

CITY OF HICKORY
1ST-TIME HOMEBUYER'S PROGRAM

*LET US HELP YOU OPEN THE DOOR TO
HOMEOWNERSHIP*

If you are a qualified low to moderate income applicant who has lived within the corporate limits of the City of Hickory for at least one year, there is a program available that may assist you in the purchase of a new or existing home located within the City limits of Hickory.

The City of Hickory may make loans of up to Six Thousand Five Hundred (\$6,500) dollars for an existing home or up to Ten Thousand (\$10,000) dollars for new construction on behalf of eligible low to moderate income applicants to assist with the following expenses associated with the purchase of a home for owner occupancy:

- a) downpayment
- b) closing costs
- c) discount points
- d) loan application fees

The amount of each individual loan is determined by the City of Hickory on a case by case basis to be the minimum amount necessary to make the financing for the purchase of a home economically feasible to a qualified applicant. Loans are repaid at 0% interest upon final payment of the first mortgage, refinance of the first mortgage or when the house is sold.

GUIDELINES

Eligible applicants are defined as low to moderate income families who: (See income limits on back)

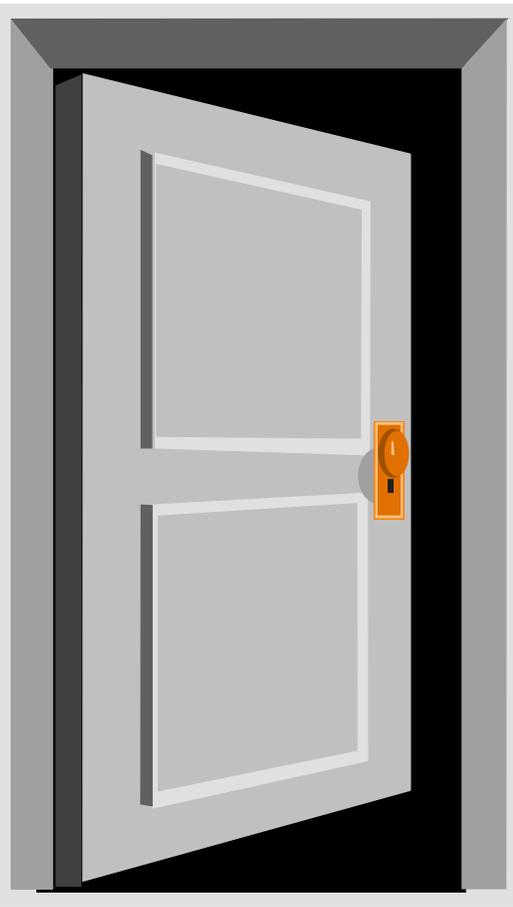
- a) Presently do not own a home and qualify as 1st-time homebuyers as defined by HUD (see back);
- b) Have been or can be approved for homeownership financing with this assistance. **Use of participating lenders is preferred. Applications submitted through non-participating lenders will be reviewed on a case-by-case basis by Unifour Consortium staff. Participating lenders are Bank of America, BB&T, Wells-Fargo, First Citizens, Suntrust, W R Starkey Mortgage, State Employees Credit Union and USDA Rural Development.**
- c) Lack sufficient funds or equity in the form of real estate, savings, investments or other resources which could provide the owner supplied funds necessary to qualify for home purchase financing;
- d) Give evidence, by example of the maintenance of their present dwelling, of their capacity to maintain the appearance of a purchase home in a manner which will benefit the Community;
- e) Will occupy the acquired dwelling as their principal dwelling;
- f) Have maintained a residence within the corporate limits of the City of Hickory for at least one year;
- g) Have firm financial commitments for purchase or development of the dwelling;
- h) Have a satisfactory sales contract to purchase a single-family residence which meets or will meet all applicable zoning and building code requirements;

Qualified applicants must fulfill the following requirements before loan closing:

- 1) Complete at least one session of counseling at Consumer Credit Counseling Services; **Must be done two weeks prior to closing.**
- 2) Have a minimum of **\$500** invested in the purchase (can be in the form of earnest money or prepaid fees such as appraisal, application fee, credit report fee, etc.);
- 3) Obtain a professional home inspection of the property being purchased.
- 4) Also, a criminal records check will be conducted on all applicants.

Note: The City of Hickory will not participate with the purchase of a home built prior to 1978.

Revised (9-18-12)



For additional information or to see if you qualify, contact your Real Estate agent or the City of Hickory Community Development Department at 323-7414. Funding for the first-time homebuyer's program is provided to qualified applicants through a variety of sources available to the City of Hickory. (Sources include, but are not limited to, Inter-Faith Housing Development Corp., Unifour Consortium and NC Housing Finance Agency.)

<u>FAMILY SIZE</u>	<u>INCOME LIMITS</u>
1 Person	\$ 29,500
2 Person	\$ 33,700
3 Person	\$ 37,900
4 Person	\$ 42,100
5 Person	\$ 45,500
6 Person	\$ 48,850
7 Person	\$ 52,250
8 Person	\$ 55,600

Definition - First-Time Homebuyer

Per HUD regulations, "First-time homebuyer means an individual and his or her spouse (if any) who have not owned a home during the three-year period before purchase of a home with assistance under this part, except that:

- (1) Any individual who is a displaced homemaker may not be excluded from consideration on the basis that the individual, while a homemaker, owned a home with his or her spouse or resided in a home owned by the spouse;
- (2) Any individual who is a single parent may not be excluded from consideration as a first-time homebuyer on the basis that the individual, whole married, owned a home with his or her spouse or resided in a home owned by the spouse; and
- (3) An individual may not be excluded from consideration as a first-time homebuyer under this part on the basis that the individual owns or owned, as a principal residence during such three-year period, a dwelling unit whose structure is:
 - (i) Not permanently affixed to a permanent foundation in accordance with local or other applicable regulations; or
 - (ii) Not in compliance with State, local or model building codes, or other applicable codes, and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure."