



## **City of Miami Department of Community Development First-Time Homebuyer Program**

The City's First-Time Homebuyer Program provides assistance up to the Basic Subsidy limits based on the number of bedrooms of the home being purchased, as annually determined by the U.S. Department of Housing & Urban Development (HUD) under the Basic Subsidy Mortgage Limits (Sec. 221 (d)(3) and 234 of the Federal Register). See Snapshot for details. This assistance can be used as down payment and closing cost assistance for eligible families to buy their first home.

To be eligible, you must:

1. Have an income less than or equal to 80% of the area median income, adjusted for family size.
2. Must not have owned a home in the past 3 years (exceptions will be made to single parents who are displaced homemakers).
3. Must not have filed bankruptcy within the past 24 months.
4. Purchase a property in the City of Miami with a maximum sales price of \$236,000.
5. Able to secure a mortgage with a participating lending institution (bank).

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### **How Do I Get Started?**

1. Pick up an application for the First-Time Homebuyer Program at the Department of Community Development or at any of the City's Neighborhood Enhancement Team (NET) locations. You can also download the application at [www.miamigov.com/communitydevelopment](http://www.miamigov.com/communitydevelopment)
2. Gather all documents listed in the "First-Time Homebuyer Checklist" (attached below), under the header "Provided by Homeowner".
3. Attend an approved Homebuyer Counseling workshop.
4. Contact any of the "Participating Lenders" to obtain a loan commitment and to be pre-qualified for a mortgage loan, subject to the City's down payment amount. To obtain the Participating Lender's list, please visit [www.miamigov.com/communitydevelopment](http://www.miamigov.com/communitydevelopment)
5. Search for a home in the City of Miami based on your pre-approved loan amount and within the maximum sales price limit of \$236,000.
6. Have your lender provide you with a full mortgage commitment.
7. Fill out the First-time Homebuyer Program application, include all proper documentation, and submit them to your lender. Have your lender submit your loan package to the City.
8. The terms of the City's loan are attached to this document.

The assistance will be provided on a first-ready, first-served basis. The City of Miami reserves the right to cancel any and all applications based on lack of funding availability.

For further information on the First-Time Homebuyer Program, please call (305)416-1927.



## First-Time Homebuyer Checklist

Please check every item submitted herein or provide an explanation and an anticipated date of submission. Failure to submit a complete file will result in delays or rejection of the file.

Included	Document	Provided by Homebuyer	Provided by Lender
	Reservation Letter		✓
	Application for Homebuyer Assistance	✓	
	Uniform Residential Loan Application (URLA 1003) properly signed by the applicant(s).		✓
	Uniform Underwriting and Transmittal Summary (form 1008)		✓
	Good Faith estimate and Truth in Lending forms (signed)		✓
	Credit report		✓
	Proof of income: i.e. <b>VOE (required)</b> , paystubs (last 60 days), social security award letter, pension statement, etc	✓	
	Verification of applicant's funds available for minimum down payment contribution.	✓	
	Income Tax returns for the past two (2) years	✓	
	Affordability Study		✓
	Bank statements for the last six (6) months.	✓	
	Rent verification (canceled rental payment checks or letter from landlord.)	✓	
	Sales contract	✓	
	Commitment letter from all other lenders.		✓
	Copy of property appraisal.		✓
	Certificate of Completion: Homebuyer Counseling Workshop.	✓	
	Copy of Social Security card for all adult (18 years and older) household members.	✓	
	Copy of State issued ID cards or Birth Certificates for all members of the household.	✓	
	Subordinate Commitment Letters to be received within 30 days of the City's Conditional Approval		✓

All of the documents listed in the table above must be submitted to the City of Miami for your file to be reviewed. If you have any questions regarding any of the documents listed above, please call our offices at (305)416-2012.



## Snapshot of First-Time Homebuyer Program Guidelines

**Income Limits:** Current year's income limits may be downloaded from:  
[www.miamigov.com/communitydevelopment](http://www.miamigov.com/communitydevelopment)

**Eligible Properties:**

- Single Family Residences;
- Townhomes;
- Condominiums;
- Property must be located in the City of Miami;
- Property must meet Housing Quality Standards as per 24 CFR 982.401.

**Eligible Buyers:**

- Must not have owned a home in the past 3 years;
- Household income less than or equal to 80% of the area median income adjusted for family size.
- Must be able to afford a monthly payment based on income and debt;
- Must contribute at least \$500 of personal funds towards down payment/ closing costs.

**Maximum Sales Price:** For new and existing properties is \$236,000.

**Loan Terms:**

- Maximum Amount of Assistance: Varies based on the number of bedrooms of the home being purchased and the financing needs of the applicant. The current maximum limits as determined by U.S. HUD under the Basic Statutory Mortgage Limits (Sec. 221 (d)(3) and 234, Federal Register) are listed in the chart below.

Calendar Year 2008 – Basic Statutory Mortgage Limits					
Number of bedrooms	0	1	2	3	4
Basic Subsidy	\$48,328	\$55,722	\$67,202	\$86,020	\$95,830

- 0% non-amortizing;
- Deferred payment 30-year loan;
- Payment of principal will be forgiven at end of maturity period provided that the homeowner resided in the house as their primary residence.

**Security:** The loan will be secured by a second mortgage on the property.

**First Mortgage Restrictions:** Term of the loan must be 30 years; fixed interest rate & cannot exceed more than 150 basis points over Freddie Mac's weekly average 30-year rate, as published in the Primary Mortgage Market Survey ("PMMS"); no prepayment penalties; Total percentage charged for Discount, Origination & Broker fees must not exceed 2 points; all other lending fees must be reasonable and cannot exceed \$500 or 0.5% of the loan amount, whichever is greater.

**Other Restrictions:** Applicant must reside in purchased unit at all times. The loan will be due at sale, transfer of property or if the unit ceases to be the main residence of the applicant.

**Resale Restrictions:** If the owner sells and/ or transfer the house before the end of the City's mortgage term, the following provisions will apply:

- 1) The sale of the property must be pre-approved by the City, and the new buyers must meet the program's income limits in effect at the time AND the sales price must not exceed the maximum affordable sales price in effect at the time.
- 2) For any 'early' sale or transfer, the City shall share in any 'gain' realized, based on its pro-rated share of participation in the original purchase. Furthermore, if the sale occurs within the first 3 years, the City shall keep 100% of its pro-rated share of the 'gain', from year 3 up to year 20, the City's share of its pro-rated 'gain' shall decrease by 5% every year, while in turn, the owner's share shall increase by 5% each year. At year 20 up to the City's loan maturity, the owner shall retain 100% of the City's 'gain'.
- 3) This above share gain proposal terminates in the event of a foreclosure, with the lender required to provide the City the right of first refusal to purchase the loan at a negotiated price. In the event of a foreclosure, the City will recapture any amount of net proceeds available from the sale of the property.



**City of Miami  
Department of Community Development  
Application for Homebuyer Assistance**

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**I. PROPERTY INFORMATION**

Subject Property Address (street, city, state & ZIP)	Apt. No.
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**Applicant**

**II. APPLICANT INFORMATION**

**Co-Applicant**

Applicant's Name (First Name, Middle Initial, Last Name)		Co-Applicant's Name (First Name, Middle Initial, Last Name)	
Applicant's Address (street, city, state & ZIP)		Co-Applicant's Address (street, city, state & ZIP)	
Home Phone (include area code)	Work Phone (include area code)	Home Phone (include area code)	Work Phone (include area code)

**Applicant**

**III. EMPLOYMENT INFORMATION**

**Co-Applicant**

Applicant's Employer		Co-Applicant's Employer	
<input type="checkbox"/> Self Employed		<input type="checkbox"/> Self Employed	
Employer Address (street, city, state & ZIP)		Employer Address (street, city, state & ZIP)	
Monthly Income \$	Dates (from - to)	Monthly Income \$	Dates (from - to)

**IV. OTHER INFORMATION**

**Applicant**

**Co-Applicant**

Have you owned a home in the last 3 years? (a mobile home is titled as a personal property & not considered a home)	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO
If you answered YES above, are you a displaced homemaker?	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO
<i>If you answered YES to both questions above, attach a divorce decree showing the method of disposition of the marital home.</i>		
Have you declared bankruptcy in the last 2 years?	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO

**V. HOUSEHOLD INFORMATION**

	Name	Date of Birth	SSN	Relationship to Applicant	Total Cash Value of Assets
1					\$
2					\$
3					\$
4					\$
5					\$
6					\$
7					\$
<b>Total</b>					\$



(Application continuation - Page 2 of 2)

**VI. ANNUAL HOUSEHOLD INCOME**

	Name	Wages/ Salary **	Benefits/ Pensions	Public Assistance	Other Income	Annual Income
1		\$	\$	\$	\$	\$
2		\$	\$	\$	\$	\$
3		\$	\$	\$	\$	\$
4		\$	\$	\$	\$	\$
5		\$	\$	\$	\$	\$
6		\$	\$	\$	\$	\$
7		\$	\$	\$	\$	\$
<b>Total</b>		\$	\$	\$	\$	\$

\*\* include tips, commissions, & bonuses

I hereby authorize the City of Miami to verify my past and present employment records, bank statements, stock holdings and any other asset balances that are needed to process this application. I further authorize the City to order consumer credit report and verify other credit information, including past and present landlord references. It is understood that a copy of this form will also serve as authorization. The information obtained here is only used to ascertain your eligibility to receive down payment and closing cost assistance.

I further irrevocably grant to the City of Miami, its assigns and successors, my consent and full right to, use my name, photograph, likeness, image, voice, and biography in any and all media, publications, advertising, and publicity, in connection with my participation in the First-Time Homebuyer Program and any program related activity or project.

I certify that (i) neither I, the applicant, or the co-applicant is employed by the City of Miami or by any agency/ developer which built the 'Subject Property' in this application utilizing funds provided by the City of Miami, and that (ii) neither I, the applicant, or the co-applicant is related to any employee of the City of Miami or of the agency/ developer which built the 'Subject Property' in this application utilizing funds provided by the City of Miami.

**Warning:** Florida Statute 817 provides that willful false statements or misrepresentation concerning income and assets or liabilities relating to financial condition is a misdemeanor of the first degree and is punishable by fines and imprisonment provided under S 775.082 or 775.83

\_\_\_\_\_  
Name of Applicant (Print)

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Witness (Print)

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Co-Applicant (Print)

\_\_\_\_\_  
Signature of Co-Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Witness (Print)

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Date