




Homebuyer Assistance Programs Homebuyer Program Guidelines Checklist

Jurisdiction Name: _____

This homebuyer program guidelines checklist is useful for jurisdictions setting up their homebuyer programs. For acquisition only programs, use Pages 1 and 2 of this checklist. For acquisition, rehabilitation, and resale programs, use Pages 1-3 of this checklist. Use this checklist to confirm that each of these requirements is included in your homebuyer program guidelines. It may be useful to note the section of the guidelines in which each provision is found in the column provided, for future reference.

Section	Provision	Included?
	Provision to disseminate written materials about the program: <ul style="list-style-type: none"> • Marketing materials for prospective applicants, which includes a program description; • Information materials that describe homeowner responsibilities; • Identification of local efforts to comply with federal fair housing requirements.  	
	Provision describing the process of selecting applicants, including: <ul style="list-style-type: none"> • Income verification procedures; • Definition of the eligible homebuyer; • Restriction to households who are not currently homeowners; • Allowable location of units, e.g., located within the jurisdiction. 	
	Provision regarding whether a downpayment is required from the homebuyer.	
	A description of homebuyer education, including when it is required and who must attend.	
	A description of income qualification criteria based on which definition the PJ chooses.	
	A description of the types of units allowed, i.e., single-family, duplexes, condominiums, manufactured homes, limits on acreage, etc.	
	A description of the minimum and maximum HOME subsidy limits.	
	A description of how the amount of program assistance will be determined for each homebuyer, not to exceed the maximum subsidy limit.	
	A description of the pre-purchase inspection process for determining that the property meets local housing standards.	
	A description of the purchase price limits of homes at acquisition. (Optional for CDBG) → The purchase price cannot exceed HOME requirements of 95% of area median value.	
	A description of acceptable methods for determining property value.	
	Anti-displacement & Relocation - A statement that tenant-occupied properties will not be eligible <u>or</u> a relocation plan is included which describes how permanently displaced tenants will be relocated and/or paid benefits:	

Section	Provision	Included?
	<p>A description of the Disclosure of Voluntary Sale Notice which contains the items listed below be provided to the seller prior to making the purchase offer:</p> <ul style="list-style-type: none"> • The purchaser has no power of eminent domain and therefore will not acquire the property if negotiations fail to result in an amicable agreement; • An estimate of the fair market value of the property; • That the property is owner-occupied or purchased by existing tenant or vacant for a set number of months; and • If an acquisition notice will not be provided prior to the purchase offer, a provision that the seller may withdraw from the agreement after this information is provided. 	
	<p>Lead-based Paint Requirements – The program guidelines either: (1) Exclude from eligibility properties constructed prior to 1978, or (2) Include federally-mandated lead-based paint mitigation activities, as well as a lead hazard notification schedule and description of related requirements.</p>	
	<p>Eligible Lenders – A description of how the program will partner with lenders; whether any lender can participate, and whether lenders must apply to be part of a lender pool, etc.</p>	
	<p>For first mortgage loans, a discussion of allowable lender ratios, allowable interest rates, mortgage insurance, allowable terms, and mortgage structure, i.e. fixed only, or allow adjustable rate mortgages.</p>	
	<p>For HOME program loan, if applicable, that the homebuyer agreement meets HOME written agreement requirements by describing terms, affordability period (resale or recapture for enforcement, etc).</p>	
	<p>For the HOME program loan, the allowable loan-to-value ratio is specified.</p>	
	<p>Tenancy – That buyers must occupy the homes as their principal residence, throughout the affordability period.</p>	
	<p>For HOME program loan, causes of acceleration i.e. unauthorized sale of the property or the ceasing of owner-occupation.</p>	
	<p>For HOME program loan, whether or not the loan may be assumed, and by whom.</p>	
	<p>For HOME program loan, allowability and conditions for refinancing the superior loan (subordination).</p>	
	<p>Home requirement to not commit additional funds to project after first year.</p>	

Stop here for acquisition only programs. Continue to Page 3 if administering acquisition, rehabilitation, and resale programs.

In addition to the checklist items on Pages 1 and 2, the following items pertain to acquisition, rehabilitation, and resale programs.

Section	Provision	Included?
	If program offers rehabilitation, a provision detailing the PJ requirement regarding when the property may be occupied by the homebuyer. HOME requires that the unit must, prior to initial occupancy and for at least 6 months after purchase, be free from health and safety defects and that the units must meet property standards or code within 2 years after the transfer of ownership.	
	A description of the inspection, work write-up and cost estimating procedures.	
	A description of eligible and ineligible rehabilitation items per the jurisdiction's written rehabilitation standards.	
	A description of contractor selection procedures.	
	A description of the rehabilitation management procedures including: <ul style="list-style-type: none"> • The pre-construction conference; • Contract signing; • Inspections during work in progress; • Change orders; • Contractor payment procedures; • Final inspection and final payment procedures; • Warranties and lien waivers; and • Resolution of disputes. 	