



WESTLAND HOMEBUYER ASSISTANCE PROGRAM
Revised Guidelines, effective 10/1/2014

- The City of Westland manages a Homebuyer program that provides down payment assistance to moderate and low income home buyers. The program is funded with Federal HOME Program funds.
- Program guidelines provide down payment assistance, not to exceed \$5000 for a home built more than 10 years ago and \$10,000 for homes built within the last 10 years.
- Property sales price must be below HUD HOME limits for the Detroit PMSA, found at hud.gov.
- Homebuyer assistance will be determined on an individual basis, determined by a pro-forma calculation. The affordability need range is comprised of a ratio not to exceed the lesser of 50 percent of settlement charges or \$5,000 (for houses more than 10 years old) or \$10,000 (for houses built in the last 10 years). The housing ratio must be between 25 – 32%
- The program forgives up to \$5,000 loan after the initial five-year ownership period. For amounts exceeding \$5,000, the additional amount would be payable upon sale of the property. A lien will be placed on the property specifying these conditions.
- Home buyers may not refinance or sell the home during the initial five-year ownership period. If this occurs, the loan must be repaid, except in situations where refinancing results in a lower mortgage payment. This must be approved in advance by the City of Westland.
- HUD program guidelines limit the purchase price of the home. The purchase price limits changes annually, and can be found at www.hud.gov.
- HUD program guidelines set income limits for eligibility, based on family size and total family income. The purchase income limits change annually, and can be found at www.hud.gov.
- Home buyer cannot have more than \$10,000 in liquid assets.
- Homes located throughout the City of Westland may be eligible, subject to an inspection and the HUD purchase price limit.
- Eligible participants must participate in home buyer classes.
- The program does not provide refinancing assistance.
- National Faith Homebuyers and Wayne Metropolitan Community Action Agency manage the program for the City of Westland. Application must be made to one of these agencies.

Approved: Westland Housing Commission, October 20, 2014

Accepted: _____

Date: _____
