



**Homebuyer Assistance Program  
(HAP)  
2009/2010**

The Boynton Beach Community Redevelopment Agency (CRA) recognizes that the future economic health of the City of Boynton Beach depends upon the sufficient supply of housing priced for working families. As housing prices climbed by double digits in 2005-2006, many families were priced out of the housing market.

Due to rapid housing appreciation while salaries and income increases stagnated, the number of low and moderate income families who can afford to buy homes has decreased. In an effort to assist more families, the CRA has implemented the Homebuyer Assistance Grant (HAP) Program. These program funds can be layered with other homebuyer assistance subsidy funds such as SHIP, HOP, etc. The maximum HAP grant award to an eligible very low applicant is \$50,000.00, a low income applicant is \$40,000.00, and the maximum HAP grant award to an eligible moderate income applicant is \$30,000.00.

Program Guidelines

1. Annual grant funds are limited. Grant funding is awarded on a first-come, first-approved basis unless the applicant meets a preference condition set forth below under items 9, 10 or 11.
2. Grant awards require CRA Board approval as part of the application process and prior to the release of funding. Approved Grants must be expended within six months of CRA Board approval. Grant awards not expended within the six months timeframe will be forfeited and the grant terminated.
3. Applicants must meet all of the qualification criteria of the Homebuyer's Assistance Program. Qualification of applicants will be determined by CRA staff or a Community Housing Development Organization (CHDO). If an applicant is working with a CHDO or the City of Boynton Beach, a request for HAP funds must be made on the applicant's behalf by either the City or CHDO. Application packages can also be submitted by a lender.
4. Applications must be submitted along with the following information in order to be processed:
  - Copy of Personal Identification for each signing applicant.
  - Copy of birth certificates for each member of the household under 18 years of age.
  - Copy of Homebuyers Education Program certificate.
  - Copy of Lender's Verification of Employment form dated within 4 months of application for each working member of the household over 18 years of age.
  - Statement of No Income form for anyone living in the household over the age of 18 not employed.
  - Copy of most recent year's Federal Income Tax Return.
  - Signed copy of mortgage application – 1008 & 1003 forms.
  - Copy of executed Loan Commitment.
  - Copy of executed Sale & Purchase contract for home.
  - Copy of property appraisal of home to be purchased.

5. Family income must not exceed 120% of median household income for Palm Beach County as set by HUD in the year of application to the program.
6. Purchase Price
  - New – Not to exceed \$280,462
  - Existing – Not to exceed \$280,462
  - New Home Construction Loans- in certain cases where the CRA has supplied the vacant lot, the value of the City/CRA lot awarded to homebuyer is excluded from the CRA/City subsidy amount, but is included in the permanent mortgage encumbrance.
7. Eligible Properties include existing, single-family homes, construction of new single-family homes, townhomes and condominiums located within the CRA district boundaries (see attached map).
8. Use of Funds:
  - a. Down payment and closing costs.
  - b. Rehabilitation costs (if required to bring the home up to code)
9. Families with dependent, minor children will receive preference.
10. Persons working within the City of Boynton Beach will receive preference.
11. Applicants employed in the “essential services” sectors (educators, police, firefighters, healthcare workers and skilled building trades) will receive preference.
12. Income from all adult members of the household will be included in the computation of gross income.
13. The total of public subsidy funding shall not exceed 20% for moderate income buyers, 30% for low and 40% for very low income buyers of the purchase price for the home. The actual amount of funding awarded shall depend upon the funding gap. In no case shall CRA funding be awarded above the funding gap amount of \$50,000.00 for very low, \$40,000.00 for low and \$30,000.00 for moderate income eligible applicants.

Example #1:

Moderate Income Household	\$ 60,000
Purchase Price of Home	\$280,000
Closing Costs	\$ 5,000
Maximum Mortgage Amount	\$213,771
Maximum SHIP Down payment	\$ 50,000
Funding Gap – CRA HAP funds	\$ 21,229
Percent of Public Subsidy	25%

Example #2

Low Income Household	\$ 40,200
Purchase Price of Home	\$280,000
Closing Costs	\$ 5,000
Maximum Mortgage Amount	\$164,700
City’s Maximum SHIP Down payment	\$ 75,000
Funding Gap – CRA HAP funds	\$ 45,300
Percent of Public Subsidy	43%

14. Projected housing costs, including mortgage, interest, taxes, insurance and homeowner's association fees shall not exceed 30% of gross household income or whatever the primary lender determines. The maximum total debt ratio (total housing expenses plus other monthly debt obligations) shall not exceed 40% of income unless otherwise approved by the lender.

Example #1

Moderate Income	\$60,000
Gross Monthly Income	\$ 5,000
Mortgage Payment (incl. taxes & insurance)	\$ 1,282
Other Debt	\$ 500
Housing Expense Ratio (not to exceed 35%)	27%
Overall Debt Ratio	35%

Example #2

Low Income	\$ 40,200
Gross Monthly Income	\$ 3,350
Mortgage Payment (incl. taxes & insurance)	\$ 987
Other Debt	\$ 300
Housing Expense Ratio	29%
Debt Ratio	38%

15. Applicants must be first time homebuyers, with no previous homeownership within the past three years at the time of application. Falsifying this information will result in forfeiture of any and all grant funding.
16. Applicants are required to contribute a minimum down payment of three percent (3%) of the home's contract price toward the purchase of the home.
17. Funds shall be in the form of a 0% interest, second mortgage behind the first mortgage. If the City's SHIP funds are used and in a greater amount than CRA HAP funds, CRA funds will be secured in the form of a third mortgage behind the City of Boynton Beach's encumbrance. Resale of the home will require repayment of the CRA subsidy amount at time of closing in compliance within the terms and conditions of the Promissory Note and Grant Agreement.
18. Refinancing of the property at 100% of the original purchase price will result in repayment of CRA funds in full and in compliance with the terms and conditions of the Promissory Note and Grant Agreement.
19. Families who receive CRA Homebuyers Assistance shall occupy the residence for the term of the first mortgage. If the residence is leased and no longer occupied by the recipient of CRA funds, any and all CRA grant funds given at the time of purchase shall become due and payable in full. Families that receive assistance shall submit proof of residency to the City and CRA annually by the anniversary of the closing date. The accepted form of proof is a utility bill showing the program recipients name and address. Failure to comply will result in the CRA funds becoming due and payable.

20. Upon sale of the property at any time during the duration of the first mortgage term the owner must repay 100% of the HAP grant amount to the CRA.

Example:

Original home price:	\$180,000
Mortgage	\$130,000
CRA Funds	\$ 50,000
New Sales Price @ yr 6:	\$210,000
1 <sup>st</sup> Mortgage Payoff	\$120,000
Grant funds to be repaid to CRA	\$ 50,000
Equity to Buyer	\$ 40,000

21. The CRA shall reserve the right-of-first-refusal to purchase the property at the fair market appraised value within 45 days of written notice from the property owners. If the CRA chooses not to purchase the property at the fair market value or elects not to exercise their first right of refusal, the property owner will be notified in writing.
22. Application to the program is no guarantee of funding. All decisions are subject to approval of the CRA Board and availability of funding.

Applicants acknowledge by signing below, that they have read the Housing Assistance Program Guidelines and hereby agree to the terms of the program and application process.

Applicant Signature \_\_\_\_\_ Date: \_\_\_\_\_

Applicant Signature \_\_\_\_\_ Date: \_\_\_\_\_

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY  
HOMEBUYER'S ASSISTANCE PROGRAM APPLICATION**

Date: \_\_\_\_\_

Name/s of Applicant/s:  
\_\_\_\_\_

Current Address of Applicant/s:  
\_\_\_\_\_

Address of Property To Be Purchased:  
\_\_\_\_\_

Phone Number: \_\_\_\_\_

Cell Phone Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

Total Annual Household Income (must be verified with income tax returns, social security statement or pay stubs) \$ \_\_\_\_\_

How many members living in your household? \_\_\_\_\_

Please list their names, ages and relationship to applicant:

Name: \_\_\_\_\_ Age: \_\_\_\_\_ Relationship: \_\_\_\_\_

Name: \_\_\_\_\_ Age: \_\_\_\_\_ Relationship: \_\_\_\_\_

Name: \_\_\_\_\_ Age: \_\_\_\_\_ Relationship: \_\_\_\_\_

Name: \_\_\_\_\_ Age: \_\_\_\_\_ Relationship: \_\_\_\_\_

Name: \_\_\_\_\_ Age: \_\_\_\_\_ Relationship: \_\_\_\_\_

Has anyone in your household owned a residence within the past year? Yes \_\_\_ No \_\_\_

**CERTIFICATION AND WAIVER OF PRIVACY:**

The applicant(s) certify that all information presented in this application, and all of the information furnished in support of the application, is given for the purpose of obtaining funding under the Boynton Beach Community Redevelopment Agency Housing Assistance Program, and it is true and complete to the best of the applicant(s) knowledge and belief. The applicant(s) further certifies that he/she is aware of the fact that he/she can be penalized by fine and/or imprisonment for making false statements or presenting false information.

I hereby waive my rights under the privacy and confidentiality provision act, and give my consent to the Boynton Beach Community Redevelopment Agency Housing Assistance Program, its agents and contractors to examine any confidential information given herein. I further grant permission, and authorize any bank, employer or other public or private agency to disclose information deemed necessary to complete this application.

Applicants acknowledge by signing below, that they have read the Housing Assistance Program Guidelines and hereby agree to the terms of the program.

Applicant:

Applicant:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Print Name:

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# Boynton Beach CRA



**PALM BEACH COUNTY INCOME GUIDELINES  
2009 MEDIAN = \$67,600.00**

	1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons
<b>Extremely Low- Income 30% Median</b>	\$15,840	\$18,090	\$20,370	\$22,620	\$24,420	\$26,250	\$28,050	\$29,850
<b>Very Low- Income 50% Median</b>	\$26,400	\$30,150	\$33,950	\$37,700	\$40,700	\$43,750	\$46,750	\$49,750
<b>Low-Income 80% Median</b>	\$42,240	\$48,240	\$54,320	\$60,320	\$65,120	\$70,000	\$74,800	\$79,600
<b>Moderate Income 120% Median</b>	\$63,360	\$72,360	\$81,480	\$90,480	\$97,680	\$105,000	\$112,200	\$119,400

**AS RECEIVED FROM FLORIDA HOUSING FINANCE CORPORATION  
APRIL 6, 2009.**



**BOYTON BEACH COMMUNITY REDEVELOPMENT AGENCY  
HOMEBUYER ASSISTANCE GRANT PROGRAM**

**STATEMENT OF NO-INCOME FORM**

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I, \_\_\_\_\_ hereby affirm and state that \_\_\_\_\_ currently lives in my home located at \_\_\_\_\_ and does not work or obtain income from any source. I understand that by providing any false information on my application under the rules and regulations governing the Community Redevelopment Agency's Homebuyer Assistance Grant Program will result in forfeiture of all assistance, approvals and the immediate repayment of any or all funds I have received from the agency.

\_\_\_\_\_  
Applicant Signature

\_\_\_\_\_  
Date

Witness:  
\_\_\_\_\_

\_\_\_\_\_  
Applicant Signature

\_\_\_\_\_  
Date

Witness:  
\_\_\_\_\_