

CITY OF DEERFIELD BEACH PURCHASE ASSISTANCE APPLICATION

The City of Deerfield Beach, through the use of Community Development Block Grant (CDBG), State Housing Initiatives Partnership (SHIP) and Home Investment Partnerships Program (HOME) funds, is pleased to provide purchase assistance for extremely low to moderate-income households for the purchase of properties in Deerfield Beach to *occupy as their primary residence*. This program is administered by the City of Deerfield Beach in conjunction with the City's consultant, Deerfield Beach Family Empowerment, Inc. (DBFE). Should you have any questions pertaining to this application or to schedule an appointment please contact:

Deerfield Beach Family Empowerment, Inc.
533 South Dixie Highway, Suite 102
Deerfield Beach, FL 33441
954-425-8449 Ext. 113

PURCHASE ASSISTANCE SUMMARY

Completed applications are accepted by appointment only. Please contact DBFE at 954-425-8449, Ext. 113 to schedule an appointment for application submission. Only completed applications with all applicable required documentation will be accepted.

1. Maximum amount of assistance is up to \$50,000. See income chart on following page.
2. All properties must be located in the City of Deerfield Beach city limits.
3. **Applicant(s) must have a Pre- Approval from a Lender and an Executed Real Estate contract at the time of application submittal.**
4. **Applicants who have received assistance from the City previously and have an existing purchase assistance mortgage (2nd lien) on their property will not be eligible for additional assistance if they are currently within their affordability period.**
5. Eligible properties include single-family detached homes, condominiums, town homes and villas.
6. Applicant(s) will be selected on a first-come, first qualified basis within the stated income groups when funding is available.
7. Eligible applicant(s) will be selected in the order in which they have been Income Certified. Funds will only be reserved after an executed purchase contract is received.
8. Should your income change after you were determined income eligible and assistance has not been provided, your program eligibility will have to be recertified.
9. You may use any licensed real estate professional of your choice. We also recommend you seek competent legal advice.

2019 INCOME QUALIFICATION GUIDELINES

Household Size	Extremely Low	Very Low	Low
	30% AMI & Lower	31% to 50% AMI	51% to 80% AMI
1	\$17,700	\$29,500	\$47,150
2	\$20,200	\$33,700	\$53,900
3	\$22,750	\$37,900	\$60,650
4	\$25,750	\$42,100	\$67,350
5	\$30,170	\$45,500	\$72,750
6	\$34,590	\$48,850	\$78,150
7	\$39,010	\$52,250	\$83,550
8	\$43,430	\$55,600	\$88,950

**Income Limits Effective April 2019*

City of Deerfield Beach Purchase Assistance Process

1. Read, understand and sign program application disclosures. Signed disclosures must accompany application when submitted.
2. Be preapproved by a lender.
3. **A Pre- Approval and a signed Real Estate contract must be submitted with your completed application.**
4. Schedule an appointment with Deerfield Beach Family Empowerment, Inc. (DBFE) to submit your completed application with all required documents to determine eligibility.
5. A preliminary application review will be completed during the appointment to determine the potential eligibility. Once a preliminary determination is made, eligible applicants will receive a conditional approval. Funds will not be reserved until the income verification is completed. A final approval is based on the verification of income and program eligibility.
6. All purchase contracts must contain the program's required addendum which outlines program conditions and disclosures. Program requirements must be acknowledged by both buyer and seller
7. Your lender will need your executed purchase contract to finish processing your loan.
8. A HUD approved 8-hour homebuyer's education class is required. It is recommended that applicants complete this as early as possible to help understand the home buying process. It is valid for 12 months. This must be on file before your scheduled closing.

Mortgage Pre-Approval Required

Deerfield Beach Family Empowerment, Inc. will not accept an application without a pre-approval letter from a qualified lender. The lender will require you to complete a loan application and will review your credit, income and other standard loan information to determine if you qualify for a mortgage and how much you are able to afford. Interest rates, loan amounts and terms of any loan are subject to negotiation between lender and borrower. Throughout the process, the lender who pre-approved you may request additional information from you to complete the loan application. You must be determined to be both income eligible for the purchase assistance program and able to secure a loan to receive assistance from the City.

Income Certification Process

DBFE will verify all household income information. The verification is required to determine your eligibility for assistance under the program guidelines. If you qualify for assistance, your income will be certified and you will receive a notice of eligibility. Should your income change after you were determined income eligible and assistance has not yet been provided, your program eligibility will have to be recertified.

Finding an Eligible Property

All properties must have an appraisal that is no older than 60 days, a roof inspection, termite inspection and other inspections that may be determined under the program. Once your contract to purchase has been accepted, you will need to work with your lender to finalize your mortgage process.

DBFE reviews all final loan packages and inspection reports to determine program eligibility. All loan documentation, sales contracts and property inspections will be forwarded to DBFE by your lender. Once you have a mortgage commitment from your lender, you must ensure that DBFE receives a copy of your HUD 1 closing statement at least 3 days prior to closing to enable final compliance review with program rules.

Deerfield Beach Family Empowerment, Inc. and the City of Deerfield Beach are not acting in any capacity relating to mortgage or real estate transaction. You agree to hold harmless Deerfield Beach Family Empowerment, Inc. and the City of Deerfield Beach, any governmental agency, its officers, employees, stockholders, agents, successors and assigns from any and all liability that may arise due to you applying for any grant or mortgage or your purchase of any real estate. ***Applicants should always seek competent, professional legal advice when engaging in any real estate related transaction.***

Applicant's Signature

Date

Co-Applicant's Signature

Date

FALSE STATEMENTS DISCLOSURE AND ACKNOWLEDGMENT

By completing and submitting this application, you acknowledge that the intent of the SHIP, HOME and CDBG programs are to assist households who would like to purchase a property as an owner occupied residence.

By signing this disclosure and completing this application, you attest to the fact that you do not currently own any other residential real estate and that you intend to purchase a property as your primary residence as stipulated in the terms of your agreement with the City. You will be required to maintain a homestead exemption status and maintain flood and hazard/homeowners insurance, where applicable, for the duration of the term stipulated in your agreement with the City.

FEDERAL WARNING: There are fines and imprisonment—\$10,000/5years—for anyone who makes false, fictitious, or fraudulent statements or entries in any matter within the jurisdiction of the Federal Government (18 U.S.C 1001).

STATE WARNING: Florida Statute 817 provides that willful false statements or misrepresentation concerning income and assets or liabilities relating to financial condition is a misdemeanor of the first degree and is punishable by fines and imprisonment provided under S775.082 o 775.83.

LOCAL WARNING: The local government overseeing the administration of this program, may also impose fines and/or imprisonment for anyone who makes false, fictitious or fraudulent statements regarding, income assets, liabilities, household size, occupancy and any other information necessary to determine eligibility for this program.

I/We have read, understand and acknowledge the above disclosure.

Applicant's Signature

Date

Co-Applicant's Signature

Date

PUBLIC RECORDS DISCLOSURE AND ACKNOWLEDGMENT

Information provided by the applicant may be subject to Chapter 119, Florida Statutes regarding Open Records. Information provided by you that is not protected by Florida Statutes can be requested by any individual for their review and/or use. This is without regard as to whether or not you qualify for funding under the program(s) for which you are applying.

Having been advised of this fact prior to making application for assistance or supplying any information, I/We agree to hold harmless and indemnify Deerfield Beach Family Empowerment, Inc., and the City of Deerfield Beach, any governmental agency, its officers, employees, stockholders, agents, successors and assigns from any and all liability and costs that may arise due to compliance with the provisions of Chapter 119, Florida Statutes.

I/We agree that neither Deerfield Beach Family Empowerment, Inc. nor the City of Deerfield Beach, have any duty or obligation to assert any defense, exception, or exemption to prevent any or all information given to Deerfield Beach Family Empowerment, Inc. or the City of Deerfield Beach in connection with this application, or obtained by them in connection with this application, from being disclosed pursuant to a public records law request.

Furthermore, by signing below, I/we agree that neither Deerfield Beach Family Empowerment, Inc. nor the City of Deerfield Beach have any obligation or duty to provide me/us with notice that a public records law request has been made.

I/We agree to hold harmless Deerfield Beach Family Empowerment, Inc., and the City of Deerfield Beach or any governmental agency, its officers, employees, stock holders, agents, successors and assigns from any and all liability that may arise due to my/our applying for any grant or mortgage or my/our purchase of any real estate, or any matter arising out of any housing rehabilitation project funded by the City of Deerfield Beach.

Applicant's Signature

Date

Co-Applicant's Signature

Date

NOTICE OF COLLECTING SOCIAL SECURITY NUMBER FOR GOVERNMENT PURPOSE

The City collects your social security number for a number of different purposes. The Florida Public Records Law (specifically, section 119.071(5), Florida Statutes (2007), requires the City to give you this written statement explaining the purpose and authority for collecting your social security number.

Your social security number is being collected for the purposes of income certifying you for the City's housing assistance program, which requires third-party verification of assets, employment and income. In addition, this information may be collected to verify unemployment benefits, social security/disability benefits and other related information necessary to determine income and assets and your eligibility for the program that is funded by local, Federal and/or State program dollars.

Authorization to Collect Social Security Number

- 24 CFR 5.609, referred to as "Part 5 Annual Income" - Code of Federal Regulations.
- City of Deerfield Beach Purchase Assistance Implementation Procedures.

Your social security number will not be used for any other purpose other than verifying your eligibility for the City's program.

I/We have read and understand this information.

Applicant's Signature

Date

Co-Applicant's Signature

Date

CONFLICT OF INTEREST DISCLOSURE

In accordance with 24 CFR 570.611 applicants can be denied participation in the City's Purchase Assistance Program if a conflict of interest exists. A conflict of interest exists if an applicant is an employee, agent, consultant, officer, and elected official, an appointed official of the City of Deerfield Beach or its sub-recipients and if within the past 12 months, any of the following three statements applies to any of the applicants:

1. Exercises or has exercised any functions or responsibilities with respect to funds for this program.
2. Participates or has participated in the decision making process related to funds for this program.
3. Is or was in a position to gain inside information with regard to program activities.

A conflict of interest may also arise if an applicant for assistance is related by family or has business ties to any employee, officer, elected or appointed official or agent of a unit of local government who exercises any functions or responsibilities with respect to the City's program. When a conflict of interest or perceived conflict of interest exists, the applicant must acknowledge and disclose that conflict. **Please note if a conflict of interest exists, we are required to seek a legal opinion to make it known to the public that you are applying for this program either by newspaper or at through the City Commission public hearing process and then request an exception from the U.S. Department of HUD. This process is mandatory for all City of Deerfield Beach employees and any time a conflict exists.**

Please read statement #1 and #2 and check the statement that applies to you.

1. I/We DO NOT have a conflict of interest as it relates to applying for assistance from the City

2. I/We HAVE a conflict of interest as it relates to applying for assistance from the City.

If you placed a checkmark by statement #2, please explain the Conflict of Interest:

I/We have read and understand what a Conflict of Interest is as it pertains to this application for assistance.

Applicant's Signature

Date

Co-Applicant's Signature

Date

PURCHASE ASSISTANCE PROGRAM TERMS AND CONDITIONS

Minimum Contribution from Borrowers Own Funds: 3 % (three percent) or up to half of the lender’s required down payment.

First Mortgage Maximum LTV (Loan to Value): 95% LTV and 95% (For FHA). Applicant must be pre- qualified based on ability to pay without consideration of assistance from the City.

Maximum Combined LTV (Loan to Value): 105% CLTV

Second Mortgage Purpose:

- Soft Second Mortgages - Zero percent (0%) interest deferred second mortgage that does not require payment by the Program recipient as long as terms of agreement between the City and owner are maintained for duration of the affordability period. Interest rate and principal buy down may be permitted.

Maximum Amount of Assistance: Up to \$50,000

Second Mortgage Interest Rate: 0% interest for the term of the loan – 5 to 15 years

ASSISTANCE AMOUNT	AFFORDABILITY PERIOD
Under \$14,999.99	5 years
\$15,000 to \$40,000	10 years
Over \$40,000	15 years

Zero percent interest, deferred payment loan secured by a mortgage and note. The loan is forgivable in its entirety at the end of the term. The term begins the date of the closing, provided the title remains under the ownership of the original purchaser.

Borrower Income Limitations: 80% of the area median income (AMI) adjusted for household size.

Property Eligibility: Single-family detached homes, condominiums, townhomes, and villas.

Purchase Assistance checks are issued by the City of Deerfield Beach to the Title Company. DBFE is not responsible for issuance of checks. Prospective homebuyers must have their title company coordinate the closing with DBFE of Florida. Federal and State statutes, regulations and programs governing this application are subject to change at any time

I/We understand and agree with the terms mentioned above.

Applicant’s Signature: _____

Date: _____

Co-Applicant’s Signature: _____

Date: _____

REQUIRED DOCUMENTATION

Please provide a photocopy of the below documents that apply to you. **WE DO NOT MAKE COPIES.**

1. **Two (2) months most recent pay stubs or earnings statements showing the employee's name, gross pay per pay period, deductions, and frequency of pay for every household member over 18 years old. 2 paystubs for monthly pay, 4 paystubs for bi-weekly pay and 8 paystubs for weekly pay.**
2. **Current six (6) months Checking bank statements and current (1) month Savings bank statements for every household member. Every page of the bank statement is needed – including any “blank” pages for all accounts.**
3. **Federal income tax returns filed with the IRS for the last two (2) years AND W-2s for the last two (2) Years. We will accept:**
 - a. A copy of the original **signed** federal tax return with W-2s **or**
 - b. A transcript of your federal return from the IRS with W-2s. You can request a transcript by filling out IRS form 4506-T and sending to the IRS. The form can be obtained from the IRS website www.irs.gov, by calling the IRS at 1-800-829-3676, or by going to the IRS office.
4. **Proof of number of dependents claimed (Dependents must be listed on your federal tax return).**
 - a. Birth Certificate on which the parent/applicant's name is listed **or**
 - b. School records which give the parent's names and address **or**
 - c. Court-ordered letters of guardianship **or**
 - d. Divorce decree **or**
 - e. Letters of adoption
 - f. If a dependent over 18 is a full time student please submit a copy of their class schedule in addition to the above documents.
5. **Social Security Cards for all household members, must be signed if 18 year of age and older.**
6. **Driver's Licenses (non expired) for all household members that are permitted to drive.**
7. **Proof of citizenship or legal immigrant status documents.**
 - a. United States of America birth certificate **or**
 - b. U.S. Passport **or**
 - c. Acceptable forms of verifying immigration status **or**
 - d. Voter's Registration
8. **If you are married /divorced, we need a copy of your marriage license, divorce decree and/or certified court documents. Death certificate needs to be provided if you are widowed or widower. If separated, provide 5 years tax returns showing single filing AND spouse's driver's license or a utility bill that shows a different address.**

9. **Self-Employment Income. Schedule C, E, or F must be included with your federal income tax return AND**
- a. Accountant or bookkeeper's statement of net income expected for the next 12 months printed on the accountant/book keeper's company letterhead, quarterly P/L statement or
 - b. A notarized sworn statement from the self-employed individual of net income expected for the next 12 months
10. **Social Security, Supplemental Security Income (SSI), and Disability benefits** - An award or benefit notification letter prepared and signed by the authorizing agency.
11. **Unearned Income. Please provide documents for all that apply.**
- c. Unemployment Compensation - Unemployment benefit award notice with four (4) copies of unemployment check stubs.
 - d. Disability Compensation - Notice of eligibility from employer or authorizing agency and three (3) copies of check stubs.
 - e. Worker's Compensation - Notice of eligibility with amount awarded and four (4) check stubs.
 - f. Severance Pay - Notice of employer stating the amount received in severance pay.
 - g. Welfare of other needs based payments given to any household members
12. **Unemployed household member not receiving unemployment benefits or income.** Please provide a notarized, sworn statement from the household member stating that unemployment benefits are not received and he/or she is not receiving any income.
13. **For Alimony or Child Support Payments**
- h. A printout from the court or governmental agency through which payments are being made or
 - i. An original notarized letter from the non-custodial parent stating the amount given weekly, bi-weekly, or monthly or
 - j. An original notarized statement from custodial parent stating that child support is not received for each child.
- For Scholarships, Grants, and Veteran's Administration Benefits** - Benefactor's written confirmation of amount of assistance and educational institution's written confirmation of expected cost of the student's tuition, fees, books, and equipment for the next 12 months.
14. **Assets - Please bring current statements for the assets mentioned below for each household member, if applicable. We need all pages of each statements submitted and listed on your application form.**
- k. 401(K) account statement
 - l. Retirement statement
 - m. Pension statement
 - n. IRA statement
 - o. Certificate of deposit (CD) statement
 - p. Annuities

15. Life Insurance policy with current cash value and the type (term or whole). We need all pages of the most current policy statement.

16. Recurring Contributions and Gifts.

Example: Non-household member paying all or part of bills, mortgages or contributing money on a regular basis.

- a. Notarized statement or affidavit signed by the person providing the assistance, giving the purpose, dates and value of the gifts or
- b. A letter from a bank, attorney, or a trustee providing required verification.

17. Executed Real Estate Contract

18. 8 Hour Workshop Certification

GENERAL APPLICANT INFORMATION

	Applicant	Co-Applicant
Full Name:		
Age & Date of Birth:		
Applicant Street and Mailing address		
Street Address:		State:
City:		Zip Code:
Mailing Address:		State:
City:		Zip Code:

Home Phone #: _____

Cell Phone #: _____

Email Address: _____

Marital Status of Applicant: _____

Other Members in the Household

Name	Date of Birth	Age	Relationship To Applicant	Document Used for Verification

Is Applicant, Co-Applicant, or any other household member, age 18 or older, a full-time student?

If yes, please list: _____

Applicant Employment Information

Current/Last Employer Name:	Phone #
Address:	Supervisor:
Position:	Time Employed:
Pay Rate:	Pay Frequency:
Annual Income (gross salary, overtime, tips, bonus, etc.): \$	

Co-Applicant Employment Information

Current/Last Employer Name:	Phone #
Address:	Supervisor:
Position:	Time Employed:
Pay Rate:	Pay Frequency:
Annual Income (gross salary, overtime, tips, bonus, etc.): \$	

Other Household Member 18 and over

Current/Last Employer Name:	Phone #
Address:	Supervisor:
Position:	Time Employed:
Pay Rate:	Pay Frequency:



Annual Income (gross salary, overtime, tips, bonus, etc.): \$

NOTE: Please attach additional sheets as necessary for all household members 18 years and over.

Annual Gross Income

Source	Applicant	Co- Applicant	Other Member 18 or over	Total
Employment				
Unemployment Compensation				
Workmen's Compensation				
Pensions (VA, Mil, Retirement)				
Short- or- Long Term Disability				
Child Support/Alimony				
Social Security				
SSI				
SSD				
AFDC/TAN/ESS				
Welfare Payment				
Business or Rental Net Income				
Other (List)				

Are you a US Citizen? **Yes**__ **No**__ or Legal Permanent Resident? **Yes**__ **No**__ (if a permanent resident a copy of the resident card/green card must be provided)

Total Household Annual Income: \$ _____

Assets and Asset Income (For All Household Members, List checking and savings accounts, IRA, CDs, bonds, Stocks, Equity in Properties, Life Insurance, etc).

Applicant:

Name of Institution	Type of Asset	Asset Value	Interest Rate	Annual Asset Income
1.				
2.				
3.				
4.				
5.				
6.				
7.				
Total: \$	_____			

Co-Applicant:

Name of Institution	Type of Asset	Asset Value	Interest Rate	Annual Asset Income
1.				
2.				
3.				
4.				
5.				
6.				
7.				
Total: \$	_____			



Does the Applicant, Co-Applicant, or any other household member, age 18 or older, own any property or land?

YES _____ NO _____

If yes, please list: _____

Other Household Members 18 and over:

Name of Institution	Type of Asset	Asset Value	Interest Rate	Annual Asset Income
1.				
2.				
3.				
4.				
5.				
6.				
7.				
Total: \$ _____				

Liabilities: Monthly Expenses

Type/Creditors Names	Applicant	Co- Applicant	Other Member 18 or over
Rent/Mortgage:			
Car Payment:			
Car Insurance:			
Credit Cards:			
Charge Accounts:			
Medical:			
Other loans:			
Other (List):			

Do you have any outstanding unpaid collections or judgments? Yes No Amount \$ _____

Have you declared Bankruptcy in the last 7 years? Yes No Amount \$ _____

Are you a party in a lawsuit? Yes No If so, explain:

Have you or anyone in your household ever received any type of assistance from the City of Deerfield Beach? Yes No
If yes, please explain:



REAL ESTATE CONTRACT ADDENDUM

This addendum ("Florida Addendum") is made a part of Real Estate Sales Contract dated between the Seller(s) _____, and the Purchaser(s) _____, (Contract) for the Property located at: _____, Florida.

The Seller and Purchaser agree and acknowledge the following:

- a. Property is intended to be purchased as an owner occupied property by the Buyer who must maintain homestead on the property throughout the affordability period set in the award agreement with the city.
- b. The property must not be currently under contract with any other party and the property must not be made available for purchase to any other party for the duration of this contract.

At any time prior to completion of transaction, if any of the conditions above are not met, this property will not be eligible for purchase by the City.

Buyer	Date	Seller	Date
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Buyer	Date	Seller	Date
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Listing Agent	Date	Selling Agent	Date
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