

# Eastern Panhandle HOME Consortium of West Virginia HOMEBUYER ASSISTANCE PROGRAM

**WHAT IS IT?** A homebuyer assistance program (HAP) for first time homebuyers in Berkeley, Jefferson and Morgan Counties and the City of Martinsburg.

HAP provides income-eligible buyers with a deferred no-interest loan for downpayment and closing costs. The loan is forgiven if the buyer remains in the home for the term of the loan. The amount of the HAP loan depends on the buyer's need for assistance – it provides the gap funding to make the loan affordable to the buyer - the first mortgage payment is not more than 30% of monthly household income.

The funding source for the HAP program is the federal HOME Investment Partnership Program. All HOME regulations apply to the HAP program.

## WHO CAN USE HAP

- FIRST TIME HOMEBUYERS
- INCOME ELIGIBLE
- HOUSE MUST PASS CODE INSPECTION



## HOW DOES HAP WORK?

- BE PREQUALIFIED BY A MORTGAGE LENDER
- COMPLETE HOMEBUYER EDUCATION
- BORROW UP TO \$20,000 FOR DOWNPAYMENT AND CLOSING COSTS
- HAP LOAN AMOUNT DEPENDS ON HOW MUCH THE HOMEBUYER CAN AFFORD TO BORROW WITH THE FIRST MORTGAGE – ***THIS IS GAP FINANCING***
- TERMS ARE 5 YEARS FOR LOANS UNDER \$15,000 – 10 YEARS FOR LOANS OF \$15,000 OR MORE
- ZERO INTEREST LOAN WITH NO REPAYMENT IF BUYER REMAINS IN THE HOME
- NO MONTHLY PAYMENT ON HAP LOAN

### INCOME LIMITS BY HOUSEHOLD SIZE (May 2010)

**Berkeley and Morgan Counties**

1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
\$38,850	\$44,400	\$49,950	\$55,500	\$59,950	\$64,400	\$68,850	\$73,300

**Jefferson County**

1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
\$40,850	\$46,650	\$52,500	\$58,300	\$63,000	\$67,650	\$72,300	\$77,000

**FOR COMPLETE PROGRAM GUIDELINES & APPLICATIONS CONTACT  
COMMUNITY DEVELOPMENT AT (304) 264-2131 EXT 278 OR**

[pmcmillan@cityofmartinsburg.org](mailto:pmcmillan@cityofmartinsburg.org)

**EQUAL HOUSING OPPORTUNITY**

## HAP PROGRAM REQUIREMENTS

### Applicants Must:

- Secure a pre-qualification letter from a mortgage lender listing loan amount, rate and term. Only fixed-rate mortgages allowed.
- Complete homebuyer education through an approved housing counseling program and obtain a certificate of completion. Contact Telamon at 304-263-0916 to register for a class.
- Complete and Pre-application for a HAP Certificate of Eligibility. The Certificate is valid for six month. This is not a reservation of HAP funds or a loan commitment.

### Finding a Home / Reservation of HAP Funds:

- Homebuyer finds a suitable dwelling within Berkeley County, the City of Martinsburg, Jefferson County or Morgan County (except Town of Bath). Eligible dwelling units may be attached or detached single family home.
- The HOME Administrator will work with the lender, REALTOR and homebuyer to determine the estimated HAP funding need for the downpayment and closing costs.
- The amount of HOME HAP funds is determined as the amount needed to qualify the purchaser with a first mortgage payment (Principal, Interest, Taxes and Homeowners Insurance) that does not exceed 33% (maximum) of household's monthly income.
- HAP funds will be reserved for certificate holders on a first-come first-served basis after they execute a contract for purchase. The reservation of HAP funds is good for 90 days with a possible extension.
- All household members and income must be included in determining income eligibility (NOT just the buyer on the loan).
- The homebuyer must provide at least \$500 of their own funds toward the purchase. HAP closing cost assistance cannot be more that \$2,500.
- Request a code inspection. Property must meet local property codes. There is no charge for the inspection. Repairs must be made prior to closing.
- The HOME Administrator will review and approve all applications for Homebuyer Assistance Program funds and commitment of funds.

The HOME Administrator will provide all HAP loan agreement documents needed to secure the funds and ensure compliance with HOME program regulations and other federal requirements.

**For more information call Patricia McMillan, HOME Administrator  
City of Martinsburg Community Development Department  
(304) 264-2131 x 278 or [pmcmillan@cityofmartinsburg.org](mailto:pmcmillan@cityofmartinsburg.org)**

