

Grant Terms

1. Grant amount is based on the financial need of the applicant's household, selling price of property, and household assets.
2. Assistance up to a maximum of 10% of the ***estimated affordable sales price*** (not to exceed \$10,000) for participants.

Assistance amount is based on the selling price, liquid assets, closing costs, mortgage amount, and other fees paid in the acquisition of the property.

3. Interest rate of zero percent (0%).
4. Repayment only if:
 - Home is sold, conveyed, granted or otherwise transferred;
 - Vacated or abandoned as a primary residence within 15 years from the date of purchase of the property;
 - Used as investment or income producing property.

PROPER DISCLOSURE

1. All assets must be fully disclosed at the time of application;
2. If at any time, financial information changes while going through the program, the applicant must immediately notify the First Time Home Buyer's Program or may be subject to declination.



Montgomery County

Department of Housing & Community Development
Human Services Center
1430 DeKalb Street; 5th Floor
P.O. Box 311
Norristown, PA 19404-0311
Phone (610) 278-3540
Fax (610) 278-3636
www.montcopa.org/mchcd

MONTGOMERY COUNTY FIRST TIME HOMEBUYERS PROGRAM

Home Buying Assistance For The Year 2017



Montgomery County Commissioners

Valerie A. Arkoosh, MD, MPH, Chair
Kenneth E. Lawrence, Jr., Vice Chair
Joseph C. Gale, Commissioner

(Revised May 2017)

MONTGOMERY COUNTY FIRST TIME HOME BUYERS PROGRAM

The Homebuyers Program, established and administered by the Commissioners and the Department of Housing & Community Development, is directed to assist low, moderate, and median income households interested in purchasing a home in Montgomery County. Eligible participants may receive assistance with down payment and closing costs. Participants will be required to complete a counseling package and meet with the Counselor one on one to go over budget, credit, mortgage financing and home ownership responsibilities. Funds for the program are supplied through the County's Affordable Trust Fund in coordination with the Recorder of Deeds Office.

APPLICATION PROCESS

Applications can be obtained from the Department of Housing & Community Development (610) 278-3540. The funds are available to all qualified applicants on a first come, first serve basis. The Housing Programs Manager administers the Program through the Department of Housing & Community Development. Any eligible household interested in participating in the program must be income and loan eligible **PRIOR to entering into an agreement of sale** (or putting a deposit on a property). There is a \$25.00 non-refundable fee payable at the time of application.

HOUSEHOLD ELIGIBILITY

To be eligible for a loan, the household must:

1. Be a first time homebuyer or not owned a home within the previous three years;
2. Have a household income below the area median income;
3. Intend to occupy the property purchased as a primary residence;
4. Be creditworthy and able to qualify for a mortgage (Conventional, FHA, or VA) at or below the current market rate;
5. Currently reside and/or be employed full time within Montgomery County at the time of Program application and closing;
6. Complete the required counseling program **prior to executing any contract of sale for the purchase of real estate;**
7. Have a minimum of \$3,000.00 liquid assets at the time of application (*no gifts of cash or equity permitted towards the first 3%.*)

2017 Household Income Limits

Family Size	80% Median Income	Median Income
1 Person	\$46,600	\$58,300
2 Person	\$53,250	\$66,600
3 Person	\$59,900	\$74,900
4 + Person	\$66,550	\$83,200

CASH REQUIREMENTS

The minimum cash requirements from the program participants is:

1. Three percent (3%) of the sales price towards the down payment is required.
2. Two months' mortgage reserve (PITI) is required prior to letter of intent being issued.
3. Applicants must obtain a Home Warranty for the property acquired.
4. Applicants must use their own liquid assets (savings, checking, money markets, certificates of deposits, mutual funds, stocks, bonds, etc.) prior to Homebuyer Funds.
5. Assistance is not available if applicant has 10% or more of the sales price to put towards purchase.
6. Assistance amount is based on the selling price, liquid assets, closing costs, mortgage amount, and other fees paid in the acquisition of the property.

PROPERTY ELIGIBILITY

Property purchased under the program must:

1. Be an existing or newly constructed single family residence located in Montgomery County;
2. Have a contracted sales price that does not exceed Program's determined affordability;
3. Meet local codes, Housing Quality Standards, and lead based paint standards.
4. Be acceptable to the primary lender and insurer of the property.