



The City of Kenner

Community Development Department

First-time Homebuyers Assistance (FTHB) Program



PROGRAM DESCRIPTION

**Ben E. Zahn,
Mayor**

FIRST-TIME HOMEBUYERS ASSISTANCE PROGRAM

The **FIRST TIME HOMEBUYERS (FTHB) ASSISTANCE PROGRAM**, established and administered by the City of Kenner Department of Community Development, is designed to assist low, moderate, and median income households interested in purchasing a home in Kenner. Our program will bring homeownership closer to those families whose gross annual household incomes are at or below 80% of the Area Median Income as defined by HUD. See *“Who is eligible”* section below. Successful applicants will be eligible for a deferred payment loan, i.e. grant, up to **\$35,000.00** to be used to reduce their primary mortgage loan amounts. This is a soft second mortgage which will be forgiven according to specific grant terms and an affordability period established by HUD (see Table 1). For example: An applicant receiving \$20,000.00 in assistance would be required to live in the home for ten (10) years in order that the loan is fully forgiven and therefore not repayable. Program participants are required to complete a first-time homebuyers training course, a Financial Fitness Training class, and meet with a Housing Specialist one- on- one to go over budget, credit, mortgage financing and program requirements.

| Amount of Assistance | Occupancy Period |
|-----------------------|------------------|
| Less than \$15, 000 | 5 years |
| \$15, 000 - \$40, 000 | 10 years |
| More than \$40, 000 | 15 years |

Table 1

WHO IS ELIGIBLE?

An eligible “First Time Homebuyer” must be a U.S. citizen or Legal Alien with permanent residential status (in the US) who has not owned a home during the past three year period. Applicants must not have been disqualified from program participation during the last three (3) years. The annual maximum allowable household income cannot exceed the following limits based on family size as established by HUD. For example: the annual income of a family of four cannot exceed \$52,500.00



| Household Size | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|----------------|----------|----------|----------|----------|----------|----------|----------|----------|
| Maximum Income | \$36,750 | \$42,000 | \$47,250 | \$52,500 | \$56,700 | \$60,900 | \$65,100 | \$69,300 |

Grant Terms

The amount of the deferred payment loan, i.e. grant amount, is based on the financial need of the applicant's household, selling price of property, and household assets.

Repayments of these funds are required if the home is:

- Sold, conveyed, granted or otherwise transferred during the occupancy period;
- Vacated or abandoned as a primary residence during the prescribed occupancy period ;
- Used as investment or income producing property.

Eligible properties must:

1. Be an existing or newly constructed single family residence located in the City of Kenner;
2. Be vacant or owner-occupied and serve as the applicant's primary residence
3. Be a single unit dwelling; no rental or investment property
4. Meet local codes, Housing Quality Standards, and lead based paint standards
5. Be acceptable to the primary lender and insurer of the property.
6. Have a contracted sales price that does not exceed Program's determined affordability.

The current maximum purchase price allowable is \$180,000.00.

Property Requirements

Homes built before 1978 will not be eligible for program participation if a visual inspection determines deteriorated paint conditions (cracking, scaling, chipping, peeling, chalky, or loose) due to federal regulations under 24CFR, Part 35 "Lead Based Paint Requirements." Such defective condition(s) if found will permanently disqualify the property from further consideration.

Only owner-occupied or vacant single-family homes (no tenant occupied properties) are eligible to qualify for assistance, and the property must be located in the incorporated areas of the City of Kenner.

First-Time Homebuyers Training

Program Description and Objectives

The homebuyer education class is a pre-requisite to program participation and explains the home-buying process to prospective homeowners, especially first time homebuyers. Topics include financial preparedness, renting vs. owning, how much house you can afford, working with professionals to find an ideal home, home maintenance and energy management, buyer assistance programs, mortgages, closing costs, homeowners insurance and more. The overall objective of this program is to develop the skills necessary for potential homebuyers to select and finance a home. In addition, by meeting educational requirements for some grants and loans the course removes some of the economic barriers to homeownership for low-to moderate-income participants.

Anticipated Outcomes

- Potential homebuyers acquire skills to purchase and finance a home.
- Participants meet educational requirements to secure secondary market financing and to receive discounts on mortgage insurance
- Promotion of interagency cooperation addressing barriers for the first-time homebuyer.
- The Department of Community Development works in collaboration with federally approved HUD certified training providers to provide First-time Home Buyer and financial Fitness training to interested citizens

Approved Training Providers:

New Orleans Neighborhood Development Foundation

1429 S. Rampart St.
New Orleans, La 70113
(504)488-0155 Phone
(504) 483-6764 Fax
Contact: Fred Johnson
ndfredj@bellsouth.net

Lower 9th Ward Neighborhood Empowerment Network Association

1123 Lamanche St
PO Box 771039
New Orleans, La 70177-1039
(504) 373-6483 Phone
(866) 450-6681
Director: Frank Williams
Contact: Cynthia Kitchens
ckitchens@9thwadnena.org

Family Resources of New Orleans

817 N. Claiborne Ave
New Orleans, La 70116
(504) 822-8519 Phone
(504) 821-5260 Fax
Director: Paula Pete:
orleanssf@bellsouth.net
Contact: Loretta Mc Craney
lm1frno@bellsouth.net

Neighborhood Housing Services of New Orleans, Inc.

4700 Freret Street
New Orleans, LA 70115
(504) 899-5900 Phone
(540)899-6190 Fax
Director: Amy Batiste
Contact: Donna Darensburg
donnadarensbourg@nhsnola.org

A Shared Initiative

5508 Citrus Blvd
Harahan, La 70123
(504) 733-1733 Phone
Giazzlyn Brumfield
Giazzlyn.brumfield@asifcu.com

Hazel Hurst Community Center-Jeff Cap

1121 S. Causeway Blvd.
Jefferson, LA 70121
(504) 838-4285 Phone
Contact: Shirley William

Jefferson Community Action

1221 Elmwood Park Blvd, Ste. 402
Jefferson, Louisiana 70123
(504) 736-6900 Phone
(540) 736-7093 Fax
Director: Jedidiah Jackson:
jbjackson@jeffparish.net
Contact: Bianka Cornish:
bcornish@jeffparish.net

Desire Community Housing

3831 Hamburg Street
New Orleans, La 70122
504-416-4065
Deborah Davenport
deborahreap@gmail.com

Preservation Resource Center

923 Tchoupitoulas St.
New Orleans, La 70130
(504) 581-7032 Phone
(504)636-3074 Fax
Director: Patricia Gray: pgay@prcno.org
Contact: Maryann Miller:
mmiller@prcno.org

Puentes New Orleans

1050 South Jefferson Davis Pkwy Suite
321
New Orleans, La 70125
Director: Carolina Hernandez:
carolina@puentesno.org
Contact: Luis Behrhorst:
luis@puentesno.org

Southern United Neighborhoods

2221 St. Claude Ave.
New Orleans, La 70117
(800) 239-7379 Phone
(504) 617-6215 Fax
Director: Marie Hunt
director@southernunitedneighborhoods.org

Applicants Should:

1. Attend a First-time homebuyer and Financial Fitness Training Class and present a Completion Certificate upon applying for the Homeownership Assistance program
2. Be creditworthy and able to qualify for a mortgage
3. Choose a lender and make an appointment to get your loan approved
4. Choose a real estate agent to assist you with finding a home in a neighborhood of your choice
5. Negotiate a purchase agreement with the seller after finding your dream home
6. After the seller accepts your offer, provide a copy of your signed purchase agreement to the lender so you may begin processing your loan.

7. Complete the application for the City of Kenner Homeownership Assistance Program and submit it with supporting documentation to our office. Once the Application is accepted and reviewed by our office, a face-to-face appointment will be scheduled to discuss your application and supporting documents provided.

Processing Requirements

Applications will not be accepted unless they are accompanied by all supporting documentation requested. A checklist is provided and must be completed and returned with your application. **See Exhibit A**

Processing and funding commitments are on a first-come, first-serve basis. Applications will be held for 60 days maximum from the date of submission. If the proposed home purchase is not complete within 60 days, said application will be cancelled. Applications are available at the Community Development office: 624 Williams Blvd, Kenner, LA 70062 or on the Kenner website www.kenner.la.us starting **July 20, 2015**.

APPLICANTS ARE SEEN BY APPOINTMENT ONLY



Call us if you don't know where to start or have any questions regarding our Homeownership Assistance Program.

Call Joan Baptiste at 504-468-7588 or email at cd@kenner.la.us

City of Kenner Department of Community Development

First-Time Homebuyers Assistance Program Application Checklist



In order to complete our review of your application and program eligibility, certain documents must be submitted to us. The following is a checklist to use, sign and return to the City of Kenner Department of Community Development along with your completed application. Please check and sign as applicable

_____ Copy of your certificates of completion for the First-time Homebuyer Training Class and Financial Fitness Training Class

_____ Copy of your valid Louisiana ID and Birth Certificate

_____ Copy of Prior two (2) years income tax return, W-2 Forms, 1099's and six (6) most recent paycheck stubs for all household members, where applicable.

_____ Current copy of verification benefit letter from Social Security, VA, Pension/Retirement, Child Support, Unemployment, Workmen's Compensation, etc. (if applicable).

_____ Copy of Food Stamp Program Record (AFDC/Welfare) (if applicable).

_____ Copy of Profit and Loss Statement (self-employed persons) prepared by a Certified Public Accountant for the last six (6) months (if applicable).

_____ Copy of most recent bank statements – three (3) months for checking and last statement for savings.

_____ Disclosure of any liquidated assets (i.e., stocks, bonds, IRA, real property, etc.)

_____ Copy of Home Purchase and Sale Agreement.

_____ Copy of your Good Faith Estimate received from your lender.

_____ Signed copy of Authorization to Release Information attached to the Application

| | |
|---|-------|
| Signature of Applicant _____ | Date: |
| Signature of co-applicant, if for joint account _____ | Date: |

MUST BE RETURNED WITH COMPLETED APPLICATION