



Town of Union
Department of Planning
3111 East Main Street
Endwell, NY 13760

TOWN OF UNION

FIRST TIME HOMEBUYER PROGRAM

The program provides up to \$5,000 for down payment or settlement charges such as reimbursement for cost of professional home inspection and other acquisition costs. Applicants must invest a minimum of \$500 of their own funds.

The **Town of Union** includes the Villages of Endicott and Johnson City and the neighborhoods of Airport Heights, West Corners, North Endwell Union Center, North Endicott, North Endwell West, North Endwell East, Central Endwell, South Endwell, Riverhurst, Choconut Center, Fairmont Park, and Westover

Program Requirements

- **All applicants must complete homebuyer education counseling prior to closing**
- Limited to one and two family homes
- The home purchased must be the primary residence of the owner
- The purchase must not cause an involuntary displacement of existing tenants
- The home purchased must be in the Town of Union, including the Villages of Endicott and Johnson City
- The purchase price of the home must not exceed \$80,000
- The home must meet local rehabilitation standards
- Buyers must have a professional home inspection performed on the home to be purchased prior to closing
- Buyers may be required to have a risk assessment for lead based paint completed prior to closing
- Participants of the First Time Homebuyer Program can also apply to the Home Improvement Program after closing but will receive a reduced amount of funding for repairs based on the amount of funds used towards the purchase of the home

Eligibility

- Applicant must not have owned a home within three (3) years of application date
- Applicant must have an income at or below 80% of the median income (for respective family size) as listed in this brochure
- Applicant must have sufficient income, a good credit history and qualify for a mortgage
- Applicants who have at least one permanent family member gainfully employed will receive priority

Program Details

- Maximum amount of deferred loan is \$5,000 per household
- Minimum deferred loan is \$1,000
- Program will not fund any costs associated with non-conforming "sub-prime" mortgages
- Owner financed or privately held mortgages are not permitted
- Must be an arm's length transaction (ex. the property cannot be bought from a family member)
- Homes purchased on land contract are not permitted
- Program funding is secured by a second mortgage. The loan is interest free and no monthly payments are required.
- Repayment of the deferred loan is required in accordance with the following recapture schedule upon transfer of any right, title, or interest in property or failure to occupy the property as primary residence.

Income Eligibility Guidelines (Effective April 8, 2021)

| Family Size | Income Limit |
|-------------|--------------|
| 1 | \$40,500 |
| 2 | \$46,300 |
| 3 | \$52,100 |
| 4 | \$57,850 |
| 5 | \$62,500 |
| 6 | \$67,150 |
| 7 | \$71,750 |
| 8+ | \$76,400 |

Documentation Requirements at Time of Application

1. Credit Report for each adult household member
2. Proof of Income (Bring all that apply for all household members):

a.) Wages

Most recent tax return and supporting W-2 and Form 1009. Three (3) most recent pay stubs.

b.) Pension Income

Letter from company stating amount, or annual tax statement.

c.) Social Security or SSI benefits

Statement Of Benefits. This can be obtained by calling the Social Security Office.

d.) Social Service Benefits

Budget worksheet.

e.) Disability Benefits

f.) Unemployment benefits

g.) Contributions from Separated Spouse or Family

Letter from Family Court or Supreme Court order showing maintenance payment, alimony, or child support.

h.) Income from Assets (Includes IRA,

Keough, Certificates of Deposit, Time Certificates, Treasury Bills, Money Market Accounts, and Savings Bonds)

Most recent year-end statement from financial institution showing interest and balance as of December 31st.

i.) Income from Stocks, Bonds, Securities, and Mutual Funds

Most recent year-end statement showing dividends paid for the year ending December 31st and the number of shares owned.

j.) Rental Income

Tax return or statement from tenant.

k.) Self-Employment Income

Copy of Schedule C from most recent tax return.

l.) Any Other Monies Regularly Received by Household Members

m.) Current Bank Statements (3 months)

n.) Verification of Property Ownership

o.) Proof of Property Insurance/Flood Insurance

p.) Proof all Property & Schools Taxes are Paid and Current

Instructions for Ordering Your Credit Report

Credit reports may be obtained from any of the credit reporting agencies listed below. Each agency's credit report will include only credit information that is has in its database. Keep in mind that mortgage lenders will obtain a residential mortgage credit report that will include information from ALL three of the reporting agencies. If a credit report is obtained from only one reporting agency, it may not contain complete credit information.

Credit Bureau Services

This information is provided as a courtesy to assist applicants to the Town of Union First Time Homebuyer Program and does not constitute an endorsement. Please note that each company charges fees for providing credit reports and scores.

Transunion: www.truecredit.com

Equifax: www.equifax.com

Experian : www.creditexport.com

If you have been denied credit in the last six months due to information reported by any of these three agencies you can contact that agency and obtain a free credit report.

| Recapture Schedule | |
|--|-------------------------------------|
| Period of Occupancy | % of Loan to be Repaid |
| Mortgage Date to 5 Years | 100% |
| 5 years 1 Day to 6 Years | 85% |
| 6 Years 1 Day to 7 Years | 70% |
| 7 Years 1 Day to 8 Years | 55% |
| 8 Years 1 Day to 9 Years | 40% |
| 9 Years 1 Day to 10 Years | 25% |
| 10 Years Plus 1 Day until transfer of right, title, or interest in property or failure to occupy property as a primary residence | 20% - this amount is never forgiven |

For further information please contact:

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www.townofunion.com