Application Package

The "Bowie First" Mortgage Assistance Program

Administered by
The City of Bowie, Maryland

Contact:

City of Bowie
Grants Administrator
City Manager's Office
City of Bowie, Maryland
301-809-3072
bowiehsg@cityofbowie.org

VERY IMPORTANT

- **Only Teachers and Police Officers** are eligible for this program.
- Once a **complete** application has been submitted, the City of Bowie will require up to 45 days for approval.
- Applications **may not** be faxed. Applications may be mailed or hand-delivered to the City of Bowie at the above address.
- Applicants **must be approved** by the Maryland Department of Housing and Community Development's Maryland Mortgage Program to receive City grant funds.

Program Eligibility

The City of Bowie, in cooperation with the State of Maryland and the Prince George's County Council, is providing grants to assist Teachers and Police Officers purchasing a home in the City. The grant is in the form of closing cost assistance with the purchase.

The following information outlines the basic program guidelines, eligibility requirements, and the application process. Information is subject to change without notice.

"Bowie First" Mortgage Assistance Program funds are only for persons purchasing homes in the City of Bowie.

Program Guidelines:

- Grants are for $1,000.00. These funds will be matched by the Maryland Department of Housing and Community Development's Community Partners Incentive Program (CPIP), thereby providing a total of $2,000.00 for each applicant. Applicants may not get cash back at settlement.

- Purchasers must have a minimum of $1,000 of their own funds to commit to the transaction. These funds may be in the form of earnest money deposits, grant application fees, appraisal fees, home inspection fees, termite inspection fees, etc.

- "Bowie First" Mortgage Assistance Program Funds are structured as a grant. After the five-year term, the grant becomes permanent. If the home is sold during the five-year grant term, the owner must repay the grant in full. The grant proceeds must be a part of the payout at settlement.

- The "Bowie First" Mortgage Assistance Program fund **may** be combined with other standard down-payment/closing cost grants, and with grants offered by the Maryland Department of Housing and Community Development, Community Development Administration. Applicants should check with MD DHCD at www.morehouse4less.org, or by calling 1-800-638-7781.

- Purchasers must obtain a home inspection by a certified, licensed home inspector. Purchasers must also obtain a termite inspection.

- The City of Bowie will conduct a separate home inspection. Both inspections are required for the "Bowie First" Mortgage Assistance Program.

- Each participant will have to **pre-qualify** with the City and **then apply** to one of the State approved lenders for their home acquisition loan. MD DHCD'S programs require the borrower to go through the **Maryland Mortgage Program (MMP)**.

- The list of **Approved Lenders** for the MMP will be on the City's website as well as on DHCD'S website at www.morehouse4less.com**.** The list is also available by calling toll-free **1-800-638-7781**.

- Applicants will be eligible for **DHCD'S** "**Community Partners Incentive Program" (CPIP). CPIP** is **only** for non-City employees who are **teachers and police officers** purchasing a home in the City of Bowie.

- Applications for the pre-qualification process are available at City Hall and online at www.cityofbowie.org.

Eligibility

- Purchaser (s) must buy a home located in the City of Bowie, Maryland.

- Purchaser (s) must live in the home as their primary residence during the term of the grant for closing cost assistance; no temporary subleases of the subject property will be allowed.

- Purchaser (s) must complete an intensive, HUD Certified Homebuyer Education and Homeowner Counseling program **within one year** of applying for "Bowie First" Mortgage Assistance Program funds.

Application Process

- The City of Bowie strongly recommends that "Bowie First" Mortgage Assistance Program applicants meet with a homebuyer education and homeownership counselor prior to submitting a grant application to ensure clear understanding of the program, the process, and the required documentation.

- When negotiating a contract to purchase a home, please remember the following items:

    1. Allow at least 60 days for settlement. Applications take a considerable amount of time for processing.
    2. Attach a home inspection addendum to your sales contract. The City of Bowie requires the inspection to be conducted by a certified home inspector.
    3. Include an appraisal contingency. City of Bowie and Maryland DHCD funds will require an appraisal.

4. The seller must sign a relocation disclosure letter. The City of Bowie will provide the letter.

- Applicants applying for "Bowie First" Mortgage Assistance Program funds are responsible for submitting all documentation required for the program. Borrowers should not assume their lenders or realtors are providing the documents.

- "Bowie First" Mortgage Assistance Program applications **MAY BE REJECTED** if the first mortgage grant is deemed to be predatory in nature. Grant terms will be evaluated on a case-by-case basis.

- The City of Bowie **WILL NOT** accept faxed copies of application submissions. Application packages may be mailed or hand delivered to the City of Bowie Grant Administrator in the City Manager's Office.

APPLICANT INFORMATION

Date: _____

Name: _____

Date of Birth: _____ *Social Security Number:* _____-_____-_____

Address: _____ *Years at this Address*_____

City: _____ *State:* _____ *Zip Code:* _____

Former Address: _____

City: _____ *State:* _____ *Zip Code:* _____

Daytime Phone: _____ *Evening Phone:* _____

E-mail Address: _____

Marital Status: _____ *Number of Dependents:* _____

Employer: _____

Address: _____ *Phone:* _____

City: _____ *State:* _____ *Zip Code:* _____

Position: _____ *Annual Salary:* _____*Years at Current Job*____

Former Employer: _____

Address: _____ *Phone:* _____

City: _____ *State:* _____ *Zip Code:* _____

Position: _____ *Annual Salary:* _____*Years at Former Job*____

Current Rent Payment: _____ *Available Cash:* _____

Creditor Name	*Balance Due*	*Monthly Payment*

Please explain any previous credit problems. Attach additional sheets of paper if necessary.

_____
_____
_____
_____
_____
_____
_____
_____

This information is provided with the understanding that it may be used as a basis for acceptance of a contract by a Seller and may also be used as information for the placement of a grant and/or loan. The undersigned hereby authorizes the City of Bowie and HUD Certified Housing Counselor to disclose information to the seller, cooperating brokers, all loan participants and loan guarantors; and further authorizes obtaining verification from any source herein and from any credit reporting agency, including obtaining a credit report.

_____
APPLICANT'S SIGNATURE **DATE**

_____
APPLICANT'S NAME

CO-APPLICANT INFORMATION

Date: _____

Name: _____

Date of Birth: _____ *Social Security Number:* _____-_____-_____

Address: _____ *Years at this Address*_____

City: _____ *State:* _____ *Zip Code:* _____

Former Address: _____

City: _____ *State:* _____ *Zip Code:* _____

Daytime Phone: _____ *Evening Phone:* _____

E-mail Address: _____

Marital Status: _____ *Number of Dependents:* _____

Employer: _____

Address: _____ *Phone:* _____

City: _____ *State:* _____ *Zip Code:* _____

Position: _____ *Annual Salary:* _____*Years at Current Job*____

Former Employer: _____

Address: _____ *Phone:* _____

City: _____ *State:* _____ *Zip Code:* _____

Position: _____ *Annual Salary:* _____*Years at Former Job*____

Current Rent Payment: _____ *Available Cash:* _____

Creditor Name	*Balance Due*	*Monthly Payment*

Please explain any previous credit problems. Attach additional sheets of paper if necessary.

_____
_____
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_____

This information is provided with the understanding that it may be used as a basis for acceptance of a contract by a Seller and may also be used for the placement of a loan. The undersigned hereby authorizes the City of Bowie and/or its designated HUD Certified Homebuyer Education and Housing Counseling agency to disclose information to the Seller, all loan participants, loan guarantors and grantee organizations; and further authorizes obtaining verification form any source named herein and from any credit reporting agency, including obtaining a credit report.

_____
CO-APPLICANT'S SIGNATURE DATE

_____
CO-APPLICANT'S NAME

LOAN/GRANT-MAKING PROCESS & PROCEDURES

I/We authorize the City of Bowie and its agent to obtain credit information for the purpose of evaluating this application.

_____

APPLICANT'S SIGNATURE DATE

_____

APPLICANT'S NAME

_____

CO-APPLICANT'S SIGNATURE DATE

_____

CO-APPLICANT'S NAME

LEAD-BASED PAINT NOTIFICATION RECEIPT FOR HOMEOWNERS

Please acknowledge receipt of a brochure explaining the hazards of lead-based paint and offering suggestions for reducing lead contamination and preventing lead poisoning.

_____

APPLICANT'S SIGNATURE DATE

_____

APPLICANT'S NAME

"BOWIE FIRST" Mortgage Assistance Program Affidavit

I/We, _____ (the Purchaser (s)), are applying for the "Bowie First" Mortgage Assistance Program in the City of Bowie, Maryland. If approved for this closing cost grant, the Purchaser (s) agrees to the following terms and conditions. Failure to comply or falsify information will place the purchaser (s) in default and carry all associated penalties.

- The Purchaser (s) **MUST** be a first time homebuyer in the City of Bowie.
- The Purchaser (s) **MUST,** at their own expense, hire a licensed, certified home inspector. The home inspection report **MUST** be submitted to the City of Bowie for approval prior to the release of funds.
- Purchaser (s) **MUST** have a ratified contract on a single family home, townhouse, or condominium **PRIOR** to applying for "Bowie First" Mortgage Assistance Program funds.
- Purchaser (s) **MUST** complete a HUD Certified Homebuyer Education and Homeownership Counseling Program and Counseling within one year of the settlement. If the applicant has completed another counseling program, applicant's home-buying proof of program completion must be included with the application.
- The Purchaser (s) **MUST** live in and maintain the home as their primary residence.
- The Purchaser (s) understands they **MAY NOT** enter into temporary sub-leases of the home during the five-year grant term.
- The Purchaser (s) understands that **NO** subordination agreements will be allowed during the life of the grant, other than for the original, first mortgage. This means purchasers will not be able to refinance or take out home equity lines during the five-year grant term, unless the grant is paid off at the time of the refinance or home equity line.
- At settlement, the Purchaser (s) agrees to execute a Promissory Note, Deed of Trust, and a Declaration of Covenant for the "Bowie First" Mortgage Assistance Program funds.
- The closing cost assistance from the "Bowie First" Mortgage Assistance Program is in the form of a five-year grant recorded as a second mortgage against the home. Purchaser (s) will make no monthly payments on the grant.

Purchaser (s) Initial (s) and Date: _____

- Purchaser (s) must contribute their own funds toward the purchase of the home. Purchaser (s) may not receive cash back at settlement.

- Applications will not be processed unless all documentation is provided and complete.

- "Bowie First" Mortgage Assistance Program grants **MAY BE REJECTED** if the first mortgage is deemed to be predatory in nature. Grant terms will be evaluated on a case-by-case basis.

- Final approval for the "Bowie First" Mortgage Assistance Program is with the City of Bowie. Once the City receives a complete package, processing will take approximately 30-45 days. Settlement should be scheduled accordingly.

- Purchaser (s) must be approved by the MD DHCD MMP program to receive grant funds.

_____

Purchaser Date

_____

Purchaser Date

Purchaser (s) Initial (s) and Date: _____

"BOWIE FIRST" Authorization to Release Records

I/We, _____, hereby authorize my/our mortgage lender, _____, to provide copies of necessary documentation to the City of Bowie, Maryland for the purposes of my/our application to the "Bowie First" Mortgage Assistance Program.

_____

Purchaser Date

_____

Purchaser Date

Attention Mortgage Lenders. Please send all documentation to:

Grants Administrator
City Manager's Office
2614 Kenhill drive
Bowie, MD 20715

Attention Applicants. It is still your responsibility to verify that all required documents have been received by the City of Bowie and that your application is complete.

'BOWIE FIRST' MORTGAGE ASSISTANCE PROGRAM
APPLICATION CHECKLIST

____Completed "Bowie First" Mortgage Application Assistance Application Checklist.

____Completed "Bowie First" Mortgage Assistance Program Application.

____ Income Verification:

- ____ Copy of two most recent months' pay stubs.
- ____ Copy of two most recent months' payments from any other income source.
- ____ Copy of previous two years' federal and state tax returns.
- ____ Copy of current bank statement showing proof of funds to be committed to the home acquisition transaction.

____ Income Eligibility Worksheet and HUD Income Calculation worksheet

____ Proof of Cash Contribution to the purchase of the home. Examples include, but are not limited to: grant application fees, home inspection fees, termite inspection fees, earnest money deposit, pre-paid hazard insurance, and appraisal fees.

____ Copy of Certificate of Completion of a HUD Certified Homebuyer Education and Homeownership Counseling program. This certificate must be submitted within one year of the date of application to the "Bowie First" Program.

____ Copy of an executed purchase with all addenda for a single family home located within the City of Bowie.

____ Copy of original, signed "Bowie First" Mortgage Assistance Program Affidavit.

____ Copy of a home inspection report from a certified, licensed home inspector. Report must show that the property is safe and in decent condition. Home Inspection must be approved by the City of Bowie.

____ Copy of approved termite inspection report.

____ Proof that home meets zoning ordinances.

____ Copy of Appraisal.

____ Copy of the first mortgage lender's approved credit package for the purchase, including Truth in Lending Statement and "Good faith Estimate".

____ Copy of documentation regarding any down-payment and closing cost assistance being provided in the transaction other than the "Bowie First" Mortgage Assistance Program.

____ DRAFT HUD-1 settlement sheet from Title Company.

____ Copy of Relocation Disclosure Letter signed by the Seller.

____ Original W-9 request for Taxpayer ID No and Certification.

____ "Bowie First" Mortgage Assistance Program Administrator's Certification of Eligibility.

____ Title Commitment.

____ Ratified Contract for Sale.

____ Proof of Application to a MA DHCD MPP approved lender.

____ Street Address and Photograph of the Home to be Purchased.

Once your application is complete, please submit all materials to:

GRANTS ADMINISTRATOR
CITY MANAGER'S OFFICE
2614 KENHILL DRIVE
BOWIE, MD 20715