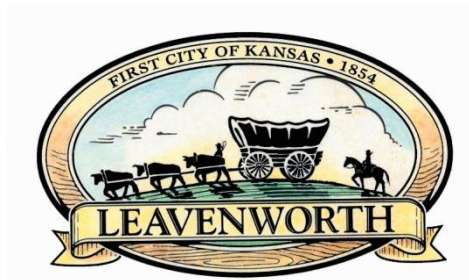


CDBG Home Ownership Program Application



About the program:

The City of Leavenworth administers the Home Ownership Program with Community Development Block Grant (CDBG) funding. CDBG funds are federal funds that the City receives, as an entitlement city, through the Department of Housing & Urban Development (HUD). The program is subject to federal guidelines and regulations.

The purpose of this program is to assist low and moderate income persons to purchase a home within the corporate bounds of the City of Leavenworth. The program helps to make home ownership an attainable goal and provides sustainability of a safe and healthy home. The home may not be used for the purchase of commercial or income-producing property. Both the applicant and the home must qualify for the program. It is ideal for the applicant to apply for the program before they have a contract signed to purchase.

- Qualified applicants in the low income tier can receive up to 8% of the purchase price or \$8,000, whichever is less.
- Qualified applicants in the moderate income tier can receive up to 5% of the purchase price or \$5,000, whichever is less.
- Amount awarded will be determined by the program administrator based on federal regulations and program guidelines.

Minimum qualifications for the program:

1. The home must be within the corporate bounds of the City of Leavenworth.
2. The applicant must meet the current HUD Income Limits guidelines set by HUD for low/moderate income. See page 3. All members that will be living in the home are included. Documentation must be able to be provided.
3. The applicant cannot have owned a home for the past five years.
4. The applicant must be credit-worthy and otherwise able to purchase and finance a home, therefore, the applicant must be preapproved for the purchase of a home by a bank or mortgage company with a fixed-rate loan.
5. Persons or families who have previously received CDBG funds are not eligible for the Home Ownership Program.
6. In all cases, the applicant is required to provide from their funds one-half (1/2) of the required down payment for the mortgage program being used.
7. At closing, applicants must sign a five-year lien indicating the home will not be sold, refinanced, title changed, or rented out for the duration of the lien.
8. The applicant must have a licensed buying agent (realtor). The realtor and lender must be able to abide by the Processing & Underwriting Guidelines set by the program.
9. The applicant must complete a HUD approved housing education course and provide proof.

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Detailed Requirements & Guidelines:

Applicant, Realtor, & Lender:

1. The applicant must meet the income guidelines adopted by HUD for low/moderate income clients.
2. Applicant(s) shall not have owned a home for five (5) years prior to purchase.
3. Applicant(s) must be credit-worthy and otherwise able to purchase and finance a home but must need the assistance.
4. Applicants must be preapproved for the purchase of a home by a bank or mortgage company with a **fixed-rate loan**.
5. Applicants must present proof of completion of required housing education by a HUD approved program before grant funds can be available for the day of their closing. This education training must be **Pre-purchase Counseling** or **Pre-purchase Homebuyer Education Workshops**. Training is available from many HUD approved sources and can be found closest to the applicant by searching their options at, <https://www.consumerfinance.gov/find-a-housing-counselor> .
6. The applicant must have a licensed buying agent (realtor). The realtor and lender must be able to abide by the Processing & Underwriting Guidelines set by the program.
7. Persons or families who have previously received CDBG funds are not eligible for the Home Ownership Program.
8. In all cases, the applicant is required to provide from their funds one-half (½) of the required down payment for the mortgage program being used. For calculations of funds required, lenders shall take the required down payment, subtract the credits provided the buyer, for a final down payment amount. The buyer must then must provide half of this amount from their funds. The amount of earnest money can be considered as part of the buyer's down payment amount.
9. The realtor & lender must accept and apply the Processing & Underwriting Guidelines that will be provided to them. If the ALTA statement does not reflect the guidelines then CDBG funds cannot be used the day of closing.
10. The money provided by the City through the Community Development Block Grant Program must be used to assist in the down payment, provide principal buy-down, pay closing costs, interest rate buy-down, or a combination of qualified uses of funding. See the Processing & Underwriting Guidelines for further detail. In no case can the program be used to provide money directly to the buyer. The buyer cannot create a loan situation whereby money is given to the buyer at closing.
11. At closing, applicants must sign a five-year lien for the amount of CDBG assistance and it will be filed against the property you purchase. If you still own, and live in the house, at the end of the five-year period, the lien will be released. **If you sell or otherwise take action affecting title, such as refinancing or transferring, during that five years, you will be required to repay the full grant amount.**

Home:

1. The home must be within the corporate bounds of the City of Leavenworth.
2. No assistance will be given to applicants purchasing a home in the 100-year Flood Plain.
3. The home may not be a foreclosure sale or in a state of disrepair.

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4. Staff shall inspect homes for a minimum standard of livability, Housing Quality Standard (HQS) Inspection and the house **must pass** this inspection prior to closing. The City will cover costs associated with the initial HQS inspection and one re-inspection. Additional re-inspection fees will be the responsibility of the buyer (program applicant). No other inspections can replace the HQS inspection.
5. No assistance will be given for the purchase of an occupied rental home, unless the applicant is the current tenant of that home. Additionally, three months must have passed since its last rental tenant before the home can qualify for the program.
6. If the Property is a mobile home or a structure not attached to a permanent foundation it is not eligible.
7. Purchase price of the home should be approximately the amount the applicant is preapproved for plus the grant from the City. **Home price cannot exceed \$238,000.**

HUD Income Limits:

Household Size	Low Income	Moderate Income
1 Person	\$36,100	\$57,750
2 Persons	\$41,250	\$ 66,000
3 Persons	\$46,400	\$ 74,250
4 Persons	\$51,550	\$ 82,500
5 Persons	\$55,700	\$ 89,100
6 Persons	\$59,800	\$ 95,700
7 Persons	\$63,950	\$ 102,300
8 Persons	\$68,050	\$ 108,900

Figures are adjusted annually by the Department of Housing and Urban Development; current rates are effective April 1, 2024.

Notice: Department of Housing and Urban Development (HUD) program income limits and qualifications are subject to change without notice. Additional conditions and limitations to this program are in effect. This program is funded by HUD's Community Development Block Grant Program (CDBG) and is conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

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How to Apply:

1. Read the entire packet. Fill out the entire application. Call our office at 913-680-2628 if you have questions.
2. Submit your last filed IRS federal tax forms, 1040. If your income was below the required to file, then our office has a *Certificate of Non-Filing* available.
3. Submit all income verification at your appointment. Listed below are some sources of income for you to consider, however, all income will be required to be acknowledged and provide documentation.
 - a. pay stubs for the last two months unless your income is variable, then 3 months will be required
 - b. annual social security determination letter
 - c. letter of eligibility for annuity or pension
 - d. document determining received child support and/or alimony
 - e. unemployment or disability determination letter
 - f. statement of interest earning for the last two years from all accounts
 - g. If there are adult members of the household that have no income then our office has a *Certificate of Zero Income* that will need to be completed.
4. Attach Pre-approval letter from lender of your choice
5. Attach proof of a completed HUD approved housing education course if it has been accomplished OR applicant agrees to complete and provide proof before closing on their home. Please know that CDBG funds will not be available without proof a HUD approved housing education course.
6. Call 913-680-2628 to set up application review & submission. We can also assist in making copies of your documents needed to apply for this program at your appointment time so that you can keep your originals.
7. The application cannot be accepted or processed until staff verifies receipt of all documentation required. **Please do not** attempt to drop off documents or applications without making an appointment. **Please do not** attempt to email your documents or application. The attachments will not be opened or accepted.

Do you have questions or want to discuss if your particular circumstances qualify? If so, please call 913-680-2628. An appointment is required for application submission.

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Applicant Name: _____
 Last First Middle Initial

Co-applicant Name: _____
 Last First Middle Initial

Applicant Telephone: Home: (____)-____-____ Cell: (____)-____-____

Email: _____

Do you or anyone in your household own other property besides the home you are wanting to purchase? ___yes ___no
 If yes, what is the address? _____

Employment Information:

	Applicant	Co-Applicant
Name of Employer		
Employer's Address		
Employer's Phone Number		
Length of Employment		

Note: If employed less than one (1) year with the above listed employer, please provide list of employers and information for the entire year on a separate sheet of paper.

Statistical Data for Government Monitoring Purposes:

***Please note:** HUD requires the City of Leavenworth to report the following information for all grant recipients. HUD encourages self-reporting, but you are not required to furnish the following information:

***Please select at least one from the following list that best describes your household racial characteristics.** A **household** is defined as all persons occupying the same housing unit, regardless of their relationship to each other. The occupants could consist of one family, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

- | | |
|---|---|
| <input type="checkbox"/> White
<input type="checkbox"/> Asian
<input type="checkbox"/> Native Hawaiian/Other Pacific Islander
<input type="checkbox"/> Asian and White
<input type="checkbox"/> American Indian/Alaskan Native and Black/African American | <input type="checkbox"/> Black/African American
<input type="checkbox"/> American Indian/Alaskan Native
<input type="checkbox"/> American Indian/Alaskan Native and White
<input type="checkbox"/> Black/African American and White
<input type="checkbox"/> Other Multi-Racial |
|---|---|

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*Are you also Hispanic? _____ Yes _____ No

*Is a female the Head of Household? _____ Yes _____ No

Household Members:

List the Head of Household (HoH) as number 1, and all members who will live in your new home. Give relationship of each member to the HoH, each member's age, and indicate if they are disabled. Attach a separate sheet for additional members.

Member #	Full Name	Relationship to HoH	Age	Disabled Y/N
1 (HoH)				
2				
3				
4				
5				
6				
7				

Income of Household Members:

List gross income of all members that will be living in the new household, 18 years of age and older. Incomes should be a 12-month total from the most recent 12 months or from the most recent tax return filing period. All income must be verifiable and proof must be supplied at the appointment to submit this application. Per federal requirement, this information will be used by the City to estimate your annual household income level to determine your income eligibility.

Source	Applicant	Co-Applicant	Other Household Member
Salary/Wages	\$	\$	\$
Business Income	\$	\$	\$
Social Security (SSI or SSD)	\$	\$	\$
Pension or Retirement	\$	\$	\$
Unemployment	\$	\$	\$
Workers Compensation	\$	\$	\$
Welfare	\$	\$	\$
Other	\$	\$	\$
***Alimony or Child Support	\$	\$	\$

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***Please provide the Case Number and County where alimony and/or child support court order was filed. Please provide a copy of divorce decree that outlines child custody and/or support payments.

Indicate any recent changes of income status as a result of circumstances such as job loss, divorce, death, etc. Documentation is required.

Assets of Household Members:

Type of Asset	Current Estimated Cash Value	Annual Income (interest, dividends)	Bank or Investment Company Name
Checking Account	\$	\$	
Savings Account	\$	\$	
Stocks, Bonds, IRA, etc	\$	\$	
401(k) or other retirement/pension	\$	\$	
Other	\$	\$	

City Information:

How did you hear or learn about the CDBG Home Ownership Program? _____

Is any member of your household currently working as a City of Leavenworth employee? Yes No

Is any member of your household a relative of a City of Leavenworth employee? Yes No

Have you or the property received a grant from the City of Leavenworth or the State of Kansas for home buying assistance or house repairs? Yes No If yes, what year? _____

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Acknowledgement of General Terms:

I/we hereby submit this application to the City of Leavenworth, Kansas, for the Home Ownership Program. I/we further certify that all information provided is true and correct.

If the approving staff determines that a grant cannot be made for the purposes described herein, I/we understand that the City shall provide no assistance for purchase of a home.

I/we understand that proof of completion of required housing education by a HUD approved program must be provided to the City of Leavenworth before grant funds can be available for closing. This education training must be Pre-purchase Counseling or Pre-purchase Homebuyer Education Workshop. I/we know that training is available from many HUD approved sources and can be found closest to me/us by searching options at, <https://www.consumerfinance.gov/find-a-housing-counselor> .

I/we agree not to discriminate upon the basis of race, color, creed or national origin in the future sales, lease, rental, use, improvement or occupancy of the real property purchased with assistance from this grant.

I/we understand that all information, including employment and income information, provided is subject to verification by the City of Leavenworth, Kansas. I/we agree to submit to the City, upon request, any additional documentation.

I/we also hereby agree to sign the HQS Disclaimer and a 5 year lien, as required by the City. I/we agree to abide by terms and conditions expressed in those documents, including the placing of a five (5) year lien on the property for the amount of CDBG assistance I/we are receiving. Should the property be subject to any action affecting the deed, including sale, refinancing, or transferring, within five (5) years from the date the lien is signed, I/we will be required to repay the City in full.

By my/our own signature(s), I/we acknowledge receipt of, have read, and understand the City's Home Ownership Program Application to its entirety and I/we agree to abide by the program terms, contract documents, and applicable city codes. Further, I/we acknowledge that this program is funded with federal funds and is subject to federal regulations.

I/we agree that all questions have been answered by Leavenworth City staff and I/we acknowledge to communicate any further questions or concerns.

I/we, the undersigned, do hereby swear under penalty of perjury that all information contained on the application is true and correct to the best of my knowledge and belief.

_____ Date: _____

Applicant Signature & Printed Name

_____ Date: _____

Co-applicant Signature & Printed Name