

Can YOU qualify?

Buyer Qualifications--

- 1) have not owned a home in the last three years (exceptions for divorcees who do not retain ownership rights of marital home and for substandard mobile homes)
- 2) have no more than \$50,000 in cash or similar assets
- 3) have a credit score above the 660 range
- 4) have a minimum household income in the \$28,500 range without excessive debt (to afford a mortgage of at least \$80,000).
- 5) have a total annual family income as shown here. (Includes gross of all wages, child support, and other regular income.)

One home reserved for a family with an income less than

1 person	2 person	3 person	4 person	5 person
\$26,460	\$30,240	\$34,020	\$37,800	\$40,860

One home reserved for a family with an income less than

1 person	2 person	3 person	4 person	5 person
\$30,880	\$35,295	\$39,710	\$44,100	\$47,655

One home reserved for a family with an income less than

1 person	2 person	3 person	4 person	5 person
\$35,300	\$40,350	\$45,400	\$50,400	\$54,450

*Call for income limits for larger families.

Midtown Alliance of Neighbors will be working with three families to plan and construct homes on vacant lots in the Fountain Avenue neighborhood. Qualified buyers will be able to choose from several plans and locations, based on family size and the amount of mortgage they can qualify for.

These homes are intended to be affordable for low- to moderate-income families. To make these homes affordable, we will subsidize the construction and/or loan costs with funds from several sources (more info. inside).

Would you like to be a

2020 Fountain Ave Neighborhood Homebuyer

A project of the Midtown Alliance of Neighbors

Great homes made affordable



- ◆ Several floorplans available
- ◆ 1,100 to 1,500 square feet homes
- ◆ Cute
- ◆ Affordable
- ◆ Energy Efficient

Taking applications now



The Midtown Alliance of Neighbors seeks to provide equal opportunity to all applicants and to prohibit discrimination based on: Race, Color, Religion, National Origin, Sex, Disability, Familial Status, Age, Sexual Orientation, Gender Identity, Marital Status, Veterans status, or Membership in a Class.

The Goal

- ◆ To provide three great homes
- ◆ That low- to moderate-income buyers can afford
- ◆ In a great location within a stable neighborhood

The Process

1. Fill out and submit a program application.
(MAN staff will contact you to provide and request more info)
2. Provide supporting documentation so we can confirm that you are income qualified for this program.
(Once MAN staff has verified your income qualification...)
3. Visit a local lender to get a Pre-Approval letter for a mortgage loan that falls within our program limits (or find out why you aren't ready for a home loan yet and what you should do to get ready.)
(Once MAN staff has reviewed the Pre-Approval letter to make sure the mortgage will meet program guidelines...)
4. Complete an online Homebuyer Counseling program and provide a certificate of completion. (Course costs \$99. For the first 10 applicants completing, MAN will reimburse \$50.)
5. Be added to our Approved Homebuyer List. Top 3 will continue with process if desired. We will move down the list as needed.
6. Top 3 Approved Homebuyers will work with MAN staff to finalize plans and will sign Homebuyer agreements with MAN and with the Kentucky Housing Corporation (KHC--subsidy funding provider.) becoming Committed Buyers.
7. After KHC approves the project setup, construction begins with MAN as owner.

8. MAN retains ownership of the property until completion. But the Committed Buyer uses a set of program options to make a final selection of
 - ◇ Exterior and interior paint colors
 - ◇ Floor finishes
 - ◇ Cabinetry and countertop finishes
 - ◇ Light fixtures
9. Upon completion of construction, the Committed Buyer purchases the property and moves in to their NEW HOME.

The Timeline

Home buyers to be identified and committed in late 2020. Plans for the homes to be completed over winter. Construction planned to begin in spring 2021. Depending on weather and contractors' schedules, homes should be finished within nine months to a year from construction beginning.

The Fine Print

SO how does this all work?

- ◆ First, building a great house isn't cheap.
- ◆ Second, families with the incomes we want to serve with this program couldn't afford a mortgage that would cover the full cost of construction.
- ◆ We have put together funds from several sources to help cover the gap: (1) the Kentucky Housing Corporation (KHC) is providing federal and state dollars through the HOME (HUD) and Affordable Housing Trust Fund. (2) The City of Paducah will provide Fountain Avenue Neighborhood incentive funds. (3) Either the Midtown Alliance of Neighbors or the Federal Home Loan Bank of Cincinnati, through its Affordable Housing program, will provide final funds needed.
- ◆ Each of these funding sources will require you to sign a Forgivable Mortgage. If you live in the home for 5-10 years (depending on the source), you will owe nothing. If you move out or sell during the period, you will pay back the pro-rated, unforgiven portion.

How do you apply?

Get an application —Text 270-556-0826 or email kymidtownalliance@gmail.com to have an application e-mailed to you
—Pick up at the MAN office at Fountain Ave. United Methodist Church (Info box at Monroe St. door.)

Drop off your completed application at the MAN office at Fountain Ave. United Methodist Church (dropbox at Monroe St. door.)

What if you need more information?

Call Midtown Alliance of Neighbors Program Staff: **Sharon Poat--270-556-0826**