Community Development Corporation of Long Island 2100 Middle Country Road, Suite 300, Centereach, NY 11720	631-471-1215	\$50.00
Long Island Housing Services 640 Johnson Avenue, Suite 8 Bohemia, New York, 11716	631-567-5111	N/A
Economic Opportunity Council of Suffolk, Inc. 320 Carlton Avenue, 7 th Floor, Central Islip, NY 11722	631-647-3762 Exts 202 - 205	N/A
Housing Help, Inc. 92 Broadway, Suite 6, Greenlawn, NY 11740	631-754-0373	N/A
Long Island Housing Partnership 180 Oser Avenue, Suite 800, Hauppauge, NY 11788	631-435-4710	N/A
North Fork Housing Alliance, Inc. 116 South Street, Greenport, NY 11944	631-477-1070	N/A

10. PURCHASER CERTIFICATE: Only eligible applicants will be issued a Purchaser Certificate. All eligible applicants that have been issued a Purchaser Certificate have until **January 31, 2014** to submit a fully executed Contract of Sale to the Suffolk County Community Development Office. After entering into a contract to purchase an owner occupied, single-family residence, applicants

have until **April 30, 2014** to secure a mortgage with a recognized lending institution and close on the subject property. However, if the purchase is for **new construction**, the applicant will have until **December 15, 2014** to close on the subject property.

Suffolk County reserves the right to nullify and/or void any Purchaser Certificate issued in the 2013 Suffolk County HOME Consortium Down Payment Assistance Program based on funding availability.

11. HOUSING QUALITY STANDARD INSPECTION: Suffolk County requires that the residential property to be purchased **must** pass a Housing Quality Standards Inspection (HQS) as a pre-requisite for receiving HOME funds. This inspection is provided by Suffolk County and is solely for the purpose of ensuring that the home meets a minimum standard of quality pursuant to HUD regulations. Without exception, this program will not fund homes that **fail** the (HQS) Inspection. Suffolk County is not responsible to any person, party, entity, applicant, buyer, seller, etc., for the loss of any deposit and/or down payment on a home which has not passed the HQS Inspection. This inspection does not take the place of a home inspection ordered by the purchaser.

12. OBTAINING THE GRANT ASSISTANCE: As a condition to obtaining assistance, applicants are required to submit to the Suffolk County Community Development Office the following documents as soon as they are available:

- Fully executed Pre-Contract Agreement. This agreement will be provided to all eligible applicants once a Purchaser Certificate is issued.
- Fully executed Contract of Sale.
- Visual Inspection Report from an EPA Certified Lead Based Paint Inspector. This report must be completed by an EPA Certified Lead Based Paint Inspector or submit proof that the house was built after 1978.
- Mortgage Application.
- Appraisal of the Subject Property.
- Mortgage Commitment.

In order to receive the assistance, eligible applicants will be required to sign a Suffolk County Payment Voucher and a Note & Mortgage to secure the terms of the \$14,000 grant. Applicants purchasing a co-op will be required to sign a Note & Security Agreement and Suffolk County will file a UCC-1 statement in order to secure the \$14,000 in grant assistance.

13. RESTRICTIONS:

- When searching for a home, the subject property that is to be purchased cannot displace an existing tenant. Both the purchaser and seller will be required to sign a “PRE-CONTRACT AGREEMENT.” This is a requirement in order to verify that this restriction is not being violated. This document will be sent to you when the Purchaser Certificate is issued.

- The applicant must not have entered into a Contract of Sale to purchase the subject property prior to being approved for the Suffolk County HOME Consortium Down Payment Assistance Program and issued a Purchaser Certificate from the Community Development Office.
- All houses constructed prior to 1978 must pass a Visual Inspection for the presence of lead based paint. This report must be completed by an EPA Certified Lead Based Paint Inspector. Houses built after 1978 are exempt from this requirement and applicants must submit proof of this fact.
- Private mortgages are not allowed. Mortgages must be through a licensed and recognized lending institution.
- No Short Sales allowed.
- No Real Estate Owned Properties are allowed.
- Non-occupying co-borrowers/co-signers are not permitted.
- 100% Financing Not Permitted
- Interest Only Mortgages Not Permitted
- Adjustable Rate Mortgages Not Allowed
- “No Doc” Loans or No Income Check Loans Not Allowed
- 80/20 Loans Not Allowed
- No foreclosures Allowed
- Guarantors Not Allowed

14. ANNUAL RE-CERTIFICATION: Please be advised that all eligible applicants who receive the \$14,000 in grant assistance will be required to live in the subject property for five (5) years. A monitoring affidavit will be mailed annually to the grant recipient in order to verify in writing that the subject property is being maintained and in compliance with the following guidelines:

- Grant recipients are the current owners of the subject property.
- The subject property is currently occupied as the grant recipient’s primary residence.
- The subject property is properly insured and maintained in agreement with the terms of the Note and Mortgage or the Note & Security Agreement.
- No interest in the subject property has been sold, rented or transferred.

If the foregoing is accomplished during the required five (5) year affordability period, then the Note & Mortgage will be forgiven and no repayment is required. Upon completion of the five (5) year affordability period the homeowner will be issued a “Satisfaction of Mortgage” from the Suffolk

County Community Development Office. Please note that the homeowner will be responsible for all fees associated with filing the Satisfaction of Mortgage at the Suffolk County Clerk's Office.

15. CLOSING: The funds will be provided to the applicant by Suffolk County at the closing. A representative of the Suffolk County Community Development Office will attend the closing and will provide the check. The check will be made payable to "the buyer or the seller".

The Down Payment Assistance is a zero interest deferred payment loan that will be forgiven at the end of the five-year term as long as the house is not sold, transferred or rented out. Recipients will be required to verify that they are still living in the funded property for the five-year term of the Note & Mortgage.

Please note that Suffolk County is not responsible to any party for the loss of a down payment or any other damages which may arise as a result of the applicant's failure to adhere to the terms of the 2013 Suffolk County HOME Consortium Down Payment Assistance Program Guidelines, as stated in this document.

16. APPLICATION PROCEDURE: Complete applications will be evaluated on a first-come first-served basis. Applicants will be notified **BY MAIL ONLY**, as soon as a determination of eligibility has been made.

The deadline for submitting applications is October 31, 2013. Suffolk County also reserves the right to exercise final approval on all applications submitted in the 2013 Suffolk County HOME Consortium Down Payment Assistance Program

The applications can also be downloaded from the Suffolk County web site at:

<http://www.suffolkcountyny.gov/Departments/EconomicDevelopmentandPlanning/CommunityDevelopment/HOMEInvestmentPartnershipsProgram.aspx>

All applications must be returned by mail to:

Suffolk County Community Development Office
Attention: Down Payment Assistance Program
P.O. Box 6100
100 Veterans Highway, H. Lee Dennison Bldg.
Hauppauge, N.Y. 11788-0099

Please get delivery confirmation so you can be sure the application was received. The Suffolk County Community Development Office cannot provide telephone confirmation.

Suffolk County reserves the right to nullify and/or void any Purchaser Certificate issued for the 2013 Suffolk County HOME Consortium Down Payment Assistance Program based on funding availability, as funding is limited.

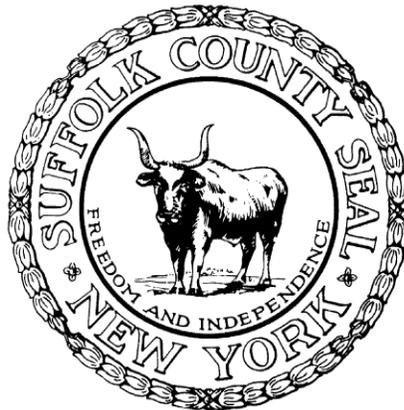
Suffolk County HOME Consortium

2013

Down Payment Assistance Program
For First Time Homebuyers

APPLICATION

PLEASE BE SURE TO RETAIN THE PROGRAM GUIDELINES
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AS IT CONTAINS IMPORTANT PROGRAM INFORMATION



Steven Bellone, County Executive
Suffolk County Community Development Office
P.O. Box 6100
100 Veterans Memorial Highway
Hauppauge, N.Y. 11788-0099
631-853-5705



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PLEASE BE ADVISED: QUESTIONS 9a and 9b MUST BOTH BE ANSWERED:

The following information is being requested for statistical and reporting purposes only, to comply with federal equal opportunity requirements. Your answers will not affect your eligibility for this program.

9a. Ethnicity of Head of Household: Are you Hispanic/Latino? Yes _____ No _____

AND

9b. Race of Head of Household:

_____ (11) White

_____ (12) Black/African American

_____ (13) Asian

_____ (14) American Indian or Alaska Native

_____ (15) Native Hawaiian or Other Pacific Islander

_____ (16) American Indian/Alaskan Native and White

_____ (17) Asian and White

_____ (18) Black/African American and White

_____ (19) Amer. Indian/Alaskan Native and Black/African American

_____ (20) Other Multi-Racial

_____ (21) Asian/Pacific Islander



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10. List each person who will live with you in the household. Start with yourself and please include custodial children, spouse, fiancé, life partner, parent, etc. (regardless of relationship).

1	First Name:	Last Name	Circle one: Male or Female	Self	Annual Income
	Social Security #: →		Date of Birth: →		
2	First Name:	Last Name	Circle one: Male or Female	Relationship to #1	Annual Income
	Social Security #: →		Date of Birth: →		
3	First Name:	Last Name	Circle one: Male or Female	Relationship to #1	Annual Income
	Social Security #: →		Date of Birth: →		
4	First Name:	Last Name	Circle one: Male or Female	Relationship to #1	Annual Income
	Social Security #: →		Date of Birth: →		
5	First Name:	Last Name	Circle one: Male or Female	Relationship to #1	Annual Income
	Social Security #: →		Date of Birth: →		
6	First Name:	Last Name	Circle one: Male or Female	Relationship to #1	Annual Income
	Social Security #: →		Date of Birth: →		
7	First Name:	Last Name	Circle one: Male or Female	Relationship to #1	Annual Income
	Social Security #: →		Date of Birth: →		
8	First Name:	Last Name	Circle one: Male or Female	Relationship to #1	Annual Income
	Social Security #: →		Date of Birth: →		



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11. ANY OTHER SOURCES OF INCOME: Please list any and all other sources of income (i.e., social security, disability, unemployment, retirement income, workers comp, investment income, etc.) and state the frequency it is paid (i.e., weekly, monthly, annually, etc.) and provide proof (award letter, annual statement, etc.).

Recipients Name	Income Source	Amount	Frequency
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

12. CURRENT EMPLOYMENT: List any and all current employers for each wage earner over 18 years old listed in section # 10. Do not list past employers.

Please include separate sheet for any other employers

Your Name:	Employed by:	Gross Annual Income: \$
	Location Address:	
	Job Title:	Full Time employee? YES / NO Please circle your choice
	Date Hired:	
Your Name:	Employed by:	Gross Annual Income: \$
	Location Address:	
	Job Title:	Full Time employee? YES / NO Please circle your choice
	Date Hired:	
Your Name:	Employed by:	Gross Annual Income: \$
	Location Address:	
	Job Title:	Full Time employee? YES / NO Please circle your choice
	Date Hired:	

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13. **BANKING INFORMATION:** Please provide current information for each bank account held by any adult household members and send copies of the last three months' bank/financial statements for each account listed below. Applicant must evidence \$3,000 of their own funds at the time of application. Also include any retirement accounts, such as 401-K accounts, stocks, bonds, money market accounts, certificates of deposits (CD accounts), etc.

Please include separate sheet for any other financial information

Name(s) on the Account: _____

Bank Name:			
Account Number:			
Current Balance (as of today's date):			
Check Account Type:	Savings		
	Checking		
	Other		

Name(s) on the Account: _____

Bank Name:			
Account Number:			
Current Balance (as of today's date):			
Check Account Type:	Savings		
	Checking		
	Other		

Name(s) on the Account: _____

Bank Name:			
Account Number:			
Current Balance (as of today's date):			
Check Account Type:	Savings		
	Checking		
	Other		



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Please read this entire page and then sign below.

I hereby authorize the release of financial information by and to the Suffolk County Community Development Office on my behalf in relation to this application for the Suffolk County HOME Consortium Down Payment Assistance Program. This authorization includes the release of any financial information and documentation to the Suffolk County Community Development Office from any lender to which I have applied for a mortgage or from any employer.

I understand that providing false or incomplete information will disqualify me for consideration and/or represent a criminal offense in the Suffolk County HOME Consortium Down Payment Assistance Program. If any of the information provided in this application changes prior to closing, it is my responsibility to notify the Suffolk County Community Development Office in writing so that an updated determination can be made regarding my eligibility status. If I have not closed on a house within six (6) months of the date qualified, I understand that I will be required to resubmit current financial information and documentation to determine that I still meet the eligibility requirements of the program. Program eligibility must be maintained from the point of application to the awarding of the grant assistance at the closing.

I understand that this is not an offer and that the terms and conditions of the Suffolk County HOME Consortium Down Payment Assistance Program may be changed at any time by the U.S. Department of Housing and Urban Development (HUD) or by the Suffolk County Community Development Office. I further understand that notices by the Suffolk County Community Development Office may be made in such manner as the Suffolk County Community Development Office may determine, including solely by advertisements.

Please note that Suffolk County is not responsible to any party for the loss of a down payment or any other damages which may arise as a result of the applicant's failure to adhere to the terms of the Suffolk County HOME Consortium Down Payment Assistance Program Guidelines, as stated in this document.

Applicant Signature

Date

Co-Applicant Signature

Date

WARNING: Section 1011 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any department or agency as to any manner within its jurisdiction.



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Required Documentation Checklist

**Your application will not be considered complete unless all the following documentation is included.
Please use this checklist to be sure you haven't forgotten anything.**

- Signed and dated 2013-Suffolk County HOME Consortium Down Payment Assistance Application.
- A signed and dated Counseling Certificate from any one of the HUD certified mortgage counseling agencies that were suggested in the program guidelines.
- Three (3) current consecutive bank/financial statements with all pages for each applicable bank account. Please note applicant(s) must have a minimum of \$3,000 of their own funds at the time of application in order to be eligible for the 2013 Suffolk County HOME Consortium Down Payment Assistance Program.
- Four (4) current consecutive pay stubs evidencing year-to-date gross earnings for all applicant(s) over 18 years of age. If year-to-date earnings are not included on pay stub, a letter from your employer on company letterhead is required. Letter must state your title/position, annual salary and/or rate of pay, with number of weekly hours worked.
- Copies of your **signed** IRS 1040-Federal Tax Returns with all required schedules and W-2 statements for the last three years (2012, 2011 & 2010) if you file electronically, please sign all schedules before sending to us.
- Current school transcripts for household members over the age of 18 receiving some type of income (if applicable).
- Copies of documentation for Social Security Benefits, Disability Income, Pension Income, Unemployment, etc. (if applicable).
- Separation Agreement or Divorce Decree (if applicable).
- Proof of legal resident alien status (if applicable).

RETURN BY U S POSTAL SERVICE TO:

Suffolk County Community Development Office
Attn: 2013 Down Payment Assistance Program
P.O. Box 6100
Hauppauge, NY 11788-0099

RETURN BY COURIER SERVICE TO:

Suffolk County Community Development Office
H. Lee Dennison Building – 2nd Floor
100 Veterans Memorial Highway
Hauppauge, NY 11788

