

Down Payment Assistance Program



2025

DPA Policy/Application



HOME - Down Payment Assistance Program

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I. Welcome to the HOME – Down Payment Assistance Program

Dear City of Laredo Customer,

Thank you for your interest in the HOME Down Payment Assistance Program offered by the City of Laredo through the City of Laredo Community Development Department (CD). We look forward to assisting you with the purchase of your first home.

In order to apply for the assistance through the HOME Down Payment Assistance Program follow these steps:

First Step: Review guidelines to determine if this assistance may work for you.

Second Step: Apply with a lender familiar with the program.

Third Step: Execute an Earnest Money Contract on a Home.

Fourth Step: Complete Homebuyer Education Course- call NeighborWorks Laredo at 956-712- 9100 to register.

Fifth Step: Contact CD HOME Staff for an appointment at 956-795-2675.

Sixth Step: **Lender must submit ALL ITEMS listed in the attached checklist in order to complete the DPA application.**

Submit **COMPLETE** Down Payment Assistance application package to:

**City of Laredo Community Development Department
1301 Farragut St. 2nd flr. East Wing
Laredo, Texas 78041**

For more information, call:

Office Number (956) 795-2675 (Hablamos español)

If you have any questions, please contact the City of Laredo Community Development Department at the above referenced numbers.

The City of Laredo, Community Development Department (CD) is committed to comply with the American with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, as amended. Reasonable modifications and equal access to communications will be provided upon request. This publication is available in alternative formats.

The City of Laredo and the Community Development Department does not discriminate on the basis of disability in the admission or access to or treatment or employment in its programs and activities.

FIRST-TIME HOMEBUYER – DOWN PAYMENT ASSISTANCE (DPA) PROGRAM

The purpose of the DPA Program is to provide an opportunity to make housing more affordable by providing first-time, low to moderate income homebuyers with DPA loans. The DPA Program is intended to serve individuals/families who are of low to moderate income levels and who have not owned a home within three (3) years prior to the time of request for assistance or are displaced homemakers.

The City of Laredo, when providing direct HOME assistance, such as in the case of Down Payment Assistance Loans, will utilize recapture provisions. Recapture provisions must ensure that the participating jurisdiction recoups all or a portion of the HOME assistance to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability.

The DPA Program is funded with HOME Investment Partnership Program Funds. HOME funds may be used in the purchase of a one to four single-family housing or condominium unit.

Down Payment Assistance are subject to follow anti-predatory mortgage lending policies in regards to fees, loan terms, and other lending practices that are disadvantageous to the homebuyer and do not promote homebuyer stability.

Borrow Eligibility

All eligible Borrowers must meet the following underwriting requirements:

1. **The family income must not exceed 80% HAMFI** as per HUD Section 8 Program Income Guidelines (updated annually). **Incomes of all family members who will occupy the home will be included in the income calculations**, except for those of full-time students or persons working under the age of 18. Reference should be made to 24 CFR Part 5 to determine a family's total annual income for program eligibility and the level of assistance the household will receive. Part 5 definition of annual income is the gross amount of income that is anticipated to be received during the coming 12-month period for all adult household members. Please refer to HUD's website for a copy of 24 CFR Part 5, General Requirements, and Calculating Annual Income.
2. Applicants must not exceed the allowable housing ratio ("front end ratio") of **28%-38 %** and the maximum debt-to-income ratio ("back end ratio") of 48%. Homeowners Association fees are considered as part of the housing (front-end) ratio, and may impact the homebuyers loan qualification.
3. **Net income is also calculated** for every file to ensure that applicants will be able to pay for all essentials on a monthly basis (i.e. mortgage payment, home insurance, taxes, utilities, liabilities, etc.).
4. The applicant(s) **must be a first-time homebuyer who has not owned a home during the three-year period immediately prior to assistance with HOME funds**. Exception to this rule is a displaced homemaker and/or a recent single parent who did not receive ownership of the home through a divorce settlement.
5. The applicant(s) **must have resided within the city limits at least six (6) months** immediately prior to being assisted with HOME funds. If prospective applicant(s) is (are) not renting, but are living with family members, a **notarized letter** from the family member attesting to the fact that the prospective applicant has been living with them is required.

This letter should include the relationship between the applicant(s) and the family member, any monetary contribution made by the applicant(s), and the length of period the applicant(s) has(have) been living there. **A copy of the family members' current utility bills is also required to be on file.**

6. The applicant(s) must have a valid earnest money contract and show a receipt for the earnest money deposit (if applicable).
7. The applicant(s) must have a valid, pre-approved conditional mortgage commitment letter from the lender stipulating the need for a DPA loan.
 - The following mortgage financing options will not be allowed:
 - Adjustable Rate Mortgages (ARMS)
 - Balloon Payment Mortgages
 - Wraparound Mortgages
 - Graduated Mortgages
 - Negative Amortization Mortgages
 - Sub- Prime Mortgages
 - Or other non-traditional financing (such as Owner financing)
8. The applicant(s) **must** have a **working history of at least two consecutive years** and currently be working.
9. The applicant(s) must be determined to have credit worthiness by a financial lender.
10. The applicant(s) **must occupy the property as their principal residence throughout the period** described within the section below.

Terms of DPA Loans

The applicant must adhere to the terms of the City's DPA Loan Program as follows:

1. Applications will be processed on a first-come, first-serve basis. The DCD Director will have the final decision on the approval of the applications.
2. DPA loans funded with HOME entitlement funds may be made for up to \$30,000 for households with incomes below 80% HAMFI; *before committing any funds to a project, staff will evaluate the project in accordance with all guidelines and will not invest any more HOME funds in combination with other federal assistance than is necessary to provide affordable housing.*
3. The minimum amount of HOME funds that must be invested in a project is \$1,000 times the number of HOME-assisted units in the project.
4. **Provided Owner has continuously used the residence located on the Property as Owner's principal residence for five or ten consecutive years (depending on the amount of the financial assistance provided) after the beginning date used in the Loan Documents, City will forgive 100% of Owner's outstanding DPA Funds on the Repayment Date in an amount equal to the DPA Funds.**
5. Owner understands and agrees to: (i) Continuously use the residence located on the property as Owner's principal residence for five or ten consecutive years (depending on the amount of financial assistance provided) following the beginning date used in the Loan Documents; and (ii) Owner agrees to honor any of its other obligations to City under the DPA Contract or the Loan Documents; collectively.

6. If Owner sells the Property, within the period of affordability five or ten years (depending on the amount of financial assistance provided) the beginning date used in the Loan Documents, through a voluntary or involuntary transfer, the City will recapture all or a portion of the direct subsidy provided to the homebuyer as provided in this paragraph. The loan will be forgiven pro rata over the period of affordability under the following terms, as long as the home remains the principal residence of the home buyer:

5 Years Affordability Period (Loans under \$15,000)

- a. Upon completion of the 1st year of the Loan Documents - 20% of the original principal amount will be forgiven;
- b. Upon completion of the 2nd year of the Loan Documents - 40% of the original principal amount will be forgiven;
- c. Upon completion of the 3rd year of the Loan Documents - 60% of the original principal amount will be forgiven;
- d. Upon completion of the 4th year of the Loan Documents - 80% of the original principal amount will be forgiven;
- e. Upon completion of the 5th year of the Loan Documents - 100% of the original principal amount will be forgiven.

10 Years Affordability Period (Loans from \$15,000 to \$30,000.00)

- a. Upon completion of the 1st year of the Loan Documents - 10% of the original principal amount will be forgiven;
- b. Upon completion of the 2nd year of the Loan Documents - 20% of the original principal amount will be forgiven;
- c. Upon completion of the 3rd year of the Loan Documents - 30% of the original principal amount will be forgiven;
- d. Upon completion of the 4th year of the Loan Documents - 40% of the original principal amount will be forgiven;
- e. Upon completion of the 5th year of the Loan Documents - 50% of the original principal amount will be forgiven;
- f. Upon completion of the 6th year of the Loan Documents - 60% of the original principal amount will be forgiven;
- g. Upon completion of the 7th year of the Loan Documents - 70% of the original principal amount will be forgiven;
- h. Upon completion of the 8th year of the Loan Documents - 80% of the original principal amount will be forgiven;
- i. Upon completion of the 9th year of the Loan Documents - 90% of the original principal amount will be forgiven;
- j. Upon completion of the 10th year of the Loan Documents - 100% of the original principal amount will be forgiven.

7. If the net proceeds from a voluntary or involuntary sale are insufficient to repay the prorated amount of the HOME subsidy, the City shall recapture the entire amount of net proceeds from the sale. If there are no net proceeds from the sale, no repayment is required. Net proceeds are defined as the sales price minus superior loan repayment and any closing costs incurred by the homebuyer.
8. In the event that the city determines that the assisted homebuyer(s) is non-compliant with the residency requirements and the other requirements stated in the Down Payment Assistance Program (DPA) Contract then the entire face value of the DPA loan is immediately due and payable to the city. Homebuyer will be given 30 days to return to compliance. If homebuyer(s) does not return to compliance the entire face value of the DPA will be due and payable and will incur a four percent (4%) interest per annum.
9. It is recommended that the assisted homebuyer(s) make a minimum investment of \$1,000.
10. Homebuyer(s) must enroll and complete the **Homebuyer Education Course Program**. It is the responsibility of the mortgage/finance company to inform the applicant to set-up an appointment for the homebuyer classes. The applicant should contact the [Laredo-Webb Neighborhood Housing Services](#), or another qualified organization/agency for class schedules.
11. The property may be an existing home or a newly constructed home. Existing homes built prior to 1978 will require lead-based paint testing at the responsibility of the seller. Proper documentation attesting to the lead hazard clearance must be remitted to DCD prior to requesting inspection of the housing unit.

12. Property value limitations that represent 95% of the area median purchase price separately for new construction and existing single family housing units will be set by HUD.
13. **A Second Lien Deed of Trust and Real Estate Lien Note will be recorded against the property being purchased.** The eligible borrower(s) will comply with the binding commitments satisfactory to HUD's affordability guidelines, all other federal requirements (Subpart H §92.350-92.359) and the recapture requirements. In the acquisition activity, the property should remain affordable for a period of five or ten years based on the amount of financial assistance.
14. The City reserves the right to make any revision, as it deems necessary, to provide for an effective and successful program.

Down Payment Assistance Process

The following is the manner in which the program will process applications:

1. Prospective client contacts a builder or real estate agent of his/her choice and is referred to a finance/mortgage company.
2. Finance/Mortgage Company secures an earnest money contract with the prospective client.
3. Mortgage Company & Customer can complete the City's HOME Program DPA application in its entirety, and forward a complete package to the City of Laredo-Department of Community Development for review or Customer can make appointment directly with the city.

The following items are required for review by DCD Staff:

- A. Cover letter from finance/mortgage company representing the applicant(s) explaining why they are in need of DPA assistance and the requested amount of DPA assistance.
- B. Completed and signed DPA Application, including the Certification Affidavit (Attachment A), Housing Quality Standards Agreement (Attachment C), and the Acknowledgement of Terms for Down Payment Assistance. "To Be Determined" addresses are not acceptable when submitting DPA applications.
- C. Copies of most recent pay stubs (if paid monthly, last pay stub; if paid bi-weekly or bimonthly, last two pay stubs; if paid weekly, last four pay stubs), Verification of Employment. Any other type of income, including, but not limited to: Social Security Income, Benefits, Pension, Disability, and child support must be reported and current
- D. Certificate of Occupancy (if housing unit is a recently built unit)
- E. First-Time Homebuyer(s) Home Ownership Course Certificate(s)
- F. Completed & Signed 1003—Uniform Residential Loan Application (must have address and legal description)
- G. Loan Estimate (LE) including the loan amount matching that of the 1003, earnest money amount, and the anticipated DPA loan amount.
- H. Verification of Employment from all current employers, as well as, employers on the last Income Tax Return filed.
- I. Copies of the last six months' rent receipts or Verification of Rent. If prospective applicant(s) is (are) not renting, but are living with family members, a notarized letter from

the family member attesting to the fact that the applicant(s) has (have) been living with them is required. This letter should include the relationship between the applicant(s) and family member, any monetary contribution made by the applicant(s), and the length of period the applicant(s) has (have) been living there. A copy of the family members' current utility bill is also required.

- J. Copies of most recent utility bills (if renting) including water, light, gas, telephone, and cable.
 - K. Earnest Money Contract and receipt of deposit (if applicable). Contracts must have detailed address and legal description. Contracts with "To Be Determined" information will not be accepted. Also listed must be the earnest money amount (including \$0.00 if no deposit is required) and the name of Title Company. Receipt for deposit must have a valid signature.
 - L. Last two-years of completed Income Tax Returns and corresponding W-2(s)
 - M. Divorce Decree/Child Support information must be submitted, when applicable. No applications will be accepted without such documents enclosed.
 - N. Bank Statement for all banking accounts, including, but not limited to checking, savings, and CDs. In order to be considered eligible, applicant(s) may not have more than \$10,000 in combined funds.
 - O. Credit Report for applicant(s) must be enclosed.
 - P. Forms of identification, including government-issued license/identification, Social Security Card, and Permanent Resident Alien Card (when applicable). Applicants must have legal status in the United States to be considered eligible.
 - Q. Copy of Appraisal
 - R. Mortgage Loan Commitment Approval
 - S. Mortgage Credit Analysis Worksheet (MCAW) or Uniform Underwriting & Transmittal Summary (1008) including the earnest money amount and requested down payment assistance amount
 - T. Lead Based Paint Disclosure (for homes built 1978 or prior). Buyer(s) of such homes must receive the HUD/EPA/CPSC Pamphlet "Protect your Family from lead in your home"
4. HOME Program Staff will review the files on a first-come, first-serve basis.
 5. Once the application is reviewed, DCD Staff will notify the finance/mortgage company, in writing, of the approval/disapproval and, as applicable, the maximum amount of assistance the client qualifies for.
 6. The client will then be contacted a second time by HOME staff to set up an appointment in order to sign the DPA contract.
 7. An inspection of the subject property is required and will be conducted by a DCD Housing Inspector within 72 hours of the finance/mortgage company requesting the inspection in writing either by e-mail or fax. If the subject property is of new construction, a Certificate of Occupancy must be in file prior to requesting inspection. If the subject property is an existing home built in or prior to 1978, proper testing for lead-based paint is required and is the responsibility of the seller. The seller must properly address existing lead hazards. Proper documents attesting to the lead hazard clearance

must be remitted to DCD Staff at this point. **THE HOME MUST PASS INSPECTION BEFORE CONTINUING THE PROCESS.**

8. An Environmental Review Record of the site is required. City DCD Staff will be responsible for conducting an environmental review of the subject property upon the house passing the Final Inspection. If the housing unit is located within a flood plain zone, applicant(s) will be required to purchase and provide proof of a flood insurance binder.
9. Prior to closing, DCD Staff will prepare legal documents to include a Deed of Trust and Real Estate Lien Note. In order for the legal documents to be prepared and distributed to the closing agent, DCD Staff will require a copy of the HUD-1 (Settlement Statement) and Schedules A, B, & C. The HUD-1 **must** show the City's 2nd Lien position, and must not display any cash distributed to the borrower (all excess funds should be credited to the note). Once the legal documents are ready, DCD Staff will call the closing agent so that the documents may be picked up. HOME staff will give direct instructions as to how the 2nd lien documents should be recorded. If legal documents need to be sent overnight slip must be provided by the closing agent at no cost to the City of Laredo.
10. Funding will be requested from the City's Finance Department, Accounts Payable Division and check will be issued every Tuesday and Thursday. (Provided that the request is received no later than 11 a.m. on Monday or Wednesday. If not, then the check will be ready the following Tuesday or Thursday.)
11. Once funding is received, HOME staff will contact the Title Company so that the check may be picked up. The HOME staff will issue check once certified copies of the 1st and 2nd Deeds of trust, lien notes, and the final signed HUD-1 settlement statement are submitted.
12. The applicant's information will be recorded on the City's system (I-Series 400) and HUD's system (IDIS).

Refinancing of Primary Loan

If the homebuyer should decide to refinance the existing primary loan (1st Lien), the City will evaluate and subordinate its 2nd lien provided a benefit to the homebuyer exists and the 2nd lien loan remains the same.

Acceptable terms of refinance of primary loan can include term reduction and/or interest rate reduction.

Refinancing for the purpose of utilizing the home equity in the form of cash to the homebuyer will not be allowed.

HOME DOWN PAYMENT ASSISTANCE (DPA) CHECKLIST FORM

CLIENT(S): _____
CURRENT ADDRESS: _____ ZIPCODE: _____
PROPERTY ADDRESS: _____ ZIPCODE: _____
PHONE#: _____ EMAIL: _____
BANK/MTG CO.: _____ CONTACT PERSON: _____
PHONE: _____ FAX: _____ EMAIL: _____

_____ Cover letter – **Requested DPA Amount \$** _____
_____ City of Laredo Certification/Application Affidavit - # of people in the Household _____
_____ **males** _____ **females** _____ **ages** _____
_____ Applicant Information (**Subsidized housing: Y/N**) _____ **Sq. ft.** _____ **# of beds/baths** **Check stubs if paid—MUST be CURRENT**
_____ Weekly — last 12 stubs _____ Business - (Quarterly/Yearly Profit and Loss Report)
_____ Bi-weekly—last 6 stubs _____ 401K, CDs, real estate, etc. (Any assets)
_____ Semi-Monthly—last 6 stubs _____ Other (Child Support, SSB/SSI, TANF, Alimony, etc.)
_____ Monthly—last 3 stub _____ Zero Income Certification

_____ Certificate of Occupancy (**New Construction**)
_____ Signed Property Inspection Agreement
_____ Signed Acknowledgement of Terms for Down Payment Assistance
_____ HOME Release and Consent Form
_____ General Release Form (**Notarized**)
_____ Home Ownership Course Certificate(s)
_____ Completed & Signed Uniform Residential Loan Application
Amt. _____ **Int.** _____ **# of Mos.** _____ **Mtg.** _____ **Type** _____ **NPS** _____
Legal Description _____ Loan

Estimate **Amt.** _____ **Int.** _____ **Monthly payment** _____ Verification of
Employment Form

Place of Employment _____ **Position** _____
_____ At least 2 years of steady employment
_____ At least 6 months residing within the City Limits of Laredo
_____ Last 6 months rent receipts and/or Verification of Rent
_____ Notarized letter and a current utility bill if they live with someone
_____ Current Utility Bills (____ Water, ____ Light, ____ Gas, ____ Phone, ____ Cable ____)
_____ Earnest Money Contract **Purchase Price \$** _____ **Title Company** _____
_____ Receipt for Earnest Money Deposit \$ _____
_____ Last 2 years of income tax returns & W2s-Tax Return Years _____, _____, _____ Divorce
Decree/ Marriage License

_____ Bank Statements **Checking** (last 6 months) _____ **Savings** (most recent) _____
_____ Copy of Current Credit Report **Liabilities- Monthly** _____ **Total** _____
_____ Copy of IDs
_____ Copy of Social Security Cards
_____ Birth Certificates
_____ If not a US Citizen, MUST have a current Permanent Resident Card
_____ Copy of Appraisal **Appraised amount** _____
_____ Mortgage Loan Commitment Approval **Amt.** _____ **Int.** _____ **# of Mos.** _____
_____ Mortgage Credit Analysis Worksheet (MCAW) or Transmittal Summary (1008)
Amt. _____ **Int.** _____ **# of Mos.** _____
_____ Buyers/Sellers Certification of Purchase _____ Fair Market Value

II. HOME – Income Limits/ Maximum Mortgage Limits

**HOME INVESTMENT PARTNESHIP PROGRAM
ANNUAL INCOME LIMITS PER FAMILY SIZE**

LOW AND MODERATE INCOME LIMITS (Section 8):

80% MEDIAN INCOME LIMITS: (up to \$30,000)

1	2	3	4	5	6	7	8
\$44,450	\$50,800	\$57,150	\$63,500	\$68,600	\$73,700	\$78,750	\$83,850

As per HUD Section 8 Program Income Guidelines effective **June 1, 2025.**

2025 HOME Maximum Value Limits -Effective September 1, 2024

		Existing Homes HOME Purchase Price Limit	New Homes HOME Purchase Price Limit
STATE	AREA NAME	1-UNIT	1-UNIT
TX	Laredo, TX Metropolitan Statistical Area	\$219,000	\$273,000

III. Annual Income Inclusions

Exhibit 3.1 – 24 CFR Part 5 Annual Income Inclusions

<p>1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.</p> <p>2. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.</p> <p>3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in number 2 (above). Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.</p> <p>4. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except for certain exclusions, listed in Exhibit 3.2, number 14).</p>	<p>5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (except for certain exclusions, as listed in Exhibit 3.2, number 3).</p> <p>6. Welfare Assistance. Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income:</p> <ul style="list-style-type: none"> • Qualify as assistance under the TANF program definition at 45 CFR 260.31; and • Are otherwise excluded from the calculation of annual income per 24 CFR 5.609(c). <p>If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:</p> <ul style="list-style-type: none"> • the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; <i>plus</i> • the maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is reduced from the standard of need by applying a percentage, the amount calculated under 24 CFR 5.609 shall be the amount resulting from one application of the percentage. <p>7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.</p> <p>8. All regular pay, special pay, and allowances of a member of the Armed Forces (except as provided in number 8 of Income Exclusions).</p>
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IV. Annual Income Exclusions

Exhibit 3.2 – 24 CFR Part 5 Annual Income Exclusions

<ol style="list-style-type: none"> 1. Income from employment of children (including foster children) under the age of 18 years. 2. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone). 3. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses (except as provided in Exhibit 3.1, number 5 of Income Inclusions). 4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member. 5. Income of a live-in aide (as defined in 24 CFR 5.403). 6. Certain increases in income of a disabled member of qualified families residing in HOME-assisted housing or receiving HOME tenant-based rental assistance (24 CFR 5.671(a)). 7. The full amount of student financial assistance paid directly to the student or to the educational institution. 8. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire. 9. (a) Amounts received under training programs funded by HUD. (b) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS). (c) Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program. (d) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn 	<p style="margin-left: 20px;">maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time.</p> <p style="margin-left: 20px;">(e) Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program.</p> <ol style="list-style-type: none"> 10. Temporary, nonrecurring, or sporadic income (including gifts). 11. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era. 12. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household or spouse). 13. Adoption assistance payments in excess of \$480 per adopted child. 14. Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts. 15. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit. 16. Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home. 17. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to housing owners identifying the benefits that qualify for this exclusion.
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Updates will be published and distributed when necessary. The following is a list of income sources that qualify for that exclusion:

- The value of the allotment provided to an eligible household under the Food Stamp Act of 1977;
- Payments to volunteers under the Domestic Volunteer Service Act of 1973 (employment through AmeriCorps, VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions);
- Payments received under the Alaskan Native Claims Settlement Act;
- Income derived from the disposition of funds to the Grand River Band of Ottawa Indians;
- Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes;
- Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program;
- Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721);
- The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court and the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands;
- Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs;
- Payments received from programs funded under Title V of the Older Americans Act of 1985 (Green Thumb, Senior Aides, Older American Community Service Employment Program);

- Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.);
- Earned income tax credit refund payments received on or after January 1, 1991, including advanced earned income credit payments;
- The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990;
- Payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, veterans employment programs, state job training programs and career intern programs, AmeriCorps);
- Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation;
- Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990;
- Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran;
- Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act; and
- Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998.

V. Annual Income Net Family Assets Inclusions and Exclusions

Exhibit 3.8 – Part 5 Annual Income Net Family Asset Inclusions and Exclusions

Inclusions	Exclusions
<ol style="list-style-type: none"> 1. Cash held in savings accounts, checking accounts, safe deposit boxes, homes, etc. For savings accounts, use the current balance. For checking accounts, use the average 6-month balance. Assets held in foreign countries are considered assets. 2. Cash value of revocable trusts available to the applicant. 3. Equity in rental property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and all reasonable costs (e.g., broker fees) that would be incurred in selling the asset. Under HOME, equity in the family's primary residence is not considered in the calculation of assets for owner-occupied rehabilitation projects. 4. Cash value of stocks, bonds, Treasury bills, certificates of deposit, mutual funds, and money market accounts. 5. Individual retirement, 401(K), and Keogh accounts (even though withdrawal would result in a penalty). 6. Retirement and pension funds. 7. Cash value of life insurance policies available to the individual before death (e.g., surrender value of a whole life or universal life policy). 8. Personal property held as an investment such as gems, jewelry, coin collections, antique cars, etc. 9. Lump sum or one-time receipts, such as inheritances, capital gains, lottery winnings, victim's restitution, insurance settlements and other amounts not intended as periodic payments. 10. Mortgages or deeds of trust held by an applicant. 	<ol style="list-style-type: none"> 1. Necessary personal property, except as noted in number 8 of Inclusions, such as clothing, furniture, cars, and vehicles specially equipped for persons with disabilities. 2. Interest in Indian trust lands. 3. Assets not effectively owned by the applicant. That is, when assets are held in an individual's name, but the assets and any income they earn accrue to the benefit of someone else who is not a member of the household and that other person is responsible for income taxes incurred on income generated by the asset. 4. Equity in cooperatives in which the family lives. 5. Assets not accessible to and that provide no income for the applicant. 6. Term life insurance policies (i.e., where there is no cash value). 7. Assets that are part of an active business. "Business" does not include rental of properties that are held as an investment and not a main occupation.

VI. HOME
Down Payment Assistance Application

HOME DOWN PAYMENT ASSISTANCE PROGRAM 2025

GENERAL PROGRAM DESCRIPTION

Purpose: The purpose of the Home Down Payment Assistance Program is to provide qualified first time homebuyers a zero interest forgivable loan to assist with purchasing a home.

Type of Loan: Zero Interest (0%), forgivable 5 yr. or 10 yr. loans (second lien)

Amount: 80% of Median Income or less not to exceed \$30,000.00. The minimum amount of HOME funds that must be invested is \$1,000.

Repayment: Recapture provisions must ensure that the participating jurisdiction recoups all or a portion of the HOME assistance to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability.

The City of Laredo's Recapture guidelines provide that:

- Provided Owner has continuously used the residence located on the Property as Owner's principal residence for five or ten consecutive years after (the period of affordability with a maximum investment of \$30,000) the beginning date used in the Loan Documents, City will forgive Owner's outstanding DPA Funds on the Repayment Date in an amount equal to the DPA Funds.
- If the Owner sells the Property within the period of affordability (five or ten years following the beginning date used in the Loan Documents), through a voluntary or involuntary transfer, the City will recapture all or a portion of the direct subsidy provided to the homebuyer as provided in this paragraph. The loan will be forgiven pro rata over the period of affordability under the following terms, as long as the home remains the principal residence of the home buyer:

5 Years Affordability Period (Loans under \$15,000)

- a. Upon completion of the 1st year of the Loan Documents - 20% of the original principal amount will be forgiven;
- b. Upon completion of the 2nd year of the Loan Documents - 40% of the original principal amount will be forgiven;
- c. Upon completion of the 3rd year of the Loan Documents - 60% of the original principal amount will be forgiven;
- d. Upon completion of the 4th year of the Loan Documents - 80% of the original principal amount will be forgiven;
- e. Upon completion of the 5th year of the Loan Documents - 100% of the original principal amount will be forgiven.

10 Years Affordability Period (Loans from \$15,000.00 to \$30,000.00)

- a. Upon completion of the 1st year of the Loan Documents - 10% of the original principal amount will be forgiven;
- b. Upon completion of the 2nd year of the Loan Documents - 20% of the original principal amount will be forgiven;
- c. Upon completion of the 3rd year of the Loan Documents - 30% of the original principal amount will be forgiven;
- d. Upon completion of the 4th year of the Loan Documents - 40% of the original principal amount will be forgiven;
- e. Upon completion of the 5th year of the Loan Documents - 50% of the original principal amount will be forgiven;
- f. Upon completion of the 6th year of the Loan Documents - 60% of the original principal amount will be forgiven;
- g. Upon completion of the 7th year of the Loan Documents - 70% of the original principal amount will be forgiven;
- h. Upon completion of the 8th year of the Loan Documents - 80% of the original principal amount will be forgiven;
- i. Upon completion of the 9th year of the Loan Documents - 90% of the original principal amount will be forgiven;
- j. Upon completion of the 10th year of the Loan Documents - 100% of the original principal amount will be forgiven.

Initials _____ , _____

- If the net proceeds from a voluntary or involuntary sale are insufficient to repay the prorated amount of the HOME subsidy, the City shall recapture the entire amount of net proceeds from the sale. If there are no net proceeds from the sale, no repayment is required. Net proceeds are defined as the sales price minus superior loan repayment and any closing costs incurred by the homebuyer.
- Owner understands and agrees that to: (i) Owner agrees to continuously use the residence located on the property as Owner’s principal residence for five or ten consecutive years (depending on the amount of financial assistance provided) following the beginning date used in the Loan Documents; and (ii) Owner agrees to honor any of its other obligations to City under the DPA Contract or the Loan Documents; collectively.
- In the event that the city determines that the assisted homebuyer(s) is non-compliant with the residency requirements and the other requirements stated in the Down Payment Assistance Program (DPA) Contract then the entire face value of the DPA loan is immediately due and payable to the city. Homebuyer will be given 30 days to return to compliance. If homebuyer(s) does not return to compliance the entire face value of the DPA will be due and payable and will incur a four percent (4%) interest per annum.

Financing: First lien loan must be a fully amortized fixed rate loan of up to 30 years with an interest rate that does not exceed the prevailing market rates for conforming loans.

Participants: First-time homebuyers — CO-SIGNERS will NOT be ACCEPTED.

Location: Property MUST be located within the Laredo city Limits (Extra Territorial Jurisdiction is ineligible).

Inspections: HUD Housing Quality Standards Inspection (HQS)

Property: New or existing SINGLE family home, primary residence (town homes and condominiums are acceptable).

Homebuyer Education: Required.

Income Guidelines: Gross annual household income may not exceed 80% of the median Family Income (MFI) as established per HUD Section 8 Program Income Guidelines, adjusted for family size, and as amended annually.

80% MEDIAN INCOME LIMITS: (up to \$30,000)

1	2	3	4	5	6	7	8
\$44,450	\$50,800	\$57,150	\$63,500	\$68,600	\$73,700	\$78,750	\$83,850

HOME Maximum Value Limits -Effective September 1, 2024

		Existing Homes HOME Purchase Price Limit	New Homes HOME Purchase Price Limit
STATE	AREA NAME	1 – Unit	1 - Unit
TX	Laredo, TX Metropolitan Statistical Area	\$219,000	\$273,000

Initials _____ , _____

**HOME Down Payment Assistance Program (DPA)
CERTIFICATION/APPLICATION AFFIDAVIT**

The information on this form is needed to determine if your household is eligible to participate under the City of Laredo HOME DPA Program. Please complete this entire form and leave no blanks.

Date of Interview: _____

Applicant's Name: _____

Co-Applicant's Name: _____

Current Address: _____ Zip Code: _____

Email Address: _____

Home Phone: _____ Mobile Phone: _____

Property Address: _____ Zip Code: _____

HOUSEHOLD COMPOSITION- List the Head of Household and ALL other persons who will reside in the household after closing:

Full Name (exactly as on driver's license or other govt. document)	Relationship to Head of Household	Date of Birth	Gender	Receiving Income
1.	Head of Household			
2.				
3.				
4.				
5.				
6.				
7.				
8.				

HOUSEHOLD COMPOSITION INFORMATION:

1. Were any of the household members a full-time student within the last calendar year?

___ No ___ Yes, who? _____

2. Are any of the household members listed above foster children?

___ No ___ Yes, who? _____

3. Are any of the household members listed above a live-in attendant?

___ No ___ Yes, who? _____

4. Are any household members temporarily absent from the home?

___ No ___ Yes, who? _____

Indicate reason for temporary absence: _____

Initials _____ , _____

Required: Applicant Information

Applicant:

Race/National Origin:

- American Indian Hispanic
- Asian/Pacific Islander Anglo
- Black, Non-Hispanic American Indian/Alaskan Native

Gender: Male Female *Disabled:* Yes No

Co-Applicant:

Race/National Origin:

- American Indian Hispanic
 - Asian/Pacific Islander Anglo
 - Black, Non-Hispanic American Indian/Alaskan Native
- Gender:* Male Female *Disabled:* Yes No

Are applicants coming from subsidized housing? Yes No

Property Type:

- 1-4 Single Family** **Condominium** **Manufactured Home**

Subject Property: _____

Meets Energy Star Standards Square Footage: _____

Section 509 Accessible Number of Bedroom/Bathroom _____/_____

I (We) _____ attest that the above information is true, accurate, and complete to the best of my (our) knowledge and belief. I (We) also understand the misrepresentation or omission of information is sufficient cause for this application to be disqualified.

Applicant/Resident Printed Name	Signature	Date

Co-Applicant/Resident Printed Name	Signature	Date

I certify that the total household income was evaluated in accordance with the Section 8 definitions of income stipulated in 24 CFR Part 813 and complies with 24 CFR Part 92.217 regarding Income Targeting under the HOME Partnership Program.

Interviewer	Date

Warning: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making fraudulent statements to any department of the United States Government.

City of Laredo
Home Investment Partnership Program (HOME)
Down Payment Assistance (DPA) Program

PROPERTY INSPECTION AGREEMENT

I (we), _____, as an applicant for the City of Laredo Community Development Department, HOME Down Payment Assistance Program, hereby agree to and understand the following:

- A Property Inspection is required of each property purchased under the HOME Down Payment Assistance Program for Homeownership Assistance Program. A Certified Housing Inspector of the Department of Community Development will perform this inspection.
- This inspection is a requirement of HUD and in NO WAY should serve in lieu of a structural inspection of the property. The DCD encourages the Buyer/Purchaser to obtain a separate inspection or report that addresses the structural integrity of the property.
- I (we) understand that all repairs identified as necessary through this inspection must be complete before the date of closing, as a condition of participation in this program. The repairs may be undertaken through agreements with the seller, or through other means determined to be acceptable in consultation with the City of Laredo Community Development Department
- If the subject property is an existing home that was built prior to 1978, proper testing for lead-based paint is required and is the responsibility of the seller. The seller must properly address the existing lead hazards and provide the proper documents attesting to the lead hazard clearance. If Lead-based paint hazards are found, a certified contractor will have to follow HUD's safe work practice methods.
- If the initial inspection is disapproved, follow-up inspections will be required to assure that necessary repairs identified in the initial inspection are completed satisfactorily.

Purchased Property: _____ Zip Code: _____

Applicant/Resident Printed Name Signature Date

Co-Applicant/Resident Printed Name Signature Date

ACKNOWLEDGEMENT OF TERMS FOR DOWN PAYMENT ASSISTANCE (DPA) LOANS

I/We, the undersigned agree to the terms of the HOME Investment Partnership Program Down Payment Assistance Loans. I/We, certify that I/we am/are a first-time homebuyer as described in the HOME Investment Partnership Program Policies and Procedures Manual. I/We, acknowledge that the applications will be processed on a first-come, first-served basis; that the down payment assistance loans may be made up to \$30,000.00 for households with incomes at or below 80% of area median family income. I/We understand that the property may be an existing home or a newly constructed home. I/We understand that this project requires a \$1,000.00 minimum HOME funds investment. The property value limitations will be set by HUD's guidelines for the area. I (We) am (are) aware that a second Lien Deed of Trust and a Promissory note will be recorded against the property being purchased.

The City of Laredo HOME Program has adopted Recapture requirements for the Homebuyer Assistance Program. Under recapture requirements, the Homeowner will have to repay the HOME funds that were invested in their property if the home does not continue to be the client's principal residence or if the client otherwise fails to adhere to other program requirements within the affordability timeframe. The recapture of HOME funds will be determined as follows:

Provided Owner has continuously used the residence located on the Property as Owner's principal residence for five or ten consecutive years (depending on the amount of financial assistance provided) after the beginning date used in the Loan Documents, City will forgive Owner's outstanding DPA Funds on the Repayment Date in an amount equal to the DPA Funds.

Owner understands and agrees that if Owner sells the Property, within the period of affordability (five or ten years the beginning date used in the Loan Documents), through a voluntary or involuntary transfer, the City will recapture all or a portion of the direct subsidy provided to the homebuyer as provided in this paragraph.

The loan will be forgiven pro rata over the period of affordability under the following terms, as long as the home remains the principal residence of the homebuyer:

5 Years Affordability Period (Loans under \$15,000)

- a. Upon completion of the 1st year of the Loan Documents - 20% of the original principal amount will be forgiven;
- b. Upon completion of the 2nd year of the Loan Documents - 40% of the original principal amount will be forgiven;
- c. Upon completion of the 3rd year of the Loan Documents - 60% of the original principal amount will be forgiven;
- d. Upon completion of the 4th year of the Loan Documents - 80% of the original principal amount will be forgiven;
- e. Upon completion of the 5th year of the Loan Documents - 100% of the original principal amount will be forgiven.

10 Years Affordability Period (Loans from \$15,000.00 to \$30,000.00)

- a. Upon completion of the 1st year of the Loan Documents - 10% of the original principal amount will be forgiven;
- b. Upon completion of the 2nd year of the Loan Documents - 20% of the original principal amount will be forgiven;
- c. Upon completion of the 3rd year of the Loan Documents - 30% of the original principal amount will be forgiven;
- d. Upon completion of the 4th year of the Loan Documents - 40% of the original principal amount will be forgiven;
- e. Upon completion of the 5th year of the Loan Documents - 50% of the original principal amount will be forgiven;
- f. Upon completion of the 6th year of the Loan Documents - 60% of the original principal amount will be forgiven;
- g. Upon completion of the 7th year of the Loan Documents - 70% of the original principal amount will be forgiven;
- h. Upon completion of the 8th year of the Loan Documents - 80% of the original principal amount will be forgiven;
- i. Upon completion of the 9th year of the Loan Documents - 90% of the original principal amount will be forgiven;
- j. Upon completion of the 10th year of the Loan Documents - 100% of the original principal amount will be forgiven.

Initials _____ , _____

If the net proceeds from a voluntary or involuntary sale are insufficient to repay the prorated amount of the HOME subsidy, the City shall recapture the entire amount of net proceeds from the sale. If there are no net proceeds from the sale, no repayment is required. Net proceeds are defined as the sales price minus superior loan repayment and any closing costs incurred by the homebuyer.

Owner understands and agrees that to: (i) Owner agrees to continuously use the residence located on the property as Owner’s principal residence for five or ten consecutive years (depending on the amount of financial assistance provided) following the beginning date used in the Loan Documents; and (ii) Owner agrees to honor any of its other obligations to City under the DPA Contract or the Loan Documents; collectively. In the event that the city determines that the assisted homebuyer(s) is non-compliant with the residency requirements and the other requirements stated in the Down Payment Assistance Program (DPA) Contract, then the entire face value of the DPA loan is immediately due and payable to the city. Homebuyer will be given 30 days to return to compliance. If homebuyer(s) does not return to compliance the entire face value of the DPA will be due and payable and will incur a four percent (4%) interest per annum.

I (We) agree to comply with the binding commitments satisfactory to HUD’s affordability terms (Section 92.614 (5)) as well as other Federal Requirements (Subpart H Sections 92.350-92.359) and recapture guidelines.

I (WE) UNDERSTAND THAT THE PROPERTY SHOULD REMAIN AFFORDABLE FOR A PERIOD OF FIVE (5) OR TEN (10) YEARS (DEPENDING IN THE AMOUNT OF FINANCIAL ASSISTANCE) BEGINNING AFTER THE PROJECT’S COMPLETION DATE WITHOUT REGARD TO THE TERM OF THE MORTGAGE OR TO TRANSFER OF OWNERSHIP.

I (We) understand that the City of Laredo reserves the right to make any revisions as it deems necessary to provide for a successful program.

Applicant/Resident Printed Name Signature Date

Co-Applicant/Resident Printed Name Signature Date

**City of Laredo Community Development
HOME Program-Down Payment Assistance Program
Release and Consent Form**

Applicant/Resident Name:

I/We _____, the undersigned hereby authorize all persons or companies in the categories listed below to release information regarding employment, income and/or assets for purposes of verifying information on my/our application for participation in the City of Laredo HOME Program. I/We authorize release of information without liability to the administrator/owner/management listed above, and/or the City of Laredo HOME Program.

INFORMATION COVERED

I/We understand that previous or current information regarding me/us may be needed. Verifications and inquiries that may be requested include, but are not limited to: personal identity, student status, employment, income, assets, and medical or child care allowances. I/We understand that this authorization cannot be used to obtain information about me/us that is not pertinent to my eligibility for and continued participation in the City of Laredo HOME Program.

GROUPS OR INDIVIDUALS THAT MAY BE ASKED

The groups or individuals that may be asked to release the above information include, but are not limited to:

- | | | |
|--------------------------------------|--|---------------------------|
| Support and Alimony Providers | Welfare Agencies | Retirement Systems |
| Educational Institutions | Utility Providers | Previous Landlords |
| Public Housing Agencies | Appraisal Districts | Insurance Carriers |
| Past and Present Employers | Bank and other Financial Institutions | |
| Veterans Administrations | Social Security Administration | |
| State Unemployment Agencies | Medical and Child Care Providers | |

Purpose: Your signature on this HOME Program Release/Consent Form, and the signatures of each member of your household who is 18 years of age or older, authorizes the above-named organization to obtain information from a third party relative to your eligibility and continued participation in the HOME Homebuyer Program.

Privacy Act Notice Statement: The Department of Housing and Urban Development (HUD) is requiring the collection of the information derived from this form to determine an applicant’s eligibility in a HOME Program and the amount of assistance necessary using HOME Funds. This information will be used to establish level of benefit on the HOME Program; to protect the Government’s financial interest; and to verify the accuracy of the information furnished. It may be released to appropriate Federal, state and local agencies when relevant to civil, criminal, or regulatory investigators, and to prosecutors. Failure to provide any information may result in a delay or rejection of your eligibility approval. The Department is authorized to ask for this information by the National Affordable Housing Act of 1990.

NOTE: THIS GENERAL CONSENT MAY NOT BE USED TO REQUEST A COPY OF A TAX RETURN. IF A COPY OF A TAX RETURN IS NEEDED, IRS FORM 4506, “REQUEST FOR COPY OF A TAX FORM” MUST BE PREPARED AND SIGNED SEPARATELY.

Initials _____, _____

Instructions: Each adult member of the household must sign a HOME Program Release/Consent Form prior to the receipt of benefit.

Authorization: I authorize the City of Laredo Community Development HOME Participating Jurisdiction and HUD to obtain information about me and my household that is pertinent to eligibility for participation in the HOME Program.

I acknowledge that:

- A photocopy of this form is as valid as the original
- I have the right to review the file and the information received using this form (with a person of my choosing to accompany me).
- I have the right to copy information from this file and to request correction of information I believe inaccurate.
- All adult household members will sign this form and cooperate with the owner in this process.

Signature- Head of Household
Printed Name _____
Date: _____

Signature- Adult Family Member #2
Printed Name _____
Date: _____

Signature- Adult Family Member #3
Printed Name _____
Date _____

Signature- Adult Family Member #4
Printed Name _____
Date _____

General Release Form

I/We _____ hereby authorize the HOME Loan Program or its designated agents to obtain and receive all records and information pertaining to eligibility for the HOME Program, including employment, income, income tax returns, credit, residency, and banking information from all persons, companies, or firms holding or having access to such information. This authorization hereby gives DCD the right to request all information that we can or could obtain from any persons, company, or firm on any matter referred to the above. I/We agree to have no claim for defamation, violation of privacy, or otherwise against any person or firm or corporation by reason of any statement or information released by them to the HOME Program for purposes of the program. The term of this authorization shall commence on the date of signature and be in force for a period of two (2) years.

Signature

Signature

Property Address

Laredo, Texas

On this _____ day of _____, 20____, before me personally appeared _____, known to me to be the person(s) duly sworn, did depose and say that he and/or she reside at, _____, that he and/or she are the persons described herein and who executed the foregoing instrument, and acknowledge that he and/or she executed the same.

Notary Public in and for the State of Texas

**CITY OF LAREDO HOME DOWN PAYMENT ASSISTANCE PROGRAM
CERTIFICATION OF ZERO INCOME**

A "Certification of Zero Income" should be completed by adult household members only (if appropriate). If there are any sources of income listed that you (the applicant) need clarification on, please contact the HOME Staff.

Applicant's Name:
Address:
Email Address:
Phone:

THIS SECTION TO BE COMPLETED BY APPLICANT/RESIDENT

I, _____ hereby certify that:

A. I *do not* individually receive income from *any* of the following sources:

- Wages from employment (including commissions, tips, bonuses, fees, etc.);
- Income from operation of a business;
- Rental Income from real or personal property;
- Interest or dividends from assets;
- Social Security payments, annuities, insurance policies, retirement funds, pensions, or death benefits;
- Unemployment or disability payments;
- Public assistance payments other than food stamps;
- Periodic allowances such as alimony, child support, or gifts received from persons not living in my household;
- Sales from self-employment resources (including Avon, Mary Kay, Pampered Chef, Shaklee, etc.);
- Any other source not named above; AND

B. I currently *do not* have no income of any kind and there is no imminent change expected in my financial status or employment status during the next 12 months; AND

C. I will be using the following sources of funds to pay for rent, utilities, and/or other necessities:

APPLICANT CERTIFICATION

Under penalty of perjury, I certify, to the best of my knowledge, that the information presented in this certification is true and accurate. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of participation under the City of Laredo HOME DPA Program.

Household/Resident Printed Name

Signature

Date

WARNING: Title 18, Section 1001 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency in the United States as to any matter within its jurisdiction.



BUYERS/SELLERS CERTIFICATION OF PURCHASE HOME DOWN PAYMENT ASSISTANCE PROGRAM

Date: _____

Property Being Sold: _____

Owner(s)/Seller(s): _____

Buyer(s): _____ Dear

Owner(s)/Seller(s):

Property believed to be owned by you is being considered for purchase, as referenced above. Because Federal funds in the form of down payment and closing cost assistance to the Buyer(s) may be used in the purchase of your property, we are required to disclose the following information by the U. S. Department of Housing and Urban Development (HUD) in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act as amended (URA), Section 24.101(b) (2):

1. The proposed sale is **voluntary**. In the event negotiations fail to result in an agreement, the property will not be acquired by either voluntary purchase or eminent domain.
2. The fair market value of the property is estimated to be \$_____. However, since this transaction is voluntary, current or future negotiations may result in a different price that may be the same, higher or lower than this amount.

An owner-occupant who sells his or her property under these terms does not qualify as a displaced person for relocation payments. Additionally, any person who occupies the property for the purpose of obtaining assistance under the URA does not qualify as a displaced person. However, tenant-occupants displaced as a result of a voluntary acquisition may be entitled to URA relocation assistance and must be informed in writing as soon as feasible.

In accordance with HUD requirements, if the information provided above is disclosed after an option to purchase or contract has been executed between the Buyer(s) and the Seller(s), the Seller(s) must be provided the opportunity to withdraw from the agreement.

Any title deficiencies, liens, or encumbrances on the property must be cleared **prior to** any closing. Generally, this is a cost that is borne by the Seller(s) of the property; however, payment of these costs may be negotiated between the Buyer(s) and Seller(s). **No federal funds can be used to pay these costs.**

Should you have any questions, please feel free to contact: The HOME Program Staff
(Name of Contact Person)

City of Laredo – HOME DPA Program at 956-795-2675
(Name of City/County/State/Organization/Lender) (Telephone Number)

Receipt acknowledged this _____ day of _____, 20____.

Seller(s)

Seller(s)

WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

(Notice to Seller Doc-Rev: 1/07)