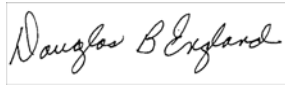


Dear Residents:

The City of New Albany's Redevelopment Commission has successfully administered the Community Development Block Grant Program since 1975. The Home Ownership Assistance Program was established in 1993 as a part of this program. The program was created to help first time home buyers secure home ownership in the City of New Albany, and consists of seminars, credit counseling, home inspection and down payment/closing cost assistance.

Home ownership is not often an easy task to accomplish, but one which is certainly worth the rewards. If after reading this brochure you would like further information, I encourage you to contact the New Albany Redevelopment Commission at 812-948-5333.

Sincerely,



Douglas B. England
Mayor

The Home Ownership Assistance Program has an income participation requirement. To be eligible, a household's income cannot exceed the income limits listed below:

<u>Household Size</u>	<u>Maximum Annual Household Income</u>
1	\$34,650
2	\$39,600
3	\$44,550
4	\$49,450
5	\$53,450
6	\$57,400
7	\$61,350
8	\$65,300 or over

Home Ownership Seminars

The New Albany Redevelopment Commission co-sponsors seminars to provide home buyers with hands-on information and assistance to help them understand the major steps in buying and maintaining a home. The topics covered include budgeting, bank financing, selecting a home, home maintenance and working with realtors, loan officers and attorneys.

The New Albany Redevelopment Commission will provide a grant up to \$2,000 for down payment and/or closing cost assistance (50% of the down payment and all reasonable closing costs - no prepaids).

To qualify for the assistance you must be a first time home buyer (this includes those persons who are buying on real estate contract or who may have lost a home through divorce). The seminars are open to anyone interested in purchasing a home within the city limits of New Albany.

Individual Counseling

The New Albany Redevelopment Commission co-sponsors individual budget and credit counseling. The counseling is customized to the individual or household. It will provide the necessary information on how to establish and maintain a household budget and if applicable re-establish your credit worthiness.

Down Payment / Closing Cost Assistance

To qualify for down payment assistance and/or closing costs assistance:

- a) The applicant(s) must meet the U.S. Department of Housing and Urban Development's definition of a low and moderate-income household (as seen in the chart on the left) and be eligible for the bank financing needed to purchase the house.
- b) The applicant(s) must have completed a HUD certified home ownership credit counseling and home buyer education series.
- c) The applicant(s) must be willing to submit any and all necessary information requested by NARC [i.e. income/deposit verifications, a copy of the purchase

agreement, appraisals, inspection reports(s) and/or credit report(s), etc.].

- d) The applicant(s) must have a valid purchase agreement. The Redevelopment Office **must** receive the purchase agreement and the application requesting down payment and/or closing costs assistance thirty (30) days prior to closing.
- e) The dwelling must be a single-family unit located within the city limits of New Albany and the applicant(s) must have a signed *Voluntary Sales Acknowledgment/Waiver of Relocation Benefits* from the owner-occupant. The purchase must not cause displacement of any existing resident. NARC will **not** assist any applicant(s) in purchasing a tenant-occupied dwelling, unless the present tenant is the buyer.
- f) NARC requires that a home inspection take place. The home inspector must be an ASHI or other certified housing inspector. NARC will reimburse the applicant(s) up to \$150 of the cost of the home inspection at the time of the closing. Proof of payment and proof of the home inspector's certification is required before reimbursement.
- g) Applicant(s) may be required to sign an *Agreement* that states that the applicant(s) will complete rehabilitation work if needed to meet the City's Housing Code and sustain the house.
- h) The applicant(s) shall follow up with additional credit counseling on the 6-month and 1-year anniversary of their purchase with their credit counselor.

For additional information contact:

New Albany Redevelopment Commission
Room 325, City-County Building
311 Hauss Square
New Albany, Indiana
812-948-5333

