

## HOMEOWNERSHIP ASSISTANCE PROGRAMS

Homeownership Assistance Programs (HAP) provide low-income first time home-buyers, who live or work in Prince William County, Homeownership Education, deferred loans for downpayment, closing costs, energy efficiency improvements or rehabilitation of the property being purchased. First trust financing is available for eligible participants through local private lending institutions who have made a commitment to work cooperatively with the Office of Housing and Community Development in providing homeownership opportunities for first time homebuyers. Participants must provide at least \$1,000 from their own money for some of the downpayment or closing costs. Requirements of first trust financing may cause borrower contribution to exceed \$1,000.

### Pre qualification with Lender

To be eligible for the HAP Program, you must be qualified and eligible for a first trust FHA, VHDA, VA, or conventional loan from a private lending institution within 1% of the current market rate. The HAP Program requires you to obtain the maximum first trust for which you can qualify with income/debt ratios not to exceed 29/41, or HAP approved expanded ratios of 33/45. No Adjustable Rate Mortgages (ARMs), Balloons or interest only loans are permitted. All lenders have normal mortgage loan standards regarding income, credit, and employment, for making loans to persons for the purchase of a home.

Therefore, if you have a recent bankruptcy, or currently have substantial debt or poor credit history, your loan application may be denied. If this is the case, it is recommended that you seek financial counseling. Sufficient income and good credit are essential in order for someone to qualify for a mortgage loan.



### Waiting List Application

If you wish to apply to the Homeownership Assistance Programs, please complete the HAP Waiting List application fully, and return it to our office, along with a current credit report, the HAP Lender Pre-Qualification form, and all supporting verifications requested. Your application must list all household members and include all sources of income

(before taxes), such as annual income from employment, bonuses, self employment, benefits like sick pay, disability, pensions, Social Security, Veterans, Unemployment, alimony, child support, public assistance, and income from dividends, interest, annuities and trusts. You must also list information about your installment loans. All financial information will be verified later when you are called in for the formal application.

### Waiting List

Based on the information provided, your Waiting List Application will be screened for preliminary eligibility. Applicants deemed potentially eligible based on the application will be placed on a waiting list to be served on a first come, first served basis depending upon funding availability and after completing the required financial counseling and homeownership training and receiving a certificate of completion.

### Homeownership Education

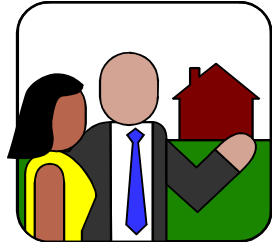
While on the waiting list, and before being assisted, you will be required to complete financial counseling and homeownership training. Financial Counseling can be short or long term, depending on your financial circumstances. The homeownership training consists of several evening sessions, during which you will learn about the home buying process, the loan application process and other helpful information about homeownership.

### Formal HAP Loan Application

Your Formal Application for HAP Loan funds will depend on funding availability. If funds are available after receiving your Certificate of Completion for the required financial counseling and homeownership training you will be scheduled for a Formal HAP Loan Application and Interview. If you meet all of the eligibility criteria for HAP Loan funds, you will be issued further instructions in a Preliminary Award Letter.

### Selecting a Home

Based on information from the lender pre loan qualification, you will be advised of the price range housing you can afford to buy, and the amount of HAP assistance that will be provided. You can then contact a Real Estate agent to find the house you want to buy, which must be located in Prince William County.



### Purchase Contract

Once you decide on a property, the Real Estate agent will help write a contract to purchase. If the contract is accepted by the seller, and the house passes a Housing Quality Standards Inspection made by our office, you will make formal loan application with the first trust lender.

### First Trust Loan Application

You will make loan application and provide the necessary documentation to the first trust lender to be considered for the first trust loan to purchase the property. The HAP Program will issue a HAP Loan Commitment if the Purchase Contract and the first trust loan terms are acceptable to the HAP Program. If the lender approves your first trust loan, you will be able to purchase the property and the settlement will be scheduled.

### Settlement

An attorney or settlement company prepares all of the legal documents that will complete the transfer of the property from the seller to you, the purchaser. These documents are signed at the settlement.



After settlement you are the official owner of the property and can move into your own home!!!

## For More Information

If you would like more information, or have questions about Prince William County's Homeownership Assistance Programs (HAP), please call the Office of Housing and Community Development at 703-792-7530.



Visit our web site at  
[www.pwcgov.org/housing](http://www.pwcgov.org/housing)  
or  
call PWC-INFO



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