



Brockton Redevelopment Authority

DOWN PAYMENT ASSISTANCE PROGRAM

The City of Brockton in partnership with Brockton Redevelopment Authority (BRA) and NeighborWorks Housing Solutions (NHS) is offering down payment assistance to eligible first-time homebuyers purchasing a single or two-family home (no condo's) in the City of Brockton. The First Time Homebuyer Program (FTHP) program is funded by the U.S Department of Housing & Urban Development (HUD) HOME Investment Partnership

The FTHP offers a maximum of \$15,000 financial assistance through a zero-interest deferred loan, repayable in the event of property transfer of ownership or loan refinancing (except for rate and term of the loan). The approval for funding is based on the amount of assistance needed at the mortgage closing. The funds are subject to availability.

To be eligible you must:

- ❖ *Be a First Time Homebuyer and complete an approved homebuyer training workshop within the last two years. (Visit www.chapa.org or www.nhsmass.org to find a class)*
- ❖ *Have a minimum of 1.5% of mortgage value in savings for single family and 2.5% for two-family.*
- ❖ *Meet purchase price and income requirements (below).*
- ❖ *Provide evidence of financing for the maximum amount the first lender is willing to lend on a 30-year fixed, conventional or government loan.*
- ❖ *Purchase property must meet all applicable State and local housing quality standards and code requirements including lead paint laws.*
- ❖ *Maintain home as your primary residence.*

For complete details and to download the full application visit www.nhsmass.org and choose the Lending Tab. If you have questions or would like an application mailed to you, email Cindy Pendergast at cpendergast@nhsmass.org or call 617-770-2227 ext. 346

HOME PRICE LIMITS EXISTING HOMES		FIRST-TIME HOMEBUYER INCOME LIMITS			
Property Type	Max Price	Household Size	Maximum Income Adjusted for Household Size*	Household Size	Maximum Income Adjusted for Household Size*
Single-Family	\$373,000	1 Person	\$51,800	5 People	\$79,950
Two-Family	\$478,000	2 People	\$59,200	6 People	\$85,850
		3 People	\$66,600	7 People	\$91,800
		4 People	\$74,000	8 People	\$97,700
NEW HOMES					
Single family	\$411,000				
Two-Family	\$527,000				



*80% of Area Median Income Limits Adjusted for Household Size. Source: HUD, June 28, 2019

HUD 4/15/2019



Brockton Redevelopment Authority

CITY OF BROCKTON – FIRST TIME HOMEBUYER’S PROGRAM

Down Payment Assistance
Lender Informational Flyer

Our goal is to work with eligible first-time buyers with the purchase of a 1-2 family residential property to increase homeownership in the City of Brockton.

- The City of Brockton through the Brockton Redevelopment Authority (BRA) and NeighborWorks Housing Solutions (NHS) is offering financial assistance to low-to-moderate income, first-time eligible homebuyers through the First Time Homebuyers’ Down Payment Assistance Loan Program (FTHP Loan). Funding for this program is available under the U.S. Department of Housing & Urban Development’s (HUD) HOME Investment Partnerships Program (HOME). The approval of funding is based on the amount of assistance needed at the closing.
- The FTHP offers funding of up to 3.5% of the purchase price for a maximum of \$15,000 financial assistance through a zero-interest deferred loan, repayable in the event of property transfer of ownership or loan refinancing (except for rate and term of the loan). The funds are subject to availability. Loan payments will be deferred until there is a change in ownership or the property ceases to be the homebuyer’s primary residence.

Below are some highlights of the Program which may be helpful to you in preparation of the closing.

I. Eligibility Criteria:

1. Household income (all sources) must not exceed the following gross annual limits:

Household Size (Number of Persons)							
1	2	3	4	5	6	7	8
\$51,800	\$59,200	\$66,600	\$74,000	\$79,950	\$85,850	\$91,800	\$97,700
80% of Area Median Income Limits Adjusted for Household Size. Source: HUD, June 28, 2019							

2. Purchase price cannot exceed \$373,000 for an existing and \$411,000 for a new construction of single-family residence or \$478,000 for an existing and \$527,000 for a new construction of two-family residence; Program does not allow for the purchase of condos and three-units residential dwellings.
3. Property must be in the City of Brockton, although applicant does not have to be a current resident of Brockton. Local residents are given priority.
4. Applicant and his/her spouse must be a first-time homebuyer;
5. Neither applicant nor his/her spouse can have a deeded interest in any property in the past three years;
6. All household members must be legal residents of the United States in order to receive Federal housing assistance;
7. Neither applicant nor his/her spouse can have more than \$30,000 in cash assets (excluding 401K’s, College Savings, and other retirement accounts);
8. Applicants must qualify for a conventional or government sponsored fixed interest rate mortgage with a lender of their choice*;

9. Applicants must contribute at least 1.5% of the purchase price to the down payment requirement for single family purchases and 2.5% for multi-family purchases;
10. Applicants must be the owner of the property after purchase;
11. Applicants must occupy the property as their principal residence;
12. Each applicant must complete an approved first time homebuyer training workshop and submit a First Time Homebuyer Program Certificate (visit www.chapa.org, www.buybrockton.org, and/or www.nhsmass.org if you need to sign up for a homebuyer class);
13. Each applicant must also complete an approved post purchase workshop and submit a Program Certificate to the BRA within one year after the closing. A list of Homebuyer Counseling Agencies will be provided by the BRA.
14. Applicants must agree to maintain property hazard insurance, make timely property tax payments, and perform general property maintenance and upkeep of the home;
15. The amount of assistance received should be used to bring the participant's housing-to-income ratio between 35-38% of gross monthly income. The PJ will consider providing subsidies to participants whose housing-to-income ratio exceeds 38% provided that their debt-to-income ratio does not exceed 50% of gross income and the senior lender details the compensating factors resulting in the loan approval. The said ratios will apply for both single-family and two-family purchases;
16. Property must meet federal, state and local housing quality standards and code requirements;

*For a list of local participating lenders please visit: <https://buybrockton.org/lenders-2/>

Applicants who do not meet all the requirements listed above are not eligible for assistance through this program.

II. HOME Commitment

As soon as you have issued a pre-approval letter to the buyer, the buyer should submit it to NeighborWorks, along with a FTHP Application. Applications can be found here:

https://brocktonredevelopmentauthority.files.wordpress.com/2019/12/2019-fthb-application_12132019.pdf

Once we confirm the buyer's eligibility, we will issue a conditional pre-approval letter to the buyer and copy you.

III. Loan Documents

A. Below is a list of documents we will prepare for the closing:

1. HOME Mortgage – to be recorded and included on buyer's CD
2. Homebuyer Agreement – to be recorded and included on buyer's CD
3. HOME Note
4. NeighborWorks Mortgage – if additional funds are being provided
5. NeighborWorks Note – if additional funds are being provided

B. Below is a list of items we will need from you *prior to closing*:

1. Loan Application
2. Loan Estimate
3. Commitment Letter
4. Appraisal
5. Smoke & Carbon Monoxide Detectors Certificate
6. Offer to Purchase
7. Purchase & Sale Agreement
8. Two Months Consecutive of Paystubs & Tax Returns
9. Documentation of all Source of Income
10. Three Months of Rent Receipts
11. First Time Homebuyer Workshop Certificate
12. Closing Disclosure

13. Insurance Binder showing the BRA as 2nd loss payee
14. Copy of Driver's License (all household members 18+)

C. Below is a list of items we need from you *after the closing*:

1. HOME Promissory Note – original signed copy
2. Fully executed Closing Disclosure

If you have any questions about the program, please contact either of the following:

Zaias Andrade – HOME Housing Specialist
Brockton Redevelopment Authority
50 School Street
Brockton, MA 02301
(508) 586-3887 x3

zandrade@brocktonredevelopmentauthority.com

Cindy Pendergast – Brockton Program Director
NeighborWorks Housing Solutions
68 Legion Parkway
Brockton, MA 02301
(617) 770-2227 x346

cpendergast@nhsmass.org

City of Brockton

First Time Homebuyers Program (FTHP)

Brockton Redevelopment Authority
In partnership with
NeighborWorks Housing Solutions

If you have any questions, please contact:

Charaliz Isaac – Brockton Redevelopment Authority

50 School Street

Brockton, MA 02301

Phone: (508) 586-3887 x7

Fax: (508) 905-5518

E-mail: cisaac@brocktonredevelopmentauthority.com

Completed applications must be submitted to:

Julie Lane – NeighborWorks Housing Solutions

68 Legion Parkway

Brockton, MA 02301

Phone: 781-422-4202

Fax: (508) 580-0951

E-mail: JLane@nhsmass.org

FY 2023





PROGRAM GUIDELINES

Our goal is to work with eligible first-time buyers with the purchase of a 1-2 family residential property to increase homeownership in the City of Brockton.

- Income eligible first-time homebuyers will be considered for a 0% interest-deferred payment loan equal to 3.5% of the purchase price (up to \$12,000) through the BRA secured by a Mortgage and Promissory note. In addition, NHS may provide additional funds up to 25% of the amount provided by the City (up to \$3,000).

Eligibility Criteria:

1. Household income (all sources) must not exceed the following gross annual limits:

Household Size (Number of Persons)							
1	2	3	4	5	6	7	8
\$66,250	\$75,700	\$85,150	\$94,600	\$102,200	\$109,750	\$117,350	\$124,900
80% of Area Median Income Limits Adjusted for Household Size. Source: HUD May 15, 2023							

2. Purchase price for existing homes cannot exceed \$532,000 for a single-family or \$681,000 for a two-family residence; and purchase price for new homes cannot exceed \$568,000 for a single-family and \$727,000 for a two-family residence. Program does not allow for the purchase of condos or over two-family residences.
3. Property must be in the City of Brockton, although applicant does not have to be a current resident of Brockton. However, residents of Brockton are given priority.
4. Applicant and his/her spouse must be a first-time homebuyer.
5. Neither applicant nor his/her spouse can have a deeded interest in any property in the past three years.
6. All household members must be legal residents of the United States to receive Federal housing assistance.
7. Neither applicant nor his/her spouse can have more than \$30,000 in cash assets (excluding 401K's, College Savings, and other retirement accounts).
8. Applicants must qualify for a conventional or government sponsored fixed interest rate mortgage with a lender of their choice.
9. Applicants must contribute at least 1.5% of the purchase price to the down payment requirement for single family purchases and 2.5% for multi-family purchases.
10. Applicants must be the owner of the property after purchase.

11. Applicants must occupy the property as their principal residence.
12. Each applicant must complete an approved first time home buyer training workshop and submit a First Time Home Buyer Program Certificate (visit www.chapa.org, and/or www.nhsmass.org if you need to sign up for a home buyer class);
13. Applicants must agree to maintain property hazard insurance, make timely property tax payments, and perform general property maintenance and upkeep of the home.
14. Property must meet federal, state, and local housing quality standards and code requirements.

First Time Homebuyers Program Process

PLEASE READ THE FOLLOWING CAREFULLY

STEP 1: Get Pre-Approved, complete a HUD certified workshop, find a house, and make an offer! This is all to be done before submitting a FTHP Application.

STEP 2: Complete and submit the FTHP Application. Once you have received a pre-approval letter from your lender, submit it along with the following documents to Cindy Pendergast at NeighborWorks via mail, fax, or email (see page 1).

- Completed FTHP Application (see page 5). Signed and dated.**
- Two months consecutive paystubs from everyone 18+ in the home receiving income.**
- Documentation of all other sources of income (award letters for social security, pension, disability, etc.).**
- Two months consecutive bank statements.**
- Loan Application (also known as 1003 from lender).**
- Loan Estimate.**
- Offer to Purchase.**
- Purchase & Sale Agreement (when available)**
- Two years of most recent Federal Income Tax form 1040, complete copy with all schedules and W2's. If you are self-employed or incorporated, please provide financial statements for the past two years and Profit and Loss statement year to date.**
- Three months of most recent rent receipts.**
- First Time Homebuyer's Workshop Certificate for each borrower. If purchasing a 2-family home applicant must also provide a Landlord Training Certificate (visit www.chapa.org and/or www.nhsmass.org if you need to sign up for a landlord training class).**
- Valid Driver's license for each applicant**

STEP 3: Conditional Approval. As soon as your eligibility has been confirmed, Charaliz Isaac at the Brockton Redevelopment Authority will issue a conditional letter of approval and contact you with the next steps, including scheduling of the HOME inspection.

STEP 4: HOME Inspection. The HOME Investment Partnerships Program (HUD) requires a HOME inspection of the home to certify that the property meets HUD's quality housing standards. The fee for this inspection (typically \$300) will be deducted from the City's loan amount.

At a minimum, the home must meet all applicable Federal, State, and local housing quality standards and code requirements, and the home must not contain any specific deficiencies as those proscribed by HUD in the Uniform Physical Condition Standards inspection procedures as pursuant to 24 CFR 5.705.

You will be provided with a copy of the inspection report. If the property does not meet HOME condition standards, repairs will need to be completed before the City can issue the loan. After the repairs are made, we will re-inspect the property to certify that the repairs were made.

Properties built prior to 1978 must be visually assessed to identify and stabilize deteriorated paint.

STEP 5: Underwriting. Preliminary commitment letter sent to buyer offering conditional approval contingent on satisfactory FTHP inspection. *NOTE: Borrower must have 1.5% of their own funds going toward transaction. If earnest money does not cover this, include amount they must bring to the closing as a contingency in order to satisfy this requirement.

STEP 6: BRA Final Approval. Final commitment letter to Buyer with copy to NHS authorizing NHS to disburse funds on behalf of the BRA. Closing documents to be sent to closing attorney for signature by Buyer at the closing. NHS will forward their Mortgage and Note to BRA so they can send everything together to closing attorney.

STEP 7: FTHP Disbursement. NHS to disburse the authorized FTHP loan amount to the participant. NHS will advance FTHP loan amount to buyer and will invoice the BRA for reimbursement.

STEP 8: File Completion. Lender is to send Closing Disclosure and Loan Commitment Letter to the BRA. Then this is done, the closing attorney and/or lender is to provide the BRA with all BRA/FTHP recorded HOME Mortgage and signed Note.

STEP 9: Enjoy your new home!

OTHER PROGRAM INFORMATION

Household Size

Income limits are adjusted by household size. To ensure that all prospective homebuyers who receive assistance are eligible, the BRA will need to determine the size of the applicants' household. As such, all persons in the household will be counted (including non-related individuals) with the following exceptions: live-in aides; and children of live-in aids.

Household Income

The BRA will also need to determine the annual income of all eligible household members to ensure eligibility of all prospective homebuyers who receive assistance. When determining the household annual income, the BRA must count the income of **all** household members over the age of 18 who work (including nonrelated individuals) with the following exceptions: foster children; foster adults.

The BRA uses the Part 5 Section 8 rules for calculating gross income, found at 24 CFR Part 5 Subpart F, Income Limits. These rules specify what forms of income should be included and what should be excluded. The BRA will re-examine the household's income if more than six months has elapsed since eligibility was first determined. The BRA utilizes the *Technical Guide for Determining Income and Allowances under the HOME Program* to ensure compliance with household size determination.

Household Assets – (\$30,000 cap) What assets may be included?

1. Cash held in savings accounts, checking accounts, safe deposit boxes, homes, etc. For Savings accounts use the current balance. For checking accounts, use the average 6-month Balance. Assets held in foreign countries are considered assets.
2. Cash value of revocable trusts available to the applicant.
3. Cash value of stocks, bonds, Treasury bills, certificates of deposit, mutual funds, and money market accounts.
4. Lump sum or one-time receipts, such as inheritances, capital gains, lottery winnings, victim's restitution, insurance settlements and other amounts not intended as periodic payments.

What assets are excluded?

1. Assets not effectively owned by the applicant. That is, when assets are held in an individual's name, but the assets and any income they earn accrue to the benefit of someone else who is not a member of the household, and that other person is responsible for income taxes incurred on income generated by the asset.
2. Assets not accessible to and that provide no income for the applicant.
3. Assets that are part of an active business.
4. Retirement accounts such as 401(k), 403(b), 457 and IRA accounts.
5. Government approved college savings plan.

Homebuyers should have some residual savings left over after closing especially on a very low-down payment mortgage to borrowers with high total debt ratios.

City of Brockton
First Time Homebuyer Down Payment Assistance
PROGRAM APPLICATION

APPLICANT#1: Mr. Mrs. Ms. How did you hear about program? _____ Veteran Yes No

First Name	Middle	Last Name	Social Security Number	Date of Birth	
Current Address	City	State	ZIP	Phone #	Email Address
Job (1) Employer Name	Address		Phone #	How long at job	
Job(2) Employer Name	Address		Phone #	How long at job	

APPLICANT#2: Mr. Mrs. Ms. _____ Veteran Yes No

First Name	Middle	Last Name	Social Security Number	Date of Birth	
Current Address	City	State	ZIP	Phone #	Email address
Job (1) Employer Name	Address		Phone #	How long at job	
Job (2) Employer Name	Address		Phone #	How long at job	

NEW PURCHASE PROPERTY INFORMATION (when available):

Street #	Street Name	City	Zip Code	
<input type="checkbox"/> Single-Family <input type="checkbox"/> Multi-Family If Multi, # units _____				
REALTOR:	Contact Name	Phone	Cell Phone	Email
LENDER:	Contact Name	Phone	Cell Phone	Email

HOUSEHOLD INFORMATION <i>(include yourself on this list)</i>		Relationship to Applicant	College Student Y/N	Annual Income
NAME:	D.O B.			
_____	_____	self	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

FOR STATISTICAL PURPOSES ONLY

Race (Enter appropriate number in household): White/Non-Hispanic African American Hispanic/Latino Other

CURRENT HOUSINGSITUATION: OWN RENT LIVE W/ FAMILY OR FRIENDS

Monthly Rent Amount: \$ _____ Monthly Utilities Amount: \$ _____

LIST ALL CURRENT DEBTS:

	Lender	Minimum Monthly Payments	Balance
1. Car Loan	_____	\$ _____	\$ _____
2. Personal Loan	_____	\$ _____	\$ _____
3. Student Loan	_____	\$ _____	\$ _____
4. Credit Card	_____	\$ _____	\$ _____
5. Credit Card	_____	\$ _____	\$ _____
6. Other	_____	\$ _____	\$ _____
7. Other	_____	\$ _____	\$ _____

LIST ALL CURRENT ASSETS:

Interest Rate

- | | | |
|--|--------|----------|
| 1. Checking Account Balance | | \$ _____ |
| 2. Savings Account Balance | | \$ _____ |
| 3. Mutual Funds, Bonds & Annuities | _____% | \$ _____ |
| 4. Certificates of Deposit | _____% | \$ _____ |
| 5. Cash Value of Life Insurance Policies | | \$ _____ |
| 6. Retirement and Pension Funds (current cash value) | | \$ _____ |
| 7. Value of Stocks | | \$ _____ |
| 8. Cash value from Trust | | \$ _____ |
| 9. Investments such as jewelry, antiques cars, collections | | \$ _____ |
| 10. Inheritances, lottery winnings, capital gains, insurance settlements | | \$ _____ |
| 11. Mortgages or deeds held by applicants | | \$ _____ |

Has either the Applicant or Co-applicant owned Real Estate before? Yes No

***Incomplete applications will result in a delay in processing.**

CERTIFICATION OF THE APPLICANT(S)

I, the undersigned, as part of my application for the City of Brockton First Time Homebuyer Down Payment Assistance Program in connection with a purchase of a 1-2 family home and an application for a mortgage loan from a lender of my choosing, do hereby state that I have carefully reviewed this document. I certify and acknowledge that this application, as completed above, will be relied on for determining my eligibility for a FTHP Loan. I acknowledge that a material misstatement knowingly made by me in this application for a down payment assistance loan will constitute a violation punishable by a fine and possible criminal penalty imposed by law and will result in the cancellation or revocation of the Loan. I further acknowledge that any fraudulent use of any instrument, facility, article, or other valuable thing or service pursuant to my participation in the down payment assistance program is punishable by fine.

Each applicant must make the following certifications:

1. Both my spouse and I are first-time homebuyers. Neither one of us has had an ownership or interest in a residential property within the three years immediately preceding the date of this application. We do not and will not have an ownership interest in a residence prior to the date of the loan closing.

2. The Residence will be occupied and used as our principal place of residence and will not be used as an investment property, vacation home or recreation home.
3. We have received a copy of the FTHP Program Guidelines and understand these Guidelines.
4. All household members have received a copy of the pamphlet "Protect Your Family from Lead In Your Home".

APPLICANT #1

DATE

APPLICANT #2

DATE

We do business in accordance with federal fair lending laws. Under the federal fair housing act, it is illegal, on the basis of race, color, national origin, religion, sex, handicap, or familial status (having children under the age of 18), to: deny a loan for the purpose of purchasing, constructing, improving, repairing or maintaining a dwelling, or deny any loan secured by a dwelling; or discriminate in fixing the amount, interest rate, duration, application procedures or other terms or conditions of such a loan, or in appraising property. We are pledged to the letter and spirit of U.S. Policy for the achievement of Equal Housing Opportunity throughout the Nation. We encourage and support an affirmative advertising and marketing program in which there are no barriers to obtaining housing because of race, color, religion, sex, handicap, familial status, or national origin.