



# City of Homestead

## COMMUNITY REDEVELOPMENT AGENCY

### FIRST TIME HOMEBUYER'S PROGRAM

#### Guidelines

#### INTRODUCTION

The Homestead Community Redevelopment Agency (“HCRA”) is committed to implementing revitalization and redevelopment efforts to improve the area and encourage economic growth thereby, increasing property values. A driving force behind revitalizing a community is homeownership. Homeownership generates wealth-building opportunities by providing a pathway out of poverty, increasing educational attainment and job security, and improving personal health and well-being. In support of these efforts, the HCRA has created the First-time Homebuyers Program or Down Payment Assistance (“DPA”) for individuals purchasing homes within the HCRA boundaries beginning with the Southwest Neighborhood.

This program will provide financial assistance for down payment and/or closing costs to help low to moderate-income families achieve the dream of owning a home. The assistance will cover **up to \$10,000** for the purchase of a single-family home or townhouse within the Homestead CRA area. Residents who currently reside in the HCRA and have lived there for at least one year are eligible for an **additional \$5,000**. Applicants must be in good standing with the City of Homestead.

#### GENERAL INFORMATION

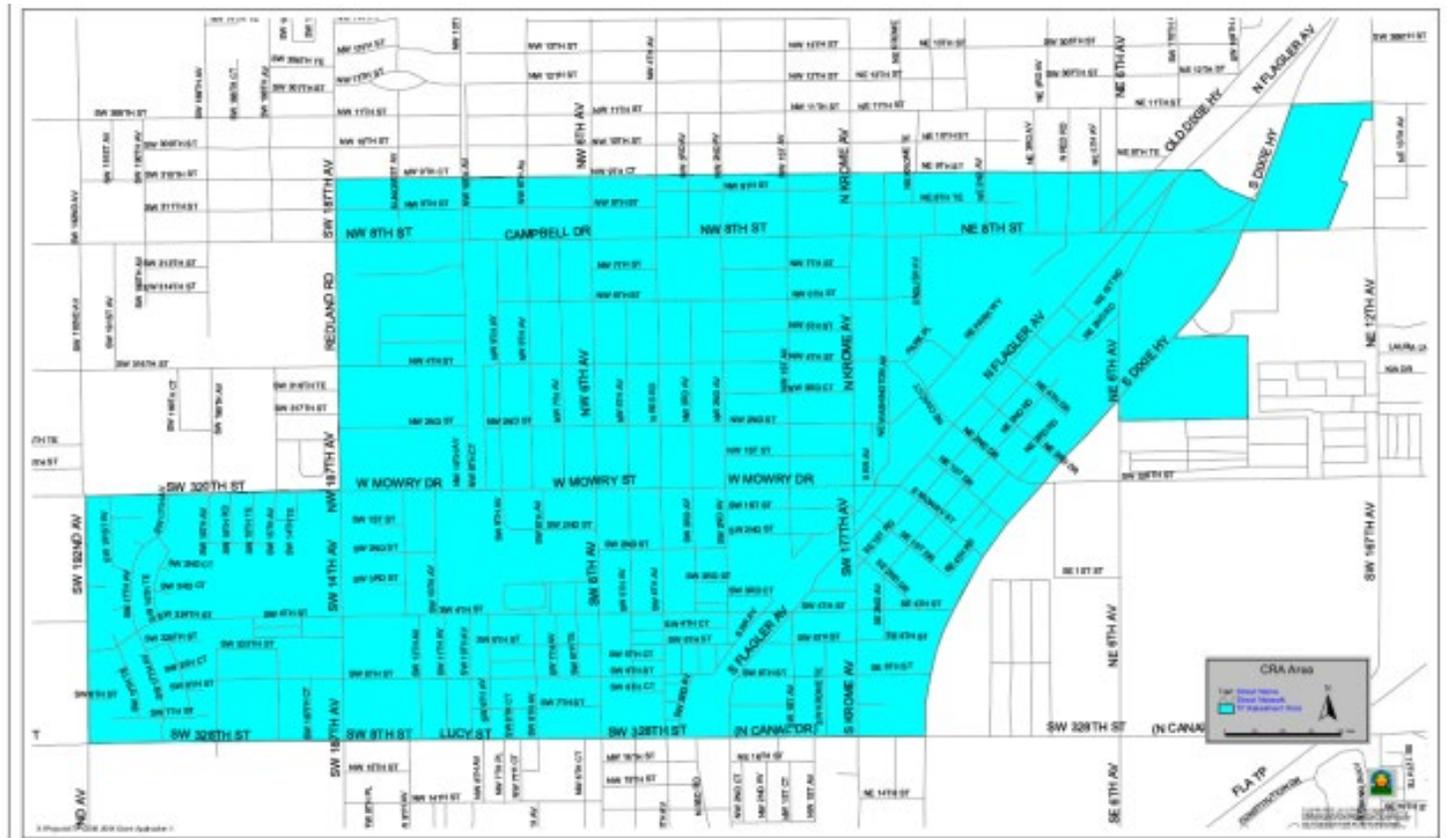
- Available for first-time homebuyers who have not owned a home or been on the title of a home in the previous three (3) years.
- Property to be purchased must be located within HCRA boundaries.
- Applicants are selected on a first-come, first-qualified, and first-served basis.
- Applicants **must** provide one percent (1%) of the property sales price towards the down payment and/or closing costs.
- Property **must** be the applicant’s **primary residence**.
- Funds from the Homestead CRA’s First Time Homebuyers Program may be combined with funds from other sources and used towards a more substantial down payment and/or closing costs.
- Property must be owner-occupied for a period of ten (10) years from the date of closing.
- The homeowner **must** sign security documents, inclusive of a promissory note and mortgage agreement. A promissory note and mortgage that may be subordinate to a purchase money mortgage will be recorded against the property for which monetary assistance has been provided. The loan will be at zero (0%) interest, non-amortized (no payment) for ten (10) years, and will be forgivable thereafter, provided all First Time Homebuyer’s Program criteria have been met, inclusive of proof of continuous use of the property as the applicant’s primary residence and application of homestead status.

- Should the property be sold, rented, or engaged in an illegal transaction, if the applicant requests a cash-out refinance, or if the applicant requests a debt consolidation during the ten (10) year period of affordability, the HCRA's subordinate mortgage will become immediately due and payable.
- Must be **Pre-Approved** by a lending financial institution that participates in the Miami-Dade Economic Advisory Trust's Homeowner Assistance Program.
- Must have completed a Homebuyer's Education Counseling Course by any Department of Housing and Urban Development (HUD) approved Housing Counseling agency.
- For the purposes of the Homestead CRA's First Time Homebuyers Program, the term "Applicant(s)" means any individual(s) named on the purchase money mortgage and/or the deed.
- Applicant(s) **cannot** have held more than **\$25,000** of combined liquid assets within the last three (3) months. Liquid assets are assets that can be converted into cash quickly without the loss of the original investment. (Examples of Liquid Assets are Savings/Checking accounts, Money Market Certificates, Stocks, Mutual Funds, etc. Liquid assets do not include 401K funds, IRA funds, or funds otherwise held pursuant to any retirement savings plan).
- Property may be a new or existing, single-family home or townhouse and must be purchased in the grantee's name(s) as a primary residence with application of homestead status. **The purchase of vacant land, condominiums, apartments, mobile homes, or trailers is not eligible to receive funding assistance hereunder.**
- The property being purchased cannot have any open or expired permits, code violations, or any liens.
- The property being purchased must comply with all laws.
- Applicants must provide a copy of a certified inspection report by a licensed home inspector prior to purchase. If there are more than \$10,000.00 in needed electrical, plumbing and/or structural repairs, the property will not qualify for assistance.
- Applicants must have gross annual incomes at or below 120% AMI of the applicable income limits established by the Department of Housing and Urban Development (HUD) for the fiscal year in which the loan is approved. See the Income Guidelines set forth below.

**2024 Income Guidelines**  
**Area Median Income (AMI) for Miami-Dade County is \$79,400.00**

Family Size	Extremely Low Income 30% of AMI	Very Low Income 50% of AMI	Low Income 80% of AMI	Income 120% of AMI
1	\$23,850.00	\$39,750.00	\$63,550.00	\$95,400.00
2	\$27,250.00	\$45,400.00	\$72,650.00	\$108,960.00
3	\$30,650.00	\$51,050.00	\$81,700.00	\$122,520.00
4	\$34,050.00	\$56,750.00	\$90,800.00	\$136,200.00
5	\$36,800.00	\$61,300.00	\$98,100.00	\$147,120.00
6	\$41,960.00	\$65,850.00	\$105,350.00	\$158,040.00
7	\$47,340.00	\$70,400.00	\$112,600.00	\$168,960.00
8	\$52,720.00	\$74,950.00	\$119,900.00	\$179,880.00

**MAP OF CRA BOUNDARIES**



## VERIFICATION PROCEDURES

HCRA staff, at their discretion, will verify the following information through homeowner certification, a third-party source and/or site visits. Verification or certification of income and assets will be required to determine eligibility in the program, and updated information may be requested at the HCRA's sole discretion.

## DOCUMENTS REQUIRED

- Driver's License or other valid government identification
- Proof of Permanent Immigration Status or copies of Social Security Cards
- Last two years' income tax return (1040 form with W2s for all household members). Information in the tax return must match the information in this application.
- Any person over 18 years of age who is not income-earning shall execute a notarized no-income statement.
- The following documents (all that apply):
  - ✓ Last 4 paycheck stubs (if working)
  - ✓ Proof of child support or alimony (if applicable)
  - ✓ Proof of retirement or other income (if applicable)
  - ✓ Proof of Social Security Income
- Pre-Approval Letter from a lending financial institution that participates in the Miami-Dade Economic Advisory Trust's Homeowner Assistance Program
- Certification of Completion for 8-Hour Homebuyer Education Course
- Prior six (6) month's Checking, Savings Accounts, and Certificate of Deposit Statements
- **SIGNED** Authorization to Release Information Form
- **SIGNED** Verification of Employment Form
- **SIGNED** Verification of Assets Form
- Photos of selected property