CITY OF WEST JORDAN
Down Payment Assistance Program Application
FY 2016 CDBG/HOME Program

Program Information/Requirements

ELIGIBLE APPLICANTS

All applicants must meet income guidelines, debt ratio requirements, and **cannot have owned a home within the last 24 months**. Income for all household members over the age of 16 will be considered in the income calculation.

The applicant or anyone in the household cannot have been an owner or co-owner of another home or property within the previous 24-month period. No exceptions. **Cosigners are not allowed**.

Income Limits

Income for all household members over the age of 16 yrs. will be counted in this household income calculation. Income includes worker pay/salary, retirement, social security, child support, alimony, etc.

Family Size	Annual Income Limit
1	**$41,350**
2	**$47,250**
3	**$53,150**
4	**$59,050**
5	**$63,800**
6	**$68,500**
7	**$73,250**
8	**$77,950**

Required Funds

The applicant is required to provide minimum $2,000 cash out-of-pocket into the home purchase. The funds must be documented by the owner and **cannot be gifted, provided by the seller, realtor, etc**. Proof of these funds availability must be identified at the time of application submission with a bank statement, 401K statement or some other acceptable form.

ELIGIBLE HOMES

Only owner-occupied units are eligible for consideration. Existing or new construction single-family homes, condos and townhomes are permitted. Manufactured homes, duplexes and multi-family units are not eligible for consideration. **Purchase price cannot exceed $198,500.**

Location

All homes must be located within the City of West Jordan. The applicant is responsible for verifying with the City that the property is located in West Jordan.

Debt Ratios

Housing debt cannot exceed 35% of the household monthly gross income. Housing debt includes taxes, insurance, principle payment and HOA fees.

Total debt cannot exceed 45% of the household monthly gross income. This includes existing debt and housing debt.

Eligible Loans

Only 30-year fixed rate loans are acceptable in the program. No ARM's, owner-financed, or other loans are allowed. In the case of refinancing, only 30-year fixed rate; no cash out streamline loans are allowed. FHA, VA Conventional, etc. loans are acceptable.

Short Sales/Third Party Owned

Short sales and third party owned properties are acceptable provided a **written acceptance agreement** has been reached and documented in the application. However, there is no guarantee that the processing time of the application will meet the time restrictions of a third party seller.

Ownership Requirement

The buyer must own and occupy the home for 5-years following the purchase. Any change in ownership or occupancy will require repayment of the grant. After the five-year period, the grant is forgiven. If the home is sold or not occupied by the applicant prior to the 5-years, then 20% per completed year will be forgiven and balance due to the City.

Homebuyers Education Classes

The applicant must attend and submit a completion certificate from an approved HUD Program prior to closing. **No online classes will be accepted.** Classes are offered by:

CDC - (801) 994-7222
AAA Fair Credit Foundation
800.351.4195 Ext 120

Processing Time

An average of 25-35 days is required for the processing of this application from start to loan closing. A preliminary eligibility determination will be made within 10-14 working days after submittal of the application and all requested information is received.

Closing/Purchase

A City check and closing documents will be provided to the closing agent no later than noon the day of closing. Any purchase prior to that time will be disallowed.

Documents Required for Application

- Application Checklist
- Signed and dated Real Estate Purchase
- Contract with all addendums
- Documentation of required $2,000 cash investment
- Good Faith Estimate and worksheet for the property to be purchased
- Copy of 2015 Income Tax forms. A signed and dated 1040 form must be included.
- Three months of pay stubs for all persons over 16 in the household
- Signed Lead Base Paint information sheet and seller/buyer certification form

Assistance Provided

The City will provide a grant up to $4,999 for ½ of the required down payment and one-time closing costs. Most grants average from $4,200 - $4,999. No assistance will exceed 100% of the home appraised value. Home purchase price cannot exceed $198,500. Grants are on a "First Come - First Qualified" basis while funds are available. The City will retain a second position on the loan.

Applicants contributing more than the required downpayment will be deemed as "Not in Need" of assistance. Applicants must have been released from bankruptcy for a minimum of two years and have no judgments showing on their credit report.

Housing Condition/Inspection

The City encourages all buyers to have an inspection conducted by a Certified Home Inspector prior to purchasing any property. The City will conduct a site visit and inspection to ensure the property meets HUD's MPS. This inspection is not intended to take the place of a home inspection by a certified home inspector. It is strictly for in-house use by the City.

Lead Based Paint

A visual inspection will be conducted for any homes built prior to 1978 to identify any potential issues with lead based paint. Should the visual inspection identify potential issues then it will be the responsibility of the buyer to pay for all lead based paint testing and required repairs.

Application Submission

Applications can only be submitted by the applicant. A driver's license or similar picture identification will be required at the time of submission. Applications can only be submitted by scheduling an appointment for a 15-minute preliminary review to verify that all required documents are included with the application submittal. Any and all applications without required documents will be rejected at that point.

Applications will be accepted by appointment. To schedule an appointment contact: Chuck Tarver, (801) 569-5062 or T-T-Y 711 for the hearing impaired.

Revised 3-31-2015

Documents Required for Submission

APPLICATION CHECKLIST

Applications will not be accepted without the following documents. This form must be included in the application. For more information contact Charles Tarver (801) 569-5062 or T-T-Y 711 for the hearing impaired.

Required Document	**Attached? Circle one**	**Comments**
Current Application Forms	Yes No	
Complete signed Real Estate Purchase Contract: Includes all addendums. **Purchase price cannot exceed $198,500.**	Yes No	
Documentation of required $2,000 cash investment to be used toward the purchase.	Yes No	Documentation type: `
Current Good Faith Estimate with **"worksheet"** showing all costs for the property identified in the Purchase Agreement.	Yes No	
Copy of 2015 Tax forms with a **signed** 1040 Form. Will not be accepted without a **signed IRS 1040** form for all parties living in the home.	Yes No	
3 months of pay stubs and/or copy of current benefit letters for all persons living in the home.	Yes No	
Homebuyers class certificate. No online classes are accepted. (Required prior to closing, no exceptions). CDC (801) 994-7222	Yes No	
Lead Base Paint Notification Form, signed and dated by the buyer(s).	Yes No	
Seller/Buyer Certification, signed and dated	Yes No	
Property Address Verified – City staff verifying the address must be identified	Yes No	Verified by:
Other Information/Documents	Yes No	

WEST JORDAN APPLICATION FOR DOWN-PAYMENT ASSISTANCE

APPLICANT INFORMATION

Applicant Name: _____ Phone: _____

Present Address: _____ City/State: _____

Number of Dependents living in the home: _____

How long at present address: ____ years _____ months

Marital Status: Married _____ Unmarried _____ Separated _____ Other _____

Employment Status: Full-time _____ Part-Time _____ Unemployed _____

Employer Name: _____ Business Phone: _____

Employers Address: _____

Length of Employment: _____ Years _____ Months Position: _____

CO-APPLICANT INFORMATION

Applicant Name: _____ Phone: _____

Present Address: _____ City/State: _____

Number of Dependents living in the home: _____

How long at present address: ____ years _____ months

Marital Status: Married _____ Unmarried _____ Separated _____ Other _____

Employment Status: Full-time _____ Part-Time _____ Unemployed _____

Employer Name: _____ Business Phone: _____

Employers Address: _____

Length of Employment: _____ Years _____ Months Position: _____

HOUSEHOLD COMPOSITION

Please list all household members in the box below that will be living in the home.

Family Member	Full Name	Relationship	Age	Gender M or W	Ethnic Origin
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					

ANNUAL INCOME (include all working household members, all Social Security, retirement, etc. benefits of all household members

Source	Applicant	Co-Applicant	Other Household Member	Total Income
Salary: H: M				
Overtime Pay				
Commissions				
Fees				
Tips				
Bonuses				
Interest /dividends				
Net Business Income				
Net Rental Income				
Social Security. Pension				
Unemployment Benefits				
Workers Compensation				
Alimony, Child Support				
Welfare Payments				
Other				
Other				
TOTAL				

ESTIMATED MONTHLY HOUSING PAYMENT

	Monthly Payment
Principle	$
Insurance	$
Taxes	$
HOA Fees	$
Other Financing	$
Other	$
Total Payment	$

CREDITOR INFORMATION (This will be verified by a credit agency).

Creditor	Acct. #	Original Balance	Present Balance	Due Date	Monthly Payment	Past Due Amount
		$	$		$	$
		$	$		$	$
		$	$		$	$
		$	$		$	$
		$	$		$	$
		$	$		$	$
	Totals	$	$		$	$

General Information

1. Have any of your children been tested for lead-based paint poisoning?
_____yes _____no If so, what were the results? _____

2. Does anyone live with you now that is not listed previously? _____ yes _____ no

3. Does anyone plan to live with you in the future that is not listed previously? If so, explain the situation: _____

4. Have you or anyone in the household ever declared bankruptcy or had a home foreclosed on? If so, explain and date filed: _____

5. Property address to be purchased: _____

6. Purchase Price of the Home: $_____ (Cannot exceed $198,500)

7. Property condition: New _____, Good _____ Deteriorating _____

8. Realtor Name & Company: _____
   Phone Number: _____
9. Mortgage Company & Loan Officer : _____
   Phone Number: _____

CERTIFICATIONS

The information given in this application will be kept in confidence and used only for the application request under the West Jordan Down Payment Assistance Program.

I/We verify that the information given on this form is accurate and complete to the best our knowledge. I/We authorize the City of West Jordan to secure and verify any and all information contained herein and associated with this loan.

I/We have read and understand the CDBG/HOME Down Payment Assistance Program guidelines, this application and fully agree to abide by the regulations of the City of West Jordan Down Payment Assistance Program and the U.S. Department of Housing & Urban Development. I/We will not hold the City of West Jordan or any of their' agents liable for any actions of the City staff and contractors. I/We also understand it is our responsibility to do any and all testing to insure the home is safe. The City encourages applicants to undertake the following by professionals: home inspection, radon testing, health/safety testing (meth, mold, etc.) prior to purchasing the property.

Disclaimer

The undersigned hereby acknowledges that any discussions with or any information given by a City of West Jordan employee or its designee regarding application for the West Jordan CDBG/HOME Down Payment Assistance Program prior to receipt of a formal commitment letter from the City of West Jordan or its designee committing a specific amount of funds to the project is only for program information and may not be considered a binding commitment on the part of the City of West Jordan to provide funds or technical assistance to the project.

The undersigned hereby acknowledges that any costs incurred prior to receipt of a formal commitment letter from the City of West Jordan or its designee committing a specific amount of funds to the project is at the risk and expense of the applicant.

Applicant Signature: _____ Date: _____

Applicant Signature: _____ Date: _____

WEST JORDAN DOWN PAYMENT ASSISTANCE PROGRAM

SELLER/BUYER CERTIFICATION

As the seller/buyer of the property at _____, West Jordan Utah, we understand that the City of West Jordan will use Federal Funds if this down payment assistance loan is approved and that the following will apply:

1. The buyer has applied for down payment assistance through the West Jordan Down Payment Assistance Program. The program is funded using federal funds.
2. The sale is voluntary and eminent domain will not be used.
3. The property has not been occupied by a renter in the past 90 days and no renter was required to move to facilitate this sale.
4. There has been no specified project area designated by the City; all areas within the incorporated City are eligible for West Jordan Down Payment Assistance.
5. West Jordan City will not acquire the property if negotiations fail in an amicable agreement.
6. Market Value for the property will be determined by an independent appraisal.

_____	_____
Buyer	Buyer
_____	_____
Date	Date
_____	_____
Seller	Seller
_____	_____
Date	Date

NOTIFICATION –

Watch Out For Lead-Based Paint Poisoning

If this property was constructed before 1978 there is a possibility it contains lead-based paint. Please read the following information concerning lead-based paint poisoning.

Sources of Lead-Based Paint

The interiors of older homes and apartments often have layers of lead-based paint on the walls, ceilings, windowsills, doors and doorframes. Lead-based paint and primers may also have been used on outside porches, railings, garages, fire escapes and lampposts. When the paint chips, flakes or peels off, there may be a real danger for babies and young children. Children may eat paint chips or chew on painted railings, windowsills or other items when parents are not around. Children may also ingest lead even if they do not specifically eat paint chips. For example, when children play in an area where there are loose paint chips or dust particles on their hands, put their hands into their mouths, and ingest a dangerous amount of lead.

Hazards of Lead-Based Paint

Lead poisoning is dangerous-especially to children under the age of seven (7). It can eventually cause mental retardation, blindness and even death.

Symptoms of Lead-Based Paint Poisonings

Has your child been especially cranky or irritable? Is he/she eating normally? Does your child have stomachaches and vomiting? Does he/she complain about headaches? Is your child unwilling to play? These may be signs of lead poisoning. Many times though, there are no signs of lead poisoning at all. Because there are no symptoms do not mean that you should not be concerned if you believe your child has been exposed to lead-based paint.

Advisability and Availability of Blood Lead Level Screening

If you suspect that your child has eaten chips of paint or someone told you this, you should take your child to the doctor or clinic for testing. If the test shows that your child has an elevated blood lead, treatment is available. Contact your doctor or local health department for help or more information. Lead screening and treatment are available through the Medicaid Program for those who are eligible. If your child is identified as having an elevated blood level, you should immediately notify the Redevelopment Agency or other Agency to which you or your landlord is applying for rehabilitation assistance so the necessary steps can be taken to test your unit for lead-based paint hazards. If your unit does have lead-based paint, you may be eligible for assistance to abate that hazard.

Precautions to Take to Prevent Lead-Based Paint Poisoning

You can avoid lead-based paint poisoning by performing some preventive maintenance. Look at your walls, ceilings, doors, doorframes and windowsills. Are there places where the paint is peeling, flaking, chipping, or powdering? If so, there are some things you can do immediately to protect your child:

a. Cover all furniture and appliances.
b. Get a broom or stiff brush and remove all loose paint from walls, woodwork, window wells, and ceilings.

Lead-Based Paint Poisoning (continued)

c. Sweep up all pieces of paint and plaster and put them in a paper bag or wrap them in newspaper. Put these packages in the trashcan. DO NOT BURN THEM: Do not leave paint chips on the floor or in window well. Damp mop floors and windowsills in and around the work area to remove all dust and paint particles. Keeping these areas clear of paint chips, dust and dirt is easy and very important; and

d. Do not allow loose paint to remain within your children's reach since children may pick loose paint off the lower part of the walls.

HOMEOWNER MAINTENANCE AND TREATMENT OF LEAD-BASED PAINT HAZARDS

As a homeowner, you should take the necessary steps to keep your home in good shape. Water leaks from faulty plumbing, defective roofs and exterior holes or breaks may admit rain and dampness into the interior of your home. These conditions damage walls and ceilings and cause paint to peel, crack or flake. These conditions should be corrected immediately. Before repainting, all surfaces that are peeling, cracking, chipping or loose should be thoroughly cleaned by scraping or brushing the loose paint from the surface, then repainted with two (2) coats of non-lead paint. Instead of scraping and repainting, the surface may be covered with other material such as wallboard, gypsum, or paneling. Beware that when lead-based paint is removed by scraping or sanding, a dust is created, which may be hazardous. The dust can enter the body either by breathing it or swallowing it. The use of heat or paint removers could create a vapor or fume which may cause poisoning if inhaled over a long period of time. Whenever possible, the removal of lead-based paint should take place when there are no children or pregnant women on the premises. Simply painting over defective lead-based paint surfaces does not eliminate the hazard. Remember that you as an adult play a major role in the prevention of lead poisoning. Your actions and awareness about the lead problem can make a big difference.

Tenant and Homebuyer Responsibilities

You should immediately notify the management office or the agency through which you are purchasing your home if the unit has flaking, chipping, powdering or peeling paint, water leaks from plumbing, or a defective roof. You should co-operate with that office's effort to repair the unit.

I have reviewed the Notice entitled "Watch Out for Lead-Based Paint Poisoning."

Print Full Name:_____

_____ _____
Signature Date

Print Full Name:_____

_____ _____
Co-applicant's Signature Date