

Department of Community Development

Carrie Gugliuzza
Program Administrator

Lockport Municipal Building
One Locks Plaza
Lockport, NY 14094
(716) 439-6686
cgugliuzza@lockportny.gov

Re: City of Lockport First Time Homeownership

Dear Potential Homeowner:

The City of Lockport was recently awarded a New York State HOME grant through the Office of Homes and Community Renewal for assistance with down payment and closing cost for first-time homeowners. The reason for this letter is we have on file an application you submitted for a First Time Home Buyer Program. Enclosed is the fact sheet. **Please read the fact sheet carefully and provide copies of last two years W2s, Tax Form 1040, last 2 paystubs and last 2 months bank statements for ALL individuals in the household, as soon as possible**, for this program will be determined from total gross household income based on total number of residents in the home.

Niagara County 80% Low Income Limits	
1 Person	\$ 44,200.00
2 Person	\$ 50,500.00
3 Person	\$ 56,800.00
4 Person	\$ 63,100.00
5 Person	\$ 68,150.00
6 Person	\$ 73,200.00
7 Person	\$ 78,250.00
8 Person	\$ 83,300.00

*****Please provide copies of last two (2) years W2s, Tax Form 1040, last 2 paystubs and last 2 months bank statements*****

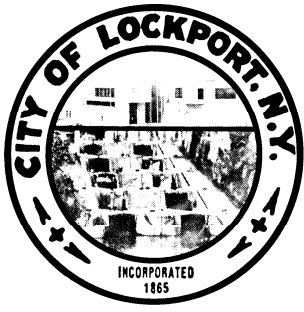
The expected amount of down payment assistance per unit is up to \$20,000 and we determined this by verifying that the purchase price for the type of single family housing cannot exceed 95% of the median purchase price for the area (\$129,000.00), as defined by HUD's Homeownership Sales Price Limits.

Please do not hesitate to contact the Department of Community Development with any questions.

Sincerely,

Carrie Gugliuzza

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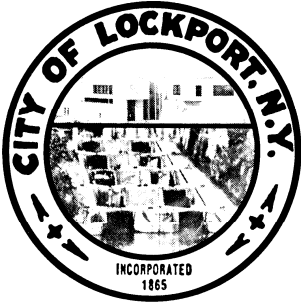
CITY OF LOCKPORT FIRST TIME HOMEOWNERSHIP PROGRAM FACT SHEET **PROGRAM DESCRIPTION**

The New York State HOME Program is administered by the New York Office of Homes and Community Renewal and recently awarded funds to the City of Lockport for qualified low income first-time homebuyers with much needed financial assistance for a down payment on a house and closing costs.

GENERAL ELIGIBILITY REQUIREMENTS

- The subsidy will be for up to \$20,000 per household and will cover a portion of the down payment and most closing costs. The purchase price for a single family house cannot exceed 95% of the median purchase price for the area (\$129,000.00), as defined by HUD's Homeownership Sales Price Limits. The HOME funds invested will be secured with a recapture note and mortgage.
- The first-time homeowner applicant must cover the cost of a credit report, the appraisal, and first year's homeowners insurance.
- Mortgage pre-approval is not needed at the time of application but will be required to move on to the next step.
- Homeowners must live in the house they purchase as their primary residence for at least ten(10) years or they will be required to pay back all or some of the funds they are awarded. If the home is sold or the owner no longer resides as principal resident, the pro-rated portion of the lien must be repaid as follows:

Year 1	-	100%	Year 7	-	40%
Year 2	-	90%	Year 8	-	30%
Year 3	-	80%	Year 9	-	20%
Year 4	-	70%	Year 10	-	0%
Year 5	-	60%			
Year 6	-	50%			



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- Each applicant must receive a Certificate of Completion for pre-purchase homeownership counseling through a HUD certified counseling agency.
- The homebuyers housing debt to income ratio: max 35%, total debt to income ratios: max 45%, the housing debt ratio can be a maximum of 40%, provided there is no other total debt
- The home to be purchased must meet NYS and/or Local Code at the time of purchase. The code inspection cannot take place more than 90 days before the execution of the purchase agreement. To ensure that the housing is decent, safe and sanitary, and meets all applicable New York State and/or Local Code requirements at sale to the homebuyer. This will be performed and documented by the City of Lockport Building Inspection Department.

Lead Based Paint: The State Recipient shall comply with lead-based paint requirements per 24 CFR Part 35; however, the Program no longer allows the “presumption” of lead paint and requires related testing and certification.

INCOME GUIDELINES

- All households assisted in the program must be under 80% of the median low income limit per HUD guidelines.

Niagara County 80% Low Income Limits	
1 Person	\$ 44,200.00
2 Person	\$ 50,500.00
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6 Person	\$ 73,200.00
7 Person	\$ 78,250.00
8 Person	\$ 83,300.00

Employment Information:

Name of Employer: _____

Name of Employer: _____

Address of Employer: _____

Address of Employer: _____

Telephone Number: (____) _____

Telephone Number: (____) _____

Position/Title: _____

Position/Title: _____

Years on this job: _____

Years on this job: _____

Years employed here: _____

Years employed here: _____

Financial Information:

<u>Gross Annual Income:</u>	<u>Applicant</u>	<u>Co-Applicant</u>	<u>Total</u>
Base Employment Income	\$ _____	\$ _____	\$ _____
Overtime	\$ _____	\$ _____	\$ _____
Bonus	\$ _____	\$ _____	\$ _____
Commissions	\$ _____	\$ _____	\$ _____
Dividends/Interest	\$ _____	\$ _____	\$ _____
Net Rental Income	\$ _____	\$ _____	\$ _____
Other Income (see below)	\$ _____	\$ _____	\$ _____
Describe Other Income:	_____	_____	\$ _____
(i.e. Alimony, Child Support,	_____	_____	\$ _____
Social Security, Pensions,	_____	_____	\$ _____
Unemployment, Rental Assistance,	_____	_____	_____
Section 8 Voucher, etc.)	_____	_____	_____

Housing Expenses:

Monthly Rent: \$ _____

Monthly Utilities: \$ _____

Previous Real Estate Ownership:

Applicant: Have you ever owned any residential real estate? _____

Co-Applicant: Have you ever owned any residential real estate? _____

If yes, please explain: _____

General:

List any individuals and their income living with you not included as dependents on page 1:

Do any members of the household have disability conditions? _____

If yes, please explain: _____

Conflict of Interest:

The Agreement between the City of Lockport and the U.S. Department of Housing and Urban Development (HUD) requires the City to establish guidelines to avoid a conflict of interest for City officials. If the applicant or co-applicant is related by blood or marriage to a City official or an employee of the City, please indicate the nature of the relationship. The City will determine if a conflict of interest exists. _____

Assets and Liabilities:

Assets:

1. Checking and Savings Accts.

Name of Bank: _____

Address: _____

\$ _____

Checking and Savings Accts.

Name of Bank: _____

Address: _____

\$ _____

Checking and Savings Accts.

Name of Bank: _____

Address: _____

\$ _____

Checking and Savings Accts.

Name of Bank: _____

Address: _____

\$ _____

2. Stocks and Bonds:

Do you own any stocks/bonds? _____

If yes, list the following:

_____ Number of Shares

\$ _____ Price Per Share

Liabilities:

1. Auto Loan: \$ _____ Mo. Payment
\$ _____ Unpaid Bal.

2. Credit Card(s):

Name of Company: _____

Address: _____

Type: _____

\$ _____ Mo. Payment

\$ _____ Unpaid Bal.

Name of Company: _____

Address: _____

Type: _____

\$ _____ Mo. Payment

\$ _____ Unpaid Bal.

Name of Company: _____

Address: _____

Type: _____

\$ _____ Mo. Payment

\$ _____ Unpaid Bal.

3. **Alimony Payment:** \$ _____
Child Support Pay: \$ _____
Other: \$ _____

4. **Other Assets:**
Do you own any property? _____ Explain: _____
If yes, List its current value: \$ _____ _____

Certification:

I/We certify that the information provided in this application is true and correct as of the date set forth opposite my/our signature(s) on this application. I/We understand that if the information is not correct that my/our application could be rejected for the Homeownership Program. I/We hereby authorize the City of Lockport, Department of Community Development to verify the information listed above.

I/We have received a copy of the City of Lockport's Homeownership Program. I/We understand how the program works and agree to follow its procedures. I/We understand that the City must verify all sources of income in order to qualify for said program funds. I/We understand that program assistance depends upon my/our ability to receive a mortgage loan commitment from a financial lending institution. However, I/We understand that a written commitment must first come from the City of Lockport, Department of Community Development before that obligation of a financial institution can be approved.

I/We certify that I/we have the funds available to pay my/our obligated costs as explained to me/us and listed in the Homeownership Program.

I/We understand that the monies given to me/us under the Homeownership Program are to be repaid to the City of Lockport, Department of Community Development if the property is sold, transferred, foreclosed on, or is no longer occupied by me/us as a principal residence due to death or for any other reason, unless a written waiver is issued by the City, on the anniversary date of the recorded deed as per the following schedule:

Year 1	-	100%	Year 7	-	40%
Year 2	-	90%	Year 8	-	30%
Year 3	-	80%	Year 9	-	20%
Year 4	-	70%	Year 10	-	0%
Year 5	-	60%			
Year 6	-	50%			

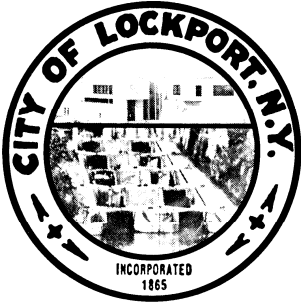
Signatures:

Applicant

Date

Co-Applicant

Date



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City of Lockport - Homeownership Affordability Survey

The reason for this income survey is to gather essential information to support an application for funding under the State or to undertake a CDBG funded activity in the area. The Community Development staff is conducting this income survey in order to apply for a CDBG Small Cities grant for a Homeownership Program. This information is necessary to present to the State that there's a low and moderate income population market to support a program of this nature.

This survey information collected is "CONFIDENTIAL" and is not subject to the Freedom of Information Act (FOIA).

If you have any questions regarding this survey, please feel free to contact Carrie Gugliuzza, Program Administrator at (716) 439-6686.

1. NAME: _____

2. ADDRESS: _____

3. TELEPHONE: _____

4. Have you ever owned a home? Yes No

5. Would you like to purchase a home in Lockport? Yes No

6. Have you recently qualified for a home mortgage by a bank? Yes No

7. What is preventing you from being a homeowner?

a. Lack of downpayment/closing costs Yes No

b. Cannot find an affordable house Yes No

c. Both a. and b. Yes No

d. Other – explain: _____

8. Approximately how much do you pay each month on a car loan? \$ _____

9. Approximately how much do you pay each month on credit cards? \$ _____

10. What do you pay each month for rent? \$ _____

11. Does your rent include utilities? Yes No

If no, how much do you pay each month for utilities?
(gas, oil, electric, water) \$ _____

12. Number of people in your household? _____

13. What is your total annual household income? \$ _____

Annual household income (circle appropriate level for household size)

- | | |
|-------------|-------------|
| 1. \$35,700 | 5. \$55,050 |
| 2. \$40,800 | 6. \$59,150 |
| 3. \$45,900 | 7. \$63,200 |
| 4. \$50,950 | 8. \$67,300 |

\$ _____ Annual Income ÷ 12 = Monthly Income of \$ _____

Total Annual Income: \$ _____

Monthly Income: \$ _____

Total Monthly Debt: \$ _____

\$ _____ x 29% = \$ _____ Total Housing Expenses (PITI)

\$ _____ x 41% = \$ _____ Total Fixed Expense (TFE)

\$ _____ - \$ _____ = \$ _____
TFE Monthly Debt