



City of Miami Department of Housing & Community Development First-Time Homebuyer Program

The City's First-Time Homebuyer Program provides assistance up to the Basic Subsidy limits based on the number of bedrooms of the home being purchased, as annually determined by the U.S. Department of Housing & Urban Development (HUD) under the Basic Subsidy Mortgage Limits (Sec. 221 (d)(3) and 234 of the Federal Register). See attached "Snapshot" for details. This assistance can be used as down payment and closing cost assistance for eligible families to buy their first home.

To be eligible, you must:

1. Have an income less than or equal to 80% of the area median income, adjusted for family size.
2. Not have owned a home in the past 3 years (exceptions will be made to single parents who are displaced homemakers).
3. Must not have filed bankruptcy within the past 24 months.
4. Purchase a property in the City of Miami with a maximum sales price of \$318,000 for existing homes or new construction homes.
5. Be able to secure a mortgage with a participating lending institution (bank).

How Do I Get Started?

1. Pick up an application package at the Department of Housing & Community Development (14 NE 1 Ave., Second Floor, Miami, FL 33132) or at any of the City's Neighborhood Service Center locations. Call 311 to find the Service Center location nearest you. You can also send an e-mail to sergiogarcia@miamigov.com to request a copy via e-mail.
2. Gather all documents listed in the "First-Time Homebuyer Checklist" (attached), under the header "Provided by Homeowner" and "Provided by the Lender," for eventual submittal to the City in *one* package.
3. Attend an approved Homebuyer Counseling workshop. See list of "Homebuyer Counseling Agencies" attached in the application package.
4. Contact any of the "Participating Lenders" to obtain a loan commitment and to be pre-qualified for a mortgage loan, subject to the City's down payment amount. The Participating Lender's list is included in the application package.
5. Search for a home in the City of Miami based on your pre-approved loan amount and within the maximum sales price limit of \$318,000 for existing homes or new construction homes.
6. Have your lender provide you with a full mortgage commitment.
7. Fill out the First-time Homebuyer Program application, include all proper documentation, and submit them to your lender. Have your lender submit your loan package to the City.
8. The terms of the City's loan are attached to this document.

The assistance will be provided on a first-ready, first-served basis. The City of Miami reserves the right to cancel any and all applications based on lack of funding availability.

For further information on the First-Time Homebuyer Program, please call 305-416-2080.



Snapshot of First-Time Homebuyer Program Guidelines

Income Limits:

Current year's income limits for this program are as follows:

Income Limits (80% AMI)					
Number of persons in household	1	2	3	4	5
Maximum income limit	\$50,650	\$57,850	\$65,100	\$72,300	\$78,100

Eligible Properties:

- Single Family Residences;
- Townhomes;
- Condominiums;
- Property must be located in the City of Miami;
- Property must meet Housing Quality Standards as per 24 CFR 982.401.

Eligible Buyers:

- Must not have owned a home in the past 3 years;
- Household income less than or equal to 80% of the area median income adjusted for family size.
- Must be able to afford a monthly payment based on income and debt;
- Must contribute at least \$500 of personal funds towards down payment/ closing costs.

Maximum Sales Price:

\$318,000 for existing properties or for new homes.*
*Amount(s) are determined annually by U.S. HUD.

Loan Terms:

- Maximum Amount of Assistance: Varies based on the number of bedrooms of the home being purchased and the financing needs of the applicant. The current maximum limits as determined by U.S. HUD under the Basic Statutory Mortgage Limits (Sec. 221 (d) (3) and 234, Federal Register) are listed in the chart below.

Basic Statutory Mortgage Limits					
Number of bedrooms	0	1	2	3	4
Basic Subsidy	\$48,328	\$55,722	\$67,202	\$86,020	\$95,830

- 0% non-amortizing;
- Deferred payment 30-year loan;
- Payment of principal will be forgiven at end of maturity period provided that the homeowner resided in the house as their primary residence.

Security:

The loan will be secured by a second mortgage on the property.

First Mortgage Restrictions:

Term of the loan must be 30 years; fixed interest rate & cannot exceed more than 150 basis points over Freddie Mac's weekly average 30-year rate, as published in the Primary Mortgage Market Survey ("PMMS"); no prepayment penalties; Total percentage charged for Discount, Origination & Broker fees must not exceed 2 points; all other lending fees must be reasonable and cannot exceed \$500 or 0.5% of the loan amount, whichever is greater.

Other Restrictions:

Applicant must reside in purchased unit at all times. The loan will be due at sale, transfer of property or if the unit ceases to be the main residence of the applicant.

Resale Restrictions:

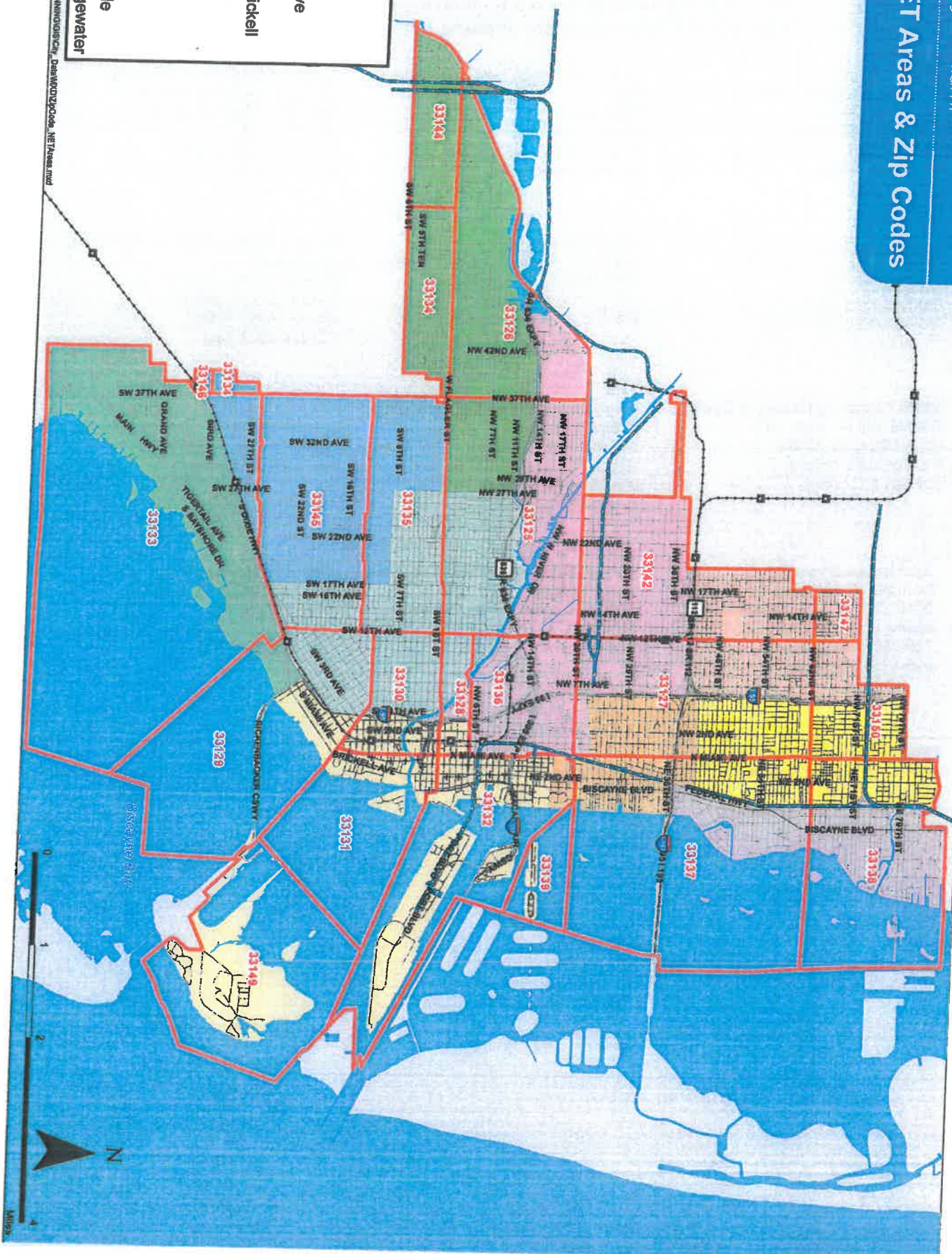
If the owner sells and/ or transfer the house before the end of the City's mortgage term, the following provisions will apply:

- 1) The borrower will be required to repay the original amount given as assistance.
- 2) The City shall share in any 'gain' realized, based on its pro-rated share of participation in the original purchase. Furthermore, if the sale occurs within the first 3 years, the City shall keep 100% of its pro-rated share of the 'gain', from year 3 up to year 20, the City's share of its pro-rated 'gain' shall decrease by 5% every year, while in turn, the owner's share shall increase by 5% each year. At year 20, up to the City's loan maturity, the owner shall retain 100% of the City's 'gain'.
- 3) This above share gain proposal terminates in the event of a foreclosure, with the lender required to provide the City the right of first refusal to purchase the loan at a negotiated price. In the event of a foreclosure, the City will recapture any amount of net proceeds available from the sale of the property.



City of Miami
NET Areas & Zip Codes

NET NAME	Zip Codes
Allapattah	33144
Coconut Grove	33134
Coral Way	33126
Downtown/Brickell	33135
Flagami	33132
Little Haiti	33145
Little Havana	33133
Model City	33136
Overtown	33127
Upper Eastside	33128
Wynwood/Edgewater	33137



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