



**HOUSING AND URBAN DEVELOPMENT (HUD)
 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
 FIRST TIME HOMEBUYER ASSISTANCE PROGRAM (HBA)
 FOR LOW TO MODERATE INCOME FAMILIES
 APPLICATION OVERVIEW / INFORMATION SHEET**

The City of Texarkana, Texas with funding provided through its Community Development Block Grant (CDBG) from the U.S. Department of Housing and Urban Development (HUD) under 24CFR570.201 (n), will provide assistance with down payment and/or closing cost through the First Time Homebuyer Assistance Program. The program is designed to assist low to moderate income homebuyers. Funding from this program can provide half (1/2) of the down payment requirement and closing costs for homes in the city limits of Texarkana, Texas. To qualify for this program, you must meet **ALL** the following conditions:

- The prospective home is a single-family, site built dwelling unit located within the Texarkana, Texas city limits (No modular or mobile homes)
- You must occupy the home as your principal residence
- All homes must undergo a lead-based paint inspection. If it does not pass, then this program funding cannot be used to purchase the home.
- The home must pass the City of Texarkana, Texas code inspections regardless of age of home
- Applicants must secure a mortgage from an approved lender. Lenders must include and record the City of Texarkana, Texas as a second lien holder on the mortgage.
- Applicants must successfully complete a homeownership education program approved by the City of Texarkana, Texas. This class is scheduled on an individual need basis and is paid for by the City through grant funding. Proof of completion certification must be provided to the City. Online course can be found at: <https://www.knowdebt.org/services/homebuyer-education-course/>
- You are a United States citizen or legal resident alien
- Household income does not exceed the 2020 HUD income limits (effective July 1, 2020) listed below:

Family Size	1	2	3	4	5	6	7	8
Maximum Income	35,500	40,550	45,600	50,650	54,750	58,800	62,850	66,900

STEPS FOR PROCESS:

- 1) Complete an application at a bank, credit union, or FHA approved Mortgage Company to be pre-qualified for a mortgage. Include pre-qualification letter from bank in your application submission.
- 2) Once you are pre-approved and know the amount of mortgage you can obtain, find the home you wish to buy.
- 3) Complete a Homebuyer Assistance application and return to our office
- 4) Provide our contact information to your lender so they may contact us to coordinate the down payment assistance. Any funding received will be made directly to the title company upon closing.
- 5) Home inspections must be conducted & passed to be qualified for this program. Additional forms will need to be completed at this point.

Requests for homebuyer assistance will be approved on a first-come-first-served basis from the date the **COMPLETED** application is received. **If any information is found to be intentionally falsified, the application will be rejected, and the applicant will not be allowed to reapply.**

COMPLETED APPLICATION MUST INCLUDE:

- Intake Application
- Loan Addendum to Intake Application
- Certification of Principal Residence
- Release and Consent Form
- Receipt of Lead-Based Paint Notification
- Verification of Disability- **Form MUST be signed by Health Care Provider. Provide a letter from an agency, medical doctor, or insurance company stating that a disability exists for a member of the household, if applicable.**
- Race and Ethnic Data Form HUD-271061-H
- Home, Bank & Realtor Information Form
- Pre-qualification letter from bank
- Proof of Income for last three months: Pay Stubs, Pension documents, Social Security letter stating projected income for current year, Aid to Families with Dependent Children (AFDC), Court documents for child support, any other proof of income
- Bank statements for last three months
- Proof of Identification: Driver's license or photo ID, voter registration card, or utility bill stating **current** physical address, **AND** Social Security cards of **ALL** household members.
- Copy of tuition statement for any college students in household.
- Most recent Federal Income Tax Return

If approved for funding, applicant must submit the following documents monthly:

Proof of Income AND bank statements

The funds will be a deferred forgivable loan. If the applicant remains in the home as their primary residence for the duration of the loan (5 years from date of closing), the loan will be forgiven. Acceptance of assistance will result in the attachment of a lien against assisted property in favor of the City of Texarkana, Texas. If the applicant does not remain in the home as their primary residence for the entire 5 years, the applicant will be responsible for repaying the portion of the loan left at that time. If the applicant dies before the end of the loan period, the beneficiaries can keep the loan if they retain the home as their primary residence for the remainder of the loan. No contracts with an "as is" clause is allowable.

CONTACT INFORMATION:

Betsy Freeman, Grant Administrator
City of Texarkana, Texas
Planning and Community Development
P.O. Box 1967
Texarkana, Texas 75504
(903) 798-1779
<http://www.ci.texarkana.tx.us>

Applications are active for six (6) month period if all documentation is kept current. After six (6) months applicants must reapply.

Applicants are subject to all program requirements and guideline changes. Guidelines are subject to change without notice.

The Homebuyers Assistance Program is subject to availability of funds. If there are no funds available, potential applicants will be placed on a waiting list.

An Affirmative Action/Equal Opportunity Program