



DIVISION OF COMMUNITY DEVELOPMENT  
Department of Planning & Development  
[www.onelakewood.com](http://www.onelakewood.com)

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## First Time Homebuyer Program Requirements

The First Time Homebuyer Program is funded with federal HOME dollars from the U.S. Department of Housing and Urban Development (HUD). Eligible Buyers may receive down payment and closing cost assistance for condos, single and two family homes located in the City of Lakewood.

- Bank Requirements
  - 30 year, fixed rate mortgage loans
  - Market rate products including FHA
  - Full Appraisals required
  - Loan officer(s) available to meet with borrowers in Lakewood. A branch office located in the City is preferred but not mandatory.
- Buyer Qualifications:
  - First time buyer (*cannot have owned home within last three years, single parent or displaced homemaker*)
  - Income qualified based on HUD guidelines
  - Must occupy the property after purchase
  - Mandatory homeownership counseling through a HUD certified agency
  - Buyers are required to meet credit standards of participating banks
  - A minimum of 1.5% down is required by the City. Additional funds may be required by the bank.
- Eligible properties
  - Single and Two family homes
  - Maximum purchase price
    - Single Family: \$128,000
    - Two Family: \$148,000
  - Mandatory City Inspections – Whole house visual paint assessment, certificate of occupancy and dye test
  - Property must have vacant or owner occupied unit
- City 2<sup>nd</sup> mortgage down payment and closing cost assistance
  - Up to \$7,500 for Condominiums
  - Up to \$10,000 for Single Family properties
  - Up to \$14,000 for Two –Family properties

*Loans are a zero percent, no payment 2<sup>nd</sup> mortgage which are due and payable should the property be turned into a rental or sold. Two family loans are forgivable, on a percentage basis, after the 5<sup>th</sup> year of ownership.*

## Documentation Requirements

<b>Lender:</b>	Notice of Intent Applicant Certification 3 years Tax Returns and W-2's Real Estate Purchase Agreement Verification of Employment Pay stubs 1.5% homebuyer down payment (savings or other statement) Match computation form Mortgage Loan Commitment Credit Counseling Certificate Closing date notification to City of Lakewood Preliminary Settlement Statement Filing City's second mortgage
<b>Homebuyer:</b>	Verification of income for non-applicant household members Homeowner's insurance listing City of Lakewood as mortgagee HUD Acquisition Notification form - completed Certification of No Displacement – completed Verification of Lead Book Receipt IRS Form 4506 Certificate of Credit Counseling Visual Assessment and Certificate of Occupancy Inspections Dye Test
<b>Real Estate Agents:</b>	Assist homebuyer/seller with real estate agreements, inspections, and miscellaneous documentations Facilitation of closing and appropriate notifications Ensure that sufficient time is allowed for closing

*Additional requirements of all parties as applicable.*