



Eric E. Jackson
Mayor

CITY OF TRENTON
DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT

Diana Rogers
Director

[date]

Ms. Annemarie C. Uebbing, Director
Community Planning and Development Division
US Department of Housing and Urban Development
Newark Field Office- Region II
One Newark Center, 13th Floor
Newark, NJ 07102

RE: Substantial Amendment to FY14 Annual Action Plan

Dear Ms. Uebbing:

The City of Trenton has prepared a Substantial Amendment of its FY14 Annual Action Plan to dedicate HOME funds in the amount of \$336,043.04 to a First Time Homebuyer Program. These funds will be taken from Activity 1709 (HOME Housing Development) for this new activity.

A draft of this letter, along with the attached program summary, were made available for public comment in accordance with the City's Citizen Participation Plan. Please accept this letter as our formal submission of the Substantial Amendment. A City Council Resolution obligating the funds and authorizing the submission of the Substantial Amendment is also attached. If you require any additional information, please do not hesitate to contact me.

Regards,

Marc Leckington
Chief of Housing Production

c. Diana Rogers, Director



City of Trenton

First Time Homebuyer Program

Program Information Sheet

Program Description

The First Time Homebuyer Program promotes homeownership for low and moderate income first time homebuyers. The program is intended to assist property purchasers by providing financial and technical assistance in purchasing a home for the first time. The City of Trenton First Time Homebuyer Program can be contacted by calling 609/989-3536 or via email at FTHBP@trentonnj.org. This manual and other information can be found on the FTHBP program's webpage: www.trentonnj.org/FTHBP.

Eligible Applicants

Prospective homebuyers must meet the following requirements to be eligible to receive assistance:

- Have not owned a home in the last three (3) years (or be a single parent);
- Be a qualified low-income or moderate income household;
- Be the owner of the property after purchase;
- Occupy the property as their primary residence after the purchase;
- Attend certified housing counseling certificate courses;
- Purchase a home with the City of Trenton; and
- Be a United States citizen or legal resident

Eligible participants do not need to be residents of the City of Trenton at the time of application.

Income Limits

These limits are based on 80% of the area median income with adjustments for household size.

These figures are revised by HUD on an annual basis and currently set as follows:

Mercer County HUD Section 8 Income Limits	
Household Size	Income Limit
1 person	\$47,600
2 persons	\$54,400
3 persons	\$61,200
4 persons	\$68,000
5 persons	\$73,450
6 persons	\$78,900
7 persons	\$84,350
8 persons	\$89,800

Eligible Properties

Eligible properties for the program are limited to single-family and multi-family homes that will serve as the

prospective homebuyer's primary residence. Multi-family homes are limited to 4 units or less. Housing styles may include attached (row homes), semi-detached (duplexes), detached single-family homes, condominiums, or manufactured homes.

Eligible Uses of Assistance

Eligible homebuyers may receive funds to:

- Provide down payments (up to 5%); and/or
- Provide closing costs; and/or
- Reduce the purchase price (principal write-down).

Types of Assistance

The minimum level of assistance provided for the First Time Homebuyer Program is \$1,000. The maximum level of assistance a homebuyer can receive towards a transaction is \$25,000. The funds can be used for a combination of downpayment and/or closing costs and/or principal write-down. The homebuyer will be encouraged to contribute up to three (3%) of their own funds toward the down payment. All assistance provided by the City's FTHBP will be based on demonstrated need by the lender or closing agent not to exceed total funds of \$25,000. Principal write-downs will not be considered for applicants attempting to purchase a home with more bedrooms than needed by the household. Loans will be provided at zero (0) percent. Prepaid fees will not be reimbursed with closing costs. Assistance received from this program cannot be combined or used in conjunction with assistance from any other federal sources.

Participating Lenders

[Pending]

Funding Source

Trenton is utilizing funding from the US Department of Housing & Urban Development's Community Development Block Grant and Home Investment Partnership programs to fund the First Time Homebuyer Program. More information on the City's use of these funding sources can be found on the City's website at www.trentonnj.org/cdbg.