# TOWN OF CHEEKTOWAGA
## First-Time Homebuyer's Program
### *Fact Sheet*

- ❑ IN ORDER TO RECEIVE ASSISTANCE, AN APPLICANT MUST BE APPROVED FOR PARTICIPATION IN THE PROGRAM **BEFORE** SIGNING A SALES CONTRACT/PURCHASE OFFER FOR A HOUSE.

- ❑ Participant **must attend a First-Time Homebuyers Workshop** sponsored by Belmont Shelter Corp. (884-7791) before closing on a property can take place. (See form attached to the application).

- ❑ Any house for which assistance is requested must pass an inspection by a Town Housing Inspector based on Town Housing Standards and Federal Housing Quality Standards. As part of the inspection, interior and exterior surfaces will be evaluated for lead paint hazards per Title X Guidelines for the Evaluation and Control of Lead-Based Paint requirements (regulations can be found in the Federal Register at 24 CFR Part 35, Part II). If there is any paint failure (i.e. cracked, chipped or peeling interior or exterior paint) the house **WILL NOT** pass inspection. It is the responsibility of the seller or purchaser to remedy the situation and then have the house "clearance tested" by an EPA Certified Risk Assessor before closing on the property. Documentation of such inspection will be required.

- ❑ The prospective homebuyer's gross annual household income must be no more than the income listed below for the appropriate household size. Please note that the gross income of all persons who will be residing in the house to be purchased must be counted in determining income-eligibility.

| # of Persons | Maximum HH Income | # of Persons | Maximum HH Income |
|---|---|---|---|
| 1 | $ 36,600 | 5 | $ 56,450 |
| 2 | $ 41,800 | 6 | $ 60,650 |
| 3 | $ 47,050 | 7 | $ 64,800 |
| 4 | $ 52,250 | 8 | $ 69,000 |

- ❑ Prospective homebuyer must be credit-worthy and capable of being approved for mortgage financing; Mortgage lenders must escrow property and school taxes, and hazard insurance payments.

- ❑ Prospective homebuyer must not have owned a home within the past three years. Exceptions are "Displaced Homemakers" and "Single-Parents".

- ❑ Mortgage financing must be a traditional 30-year, fixed-rate mortgage.

- ❑ Homebuyer assistance will not be provided in conjunction with any mortgage product having an interest rate greater than 3% above the current conventional fixed, 30-year rate as advertised in the Buffalo News HomeFinder.

- ❑ Home to be purchased must:
  - be a single-family house located within the Town of Cheektowaga & outside the 100-year flood plain, and situated on a parcel of land to be owned by the purchaser;
  - be in good condition and not in need of any major repairs, and be able to pass inspection by a Town Housing Inspector based on Town Housing Standards & Federal Housing Quality Standards. Any required minor repairs must be corrected **prior to closing**;
  - have an appraised value of no more than $ 100,000.
  - be financed by a bank or other financial institution. Homes financed by private mortgages are not eligible.

Assistance is provided in the form of a 0% deferred loan of $5,000 for **closing costs, down-payment and/or interest rate buydown.** Covered closing costs include those costs listed on page 2 of the HUD Settlement Statement (excluding fees paid outside of closing), property and school tax adjustments, reimbursements and escrow funds. Assistance must first be used for closing costs. The remaining amount of assistance may then be used for down-payment/principal reduction and/or interest rate buydown. **A lien is filed on the house and the loan is repaid upon sale, transfer of title, mortgage refinancing or when secured debt (e.g. home equity loan) is obtained.**

***Assistance is provided regardless of race, color, religion, sex, national origin, disability, marital status, age or familial status.***

Contact the Cheektowaga Community Development Office at 897-7200 if you have any questions.

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