

## HOMEOWNERSHIP PROGRAM

The City of Lockport's Homeownership Program is designed to assist low and moderate income individuals and/or families to become first-time homebuyers in the City. This program is funded through the New York State Governor's Office for Small Cities (GOSC) with funds provided by the U.S. Department of Housing and Urban Development (HUD). It is subject to GOSC and HUD's federal regulations and the articles contained herein. This program is subject to availability of these program funds on an annual basis.

First-time homebuyer is defined as follows: An individual and his or her spouse who have not owned a home during the past three (3) year period before the purchase of a home with Homeownership Program funds except for a displaced homemaker or single parent. A displaced homemaker means an individual who (1) is an adult; (2) has not worked full-time, full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family; and (3) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment. A single parent means an individual who (1) is unmarried or legally separated from a spouse; and (2) (i) has one or more minor children for whom individual has custody or joint custody; or (ii) is pregnant.

The Homeownership Program is designed to provide the following types of financial assistance:

- ◆ Payment of up to 50 percent of the downpayment required by the financial lending institution for its home mortgage programs (i.e., FHA, SONYMA, conventional, etc.)
- ◆ Payment of reasonable closing costs
- ◆ An interest rate subsidy to lower the interest rate
- ◆ a mortgage principal subsidy to reduce the mortgage amount

The applicant(s) must provide and pay for certain preliminary and closing costs as follows:

- ◆ A credit report
- ◆ Appraisal
- ◆ 50% of the downpayment
- ◆ Mortgage Application Fee
- ◆ Mortgage Commitment Fee
- ◆ Property Insurance Premium
- ◆ Flood Insurance Premium, if necessary
- ◆ Any other upfront cost to determine applicant eligibility

The amount of financial assistance provided for by the four (4) items previously listed above cannot exceed \$19,000 for any applicant(s). One or more forms of assistance can be utilized, but the total amount cannot exceed \$19,000.

In order to obtain Homeownership Program financial assistance, applicant(s) must meet the following conditions:

1. The property to be purchased must be located in the City of Lockport.
2. The applicant(s) must purchase a single or two-family home.
3. The maximum purchase price for the property cannot exceed \$80,000.

4. The home must be on the open market, and there must be no personal or business relationship between the seller and buyer. However, exceptions to this will be given on a case-by-case basis.
5. No private mortgages will be allowed.
6. The applicant(s) will refund the Homeownership Program if the property is sold, transferred, foreclosed on, or is no longer occupied by the applicant(s) as a principal residence due to death or for any other reason, unless a written waiver is issued by the City, on the anniversary date of the recorded deed as per the following schedule.

Years 1-3	100%		Year 7	60%
Year 4	90%		Year 8	45%
Year 5	80%		Year 9	30%
Year 6	70%		Year 10	15%
			Year 11	0%

7. The applicant(s) may not be a member of the public body or officer or employee of the public body who exercise any functions or responsibilities in connection with the administration of the Homeownership Program.
8. The applicant(s) gross family income must not exceed 80% of the median income as defined by Section 8 Housing Income Limits, Department of Housing and Urban Development, Buffalo Area Office.

No. of Persons in Household	Income May Not Exceed
1	\$27,100.00
2	\$31,000.00
3	\$34,850.00
4	\$38,700.00
5	\$41,800.00
6	\$44,900.00
7	\$48,000.00
8	\$51,100.00

For information regarding the Homeownership Program, please call (716) 439-6687.