



First Time Homebuyer Program



REALTOR GUIDELINES

CLAY COUNTY SHIP PROGRAM
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Clay County began its homebuyers programs in the spring of 1996. Since that time Clay County SHIP has worked in partnership with many local banks, financial institutions and Realtors in creating over 250 house sales in Clay County that would not have happened without SHIP assistance.

Clay County SHIP and local financial institutions provide closing cost, down payment assistance and financing for qualified first time homebuyers* to purchase affordable houses in Clay County. We always recommend that local realtors are used to assist qualified homebuyers in selecting their homes.

SHIP funds are utilized to assist qualified applicants who qualify for a house but don't have the necessary capital for down payment and/or closing costs. SHIP funds can be used for typical closing costs expenses and/or down payment assistance. SHIP makes it possible for an applicant to purchase a home with as little as \$500.00 out of pocket money.

APPLICANT QUALIFICATIONS:

- ❖ Must be a first time homebuyer * as defined by Clay County SHIP guidelines.
- ❖ Qualify under the established income limits. These income limits change annually. The current income guidelines are provided in this package.
- ❖ Applicants must attend the Clay County Homebuyer Education Class and receive a "Certificate of Completion".
- ❖ Applicants must have a valid "Letter of Commitment" from SHIP Coordinator.
- ❖ Applicant must be approved by a financial institution for a first mortgage loan before SHIP mortgage dollars will be approved.
- ❖ Applicant must put a minimum of one percent of the contract price or \$500 (whichever is higher) into the transaction.
- ❖ Applicant must meet the selection criteria guidelines for Clay County SHIP.

***First time homebuyer: (1) Never owned a home (2) Have not owned a home in the last one-year (3) Mobile home owner currently or within the last year.**

CLOSING GUIDELINES:

- ❖ Must close in Clay County.
- ❖ Notify the Clay County SHIP office and the buyers Realtor who the closing agent is at least three (3) weeks prior to the scheduled closing.
- ❖ Seller is responsible for required repairs (up to \$1000) as identified from the home inspection.
- ❖ No partial closing outside of Clay County and no 'dry' closings.
- ❖ The closing will be coordinated through the Clay County SHIP office.
- ❖ Provide the Clay County SHIP office a closing statement (HUD 1) at least 24 hours prior to the scheduled closing.
- ❖ Agree to record the Clay County SHIP mortgage.
- ❖ Include the collection of SHIP recording fees and document stamp taxes on the closing statement. The Clay County SHIP mortgage is exempt from intangible taxes.

PROPERTY QUALIFICATIONS:

- ❖ **NO MOBILE HOMES.** Manufactured housing can qualify if the Florida Department of Community Affairs certifies that it was constructed to meet Florida Building Code standards.
- ❖ House must be located in Clay County and can be located in any municipality or unincorporated area.
- ❖ Single family owner-occupied detached residence or single family, owner-occupied, attached residence (condo, townhome, patio home, duplex, triplex, quadplex).
- ❖ Sales price limits for new or existing homes: \$247,500



LENDER'S FIRST MORTGAGE PARAMETERS:

- ❖ Interest rate cannot be 2% higher than the prevailing rate.
- ❖ Good Faith Estimate cannot show more than a **43%** debt to income ratio after purchase.

- ❖ No seller held financing.
- ❖ Payment will include escrowed taxes and insurance.
- ❖ The purchase price may not exceed the amount of loan approval.
- ❖ No adjustable rate mortgages. Interest rate will be a fixed rate for the full term of the loan not to exceed thirty years.



REPAIRS:

Existing homes must have a home inspection by an ASHI certified home inspector. A 4 point certification is also required from the ASHI inspector indicating the dwelling is structurally sound, the remaining life of the roof is at least 5 years and that the electrical, plumbing, heating and A/C are adequate. The purchase and sales agreement must require the seller to pay for any required repairs (up to a maximum of \$1,000). If the buyer finds an existing home which needs additional repairs for code violations, they may qualify for SHIP funds to make those repairs. Call the SHIP office before making an offer on a home. There is no repair requirement on newly constructed (less than one year old - never occupied) units.

REALTOR GUIDELINES & INFORMATION:

Clay County SHIP always recommends that applicants use a Realtor and provides a list of realtors who have received training on the SHIP Program.

The Purchase and Sales Agreement purchase price may not exceed the lenders maximum purchase approval amount. VERY IMPORTANT!!

Do not allow SHIP applicants to enter into a sales contract until they have been issued a Letter of Commitment by the Clay County SHIP office. This letter is issued after the applicant has completed the education classes, been approved for a first mortgage, and completed the SHIP first time homebuyers application. This process will take a minimum of four weeks.

The sales contract must have the following included in the sales contract:

“The purchase of this house is contingent upon SHIP acceptance of the applicant and/or house and the applicant being approved for a mortgage loan”.

“The house must have a home inspection performed by an ASHI or NACHI Home Inspector.”

“The seller will pay for required repairs up to \$1000.00.”

The SHIP homebuyer program funds are designed to work with public and private funds. Banks, credit unions, mortgage companies, VA, HUD, FHA, Rural Development, bond money, etc. are all eligible.

Provide the client (SHIP applicant) your business card to be included when submitting

the SHIP application. Please provide your email, office, cell and fax numbers in case we need to contact you.

Fax a copy of the purchase contract to the SHIP office immediately after all parties have signed.

VERY IMPORTANT!!

All closings must be coordinated through the SHIP office.

Immediately after selecting the title company or closing agent, fax their name, address, and phone number to the SHIP office. The closing agent must contact the SHIP office to schedule the closing date and time. After SHIP receives and verifies this information, it will take a **minimum of three (3) weeks** to process the check request.

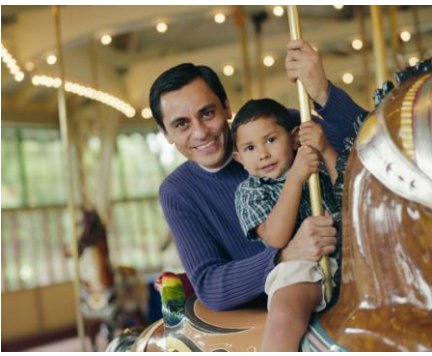
Provide the home inspection, 4 point certification, and the WDO to the SHIP office for review ASAP.

All closings are required to take place in Clay County. Be sure all interested parties are aware of this rule.

The SHIP Coordinator is available to make presentations to your office concerning the Clay County SHIP First Time Homebuyer program. Call the SHIP office for more information.

NOTE: Changes in the homeowners programs may occur with or without notice to lenders, realtors, sellers, and/or applicants.





Florida Housing Finance Corporation
 2009 Income Limits Adjusted to Family Size
 Effective: Mar 19, 2009

<u>Family Size</u>	<u>One</u>	<u>Two</u>	<u>Three</u>	<u>Four</u>	<u>Five</u>	<u>Six</u>	<u>Seven</u>	<u>Eight</u>
Very Low - 50%	\$22,800	\$26,050	\$29,300	\$32,550	\$35,150	\$37,750	\$40,350	\$42,950
Low - 80%	\$36,450	\$41,700	\$46,900	\$52,100	\$56,250	\$60,450	\$64,600	\$68,750
Moderate -120%	\$54,720	\$62,520	\$70,320	\$78,120	\$84,360	\$90,600	\$96,840	\$103,080

