



CITY OF FORT WORTH HOMEBUYER ASSISTANCE PROGRAM (HAP)

Eligible Use of Homebuyer Assistance	<ul style="list-style-type: none"> ➤ Closing Cost and Down Payment Assistance available ➤ Closing Cost Maximum Available \$3,000.00/Down Payment Maximum Available \$14,999 ➤ Primary lender fees NTE 2% of purchase price
Acceptable Lien Position	2nd
Repairs	HAP assistance funds cannot be used to make repairs
Eligible Lenders	Approved Lenders participating in the City's Housing Assistance Program (HAP)
Eligible Applicants	<ul style="list-style-type: none"> ➤ <i>Applicant(s) must be a first- time homebuyer or must have not owned a home within the last three years</i> ➤ <i>Displaced homemakers may be eligible, on the basis that he/she previously owned a home with a former spouse, but no longer resides in the residence; divorce decree must be submitted</i> ➤ <i>Applicant(s) must be either a citizen of the United States or a legal resident alien</i>
Eligible Household Income	NTE 80% AMI adjusted for family size
Eligible Properties	<ul style="list-style-type: none"> ➤ Property must be located within the city limits of Fort Worth ➤ Property cannot be located in an airport clear zone, toxic waste site, or flood plain zone ➤ Property may be an existing unit or new construction ➤ Property must be a single unit ➤ Government-owned properties are not eligible
Homebuyer Education	Eight (8) hours of homeownership training is required and must be provided by a HUD-approved housing counseling agency. Online courses are not accepted. Visit website of hud.gov for a list of HUD-approved agencies
Affordability Period	Five (5) Years
Repayment of Deferred Loan	Sale, assignment, transfer or rental of property during the five-year affordability period will require immediate repayment of the full HAP subsidy amount
Borrower Minimum Contribution	Lesser of 2% of purchase price or \$1,000.00 from borrower's own funds. May include up-front costs including application, appraisal and credit report fees
Acceptable Loan Term	30 years term on FHA, conventional or VA loan
Housing and Debt Ratio Maximums	Between 20-30% housing ratio 41% combined debt (32/43% for new construction, or FHA loan product)
Program Fees, Closing Costs	There are no program fees to use this program; Closing costs may be paid from loan proceeds
Cash to Borrower	No cash to borrower at closing



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Property Standards	Must pass Minimum Acceptable Standards Inspection <u>TREC Inspection is Required at Borrower's Expense</u>
City of Fort Worth Inspection and Environmental Review	Environmental Review Required; no cost to borrower
Lead Hazard	Notification and evaluation required for homes constructed prior to 1978
Max Combined Loan-to Value	Combined Loan-to Value not to exceed 105%
Title Policy	Is required without endorsements, with the City of Fort Worth shown as "second mortgagee"
Appraisal	Primary Lender (only) at borrower's expense
Escrowed Taxes and Insurance	Borrower must maintain property taxes, hazard insurance, and if applicable flood insurance. City of Fort Worth must be shown as "second mortgagee" <u>Taxes on new construction must be calculated on improved value</u>
HAP Verbiage Clause on Purchase Contract under Special Provisions	"Buyer to obtain assistance from the City of Fort Worth Housing Assistance Program"
How much subsidy can a borrower qualify for	Using 100% AMI chart below*, take annual household income and divide by 100% AMI per family size to get percentage of allowable subsidy amount

INCOME LIMITS		
Household Size	80% AMI Maximum Income	100% AMI Income *
1	\$39,050	\$48,800
2	\$44,600	\$55,800
3	\$50,200	\$62,800
4	\$55,700	\$69,700
5	\$60,250	\$75,300
6	\$64,700	\$80,900
7	\$69,150	\$86,500
8	73,600	\$92,100

ALLOWABLE SUBSIDY AMOUNT	
Area Median Income (AMI)	Income Percentage
0 – 35%	\$14,999
36 – 40%	\$12,999
41 – 50%	\$11,999
51 - 60%	\$10,999
61 – 80%	\$9,999

For More Information Contact: Lilia Escobedo, Senior Loan Services Representative
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