

What is the HOME Program?

Funding for the Homeownership Assistance Program is Provided by HUD's HOME Investment Partnership Program (HOME). HOME is the largest Federal block grant to State and local governments designed exclusively to create affordable housing for low-income households. HOME provides formula grants to states and local governments. The funds are used, often in partnership with local nonprofit groups, to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people.

The County of Lexington has been designated as a Participating Jurisdiction (PJ) in the HOME Program by the United States Department of Housing and Urban Development (HUD). As a PJ, the County will receive an annual allocation from the federal government to implement eligible HOME Program activities.



How Can I Apply?

Citizens interested in participating in the Homeownership Assistance Program may contact:

**County of Lexington
Community Development Department**
212 South Lake Drive, Suite 401
Lexington, SC 29072
Phone: (803) 785-8559
Fax: (803) 785-8188
CDCustomerService@lex-co.com
[www.lex-co.com/Departments/
CommunityDevelopment/Index.html](http://www.lex-co.com/Departments/CommunityDevelopment/Index.html)

Things You Will Need to Submit When Applying to the Homeownership Assistance Program

- Completed application with all appropriate signatures.
- Completed and signed Verification of Employment form.
- Completed and signed Verification of Social Security form, if applicable.
- Signed affidavit and disclosure form.
- Last two years tax return.
- Copy of pay stubs for past two months for each source of employment/income.
- Copies of previous 6 month's bank statements, including checking, savings, and all other accounts except retirement accounts. (If self-employed, provide past 2 years monthly bank statements, both personal and business).
- Copies of drivers' licenses/identification for all household members over 18 years of age.
- Copies of social security cards (front & back) for all household members.

Lexington County does not discriminate on the basis of age, color, race, religion, sex, national origin, familial status or disability in the admission, access to, or treatment or employment in its federally assisted programs or activities.



HOMEOWNERSHIP ASSISTANCE PROGRAM

**COUNTY OF LEXINGTON
COMMUNITY DEVELOPMENT DEPARTMENT**
212 South Lake Drive, Suite 401
Lexington, SC 29072

**Phone: (803) 785-8121
Fax: (803) 785-5186
CDCustomerService@lex-co.com**

www.lex-co.com/Departments/CommunityDevelopment/Index.html

Program Overview

The Homeownership Assistance Program is administered through the County of Lexington's Community Development Department. The program provides funding to eligible first-time homebuyers to assist with down payment and/or closing costs. A first-time homebuyer is defined as one who does not presently own a home or land, nor has previously owned a home or land within the last three (3) years. At the time of application to the Community Development Department, an applicant also cannot have an existing purchase contract on a home.

Funding is provided in the form of deferred forgivable loans, and may be applied toward the down payment and/or closing costs for the purchase of a single family dwelling. Assistance will typically be provided in amounts up to \$5,000 and will be distributed on a first-come/first-served basis. Applicants must be able to demonstrate that they have necessary income to support ongoing mortgage payments. Applicants must also be able to secure a fixed-rate home mortgage through an approved lending institution. The interest rate must be at or below market rates. The mortgage must also be secured independent of a co-signer.

Applicants approved for program assistance must complete required homeownership education class prior to closing. The classes will cover topics including:

- Home Buying
- Budget and Credit
- Home and Yard Maintenance

These classes help individuals and families take advantage of new housing opportunities by helping them gain the knowledge and financial skills they need to become successful homeowners. In addition, the classes will teach how to protect and maintain a housing investment and practice sound money management skills.



Eligible Properties

The Homeownership Assistance Program has specific requirements for homes that will be purchased with the assistance of funding provided through the program. The home must meet all criteria outlined below:

- The home must be located within Lexington County.
- The home must be occupied as the primary residence of the applicant.
- The home must meet, at a minimum, Section 8 Housing Quality Standards (HQS). A Lexington County Building Inspector will assess the home to determine compliance with quality standards. If corrective work is required, all work to address HQS violations must be completed prior to the closing date. Down payment assistance funds cannot be used for minor repairs or to correct violations.
- Homes purchased with assistance through this program must meet the HUD Single Family Mortgage Limits under 203 (b) of the National Housing Act (12 U.S.C. 1709(b)). The County's maximum purchase price for a home is currently \$144,584 for a single-family dwelling (95% of the median area's purchase). Homes that exceed this cost are not eligible for assistance through this program.
- An appraisal must be done on the subject home/property. The home must appraise for at least the value of the purchase price.
- Homes selected for purchase must be built after 1978.

Income Eligibility Requirements

To be eligible for assistance through the program, applicants must meet income requirements established by HUD. Applicants must provide legal separation documents to support marital status if separated. Household income requirements are based upon family size, as demonstrated in the table below:

Number of Persons in Household	Maximum Allowable Income
1	\$34,800
2	\$39,750
3	\$44,750
4	\$49,700
5	\$53,700
6	\$57,650
7	\$61,150
8	\$65,600

Deferred Forgivable Loan Requirements

Applicants receiving assistance from the program must live in the purchased property for at least five (5) years **from the date of purchase** for the loan to be forgiven. The loan must be repaid to the County of Lexington on a prorated basis if the applicant fails to remain in the property for a minimum of five (5) years. See chart below:

HOME OCCUPANCY TIME LIMIT	REPAYMENT AMOUNT REQUIRED
1 Year or less	100% of loan
Up to 2 years	80% of loan
Up to 3 years	60% of loan
Up to 4 years	40% of loan
Up to 5 years	20% of loan
5 years and over	No repayment required