

Homebuyer's Checklist



When you apply for a home mortgage loan, you will need to provide the lender all of the following information. Please ensure you have it available or obtain copies so you are prepared when asked to submit documents to your lender:

- ✓ Five of your most recent pay stubs. (These will also be needed for your spouse or co-borrower.)
- ✓ Documentation of child support payments (documentation of any additional income)
- ✓ W-2 and complete income tax returns for last 3 years.
- ✓ Names, addresses, account numbers and balances of all checking and savings accounts.
- ✓ Bank Statements - 3 months
- ✓ Names, addresses, account numbers, balances and monthly payments on all installment debts; include charge cards car loans, student loans, childcare expenses and child support payments
- ✓ Names and addresses of landlords for the last 2 years.
- ✓ Employer Information last 2 years: (Addresses and phone numbers)
- ✓ Complete divorce decree
- ✓ Papers on any pending matter
- ✓ Contract to Purchase

Please note this list may not be inclusive.

The lender may request additional documents.

Springfield Housing Authority
200 North 11th Street
Springfield, IL 62703



SECTION 8

Homeownership Program



*Helping to make your dream of
owning a home a reality*

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HOMEOWNERSHIP PROGRAM

What is it?

It's often called the "American Dream" the dream is often owning a home or condominium, close to shopping and work. Although homeownership is at a record high, the dream of purchasing one's own home isn't one that most people with low-income think about for very long. It's often an impossible dream, but the dream has come true for some and we want to make it a reality for others.

The ability to use Section 8 assistance should prove to be a key resource in purchasing a home for low-income persons. Buying one's own home is never easy. Financial and credit checks have to be made; homeownership counseling classes taken, and paperwork that never seems to end must be completed. There are realtors, lenders, inspectors, appraisers, and a myriad of others who actively participate in the process.

The Springfield Housing Authority will assist you in addressing these issues. Buying a home is obviously not for fainthearted or the impatient. Hopefully this brochure will serve as an effective road for those who want to take the path to homeownership.

The program will assist eligible families realize the possibility of homeownership by providing assistance with obtaining financing, subsidy for a period not to exceed 15 years and down payment assistance.

**APPLICATIONS ARE ACCEPTED EACH TUESDAY FROM
8:30 AM - 1:30 AM OR 1:00 PM - 4:00 PM**

Program Qualifications

1. All families must meet the current federal income requirements unless they are elderly or disabled.
2. All families must be employed FULL-TIME and have been continuously employed for twelve (12) consecutive months unless they are elderly or disabled.
3. All families must be eligible for a conventional mortgage through a qualified lender.
4. The family must be a First Time Homebuyer. (A person has not owned a home in the last three years.)
5. Complete pre- and post-purchase counseling offered through the SHA to include credit repair, how to purchase a home, how to apply for a loan, home maintenance, etc.

Families must meet the general requirements for admission to SHA's Section 8 tenant based voucher program with the following priorities:

1. Section 8 Families participating in the Family Self-Sufficiency Program;
2. Section 8 Families on the program for one (1) year or longer and in good standing with their Landlord and the SHA;
3. Other Section 8 eligible families participating in the Section 8 Program for less than one (1) year or on the current waiting list.



TWO FINANCING OPTIONS AVAILABLE:

1. A first and a second mortgage to minimize the homebuyers housing cost to an amount that is affordable at the borrower's current income level and to ensure that the home buyers can afford to pay the mortgage once the 15 year subsidy period has expired.
2. A traditional 30 year mortgage, conventional or FHA.

OTHER KEY FEATURE OF THE PROGRAM INCLUDE:

1. Minimum down payment of 3% or \$1,000 from personal savings, balance from FSS accounts gifts or other sources.
2. Mortgage subsidy for up to 15 years or unlimited if program participant is disabled or a senior.
3. Seller financing prohibited, except by an approved non profit organization.

FOR QUALIFIED FAMILIES WITH A HOUSING CHOICE VOUCHER

1. Choose to own rather than rent
2. Enroll in the FSS Program
3. Complete the Homebuyer Education Program
4. Pre-Qualify for mortgage
5. Execute residential purchase agreement on a home
6. Pass a U.S. Department of HUD Housing Quality Standards inspection, conducted by SHA.
7. Pass conventional home inspection
8. Obtain mortgage financing
9. Close on property sale