

Housing Authority of the City of Pittsburgh Homeownership Program

The Housing Authority of the City of Pittsburgh's Homeownership Program provides low-to-moderate income families the assistance they need to purchase a home in the City of Pittsburgh

Eligibility Criteria

To know if you are ready for homeownership or eligible for HACP's Homeownership Program, start by asking yourself three important questions.

- Do you have current and steady employment that has lasted at least one year?
- Do you have a record of paying rent and bills on time?
- Do you have the ability to save money to purchase a home?

If your answers to these questions were yes, then you could be eligible to participate in HACP's Homeownership Program. To qualify for the program, you must meet the following criteria.

1. One of the following must be true
 - Currently an HACP Low Income Public Housing (LIPH) resident or a Section 8 Housing Choice Voucher Program (HCV) voucher-holder; OR
 - Eligible to participate in the LIPH and/or HCV program. Participants that are not current LIPH residents of HCV voucher-holders must obtain an eligibility letter from HACP's Occupancy Department
2. Must be a first-time homebuyer purchasing a home in the City of Pittsburgh
3. One or more adults in the household must have a minimum annual income of \$17,000 and be working at least 30 hours per week for one year
 - Families with an elderly or disabled head of household are not required to meet the minimum work requirements, but are required to meet the minimum income requirements

Participation Steps

Once you have determined that you are eligible to participate in HACP's Homeownership Program, there are 10 steps you need to follow before you can purchase your home.

1. Attend a homeownership education workshop and pre-purchase counseling:

You are required to enroll in an eight-hour education workshop held by a HUD and/or HACP-approved housing counseling agency and attend pre-purchase counseling. Once this is completed, you will receive certificates of completion. *If you already have a mortgage preapproval, you are not required to participate in pre-purchase counseling*

HUD-Approved Agencies

Action-Housing 611 William Penn Pl. Pittsburgh, PA 15219 412-281-2102 www.actionhousing.org	Advantage CCS 2403 Sidney St. Pittsburgh, PA 15203 885-511-2277 www.advantageccs.org/pa-home
Neighborworks of Western PA 7101 Fifth Ave. Pittsburgh, PA 15219 412-281-9773 www.nwwpa.org	Urban League of Greater Pittsburgh 610 Wood St., 2 nd Floor Pittsburgh, PA 15222 412-227-4163 www.ulpgh.org

HACP-Approved Agencies

Circles of Greater Pittsburgh 134 Highland Ave., 3 rd Floor Pittsburgh, PA 15206 412-623-9596 www.circlespgh.org	Dollar Bank 401 Liberty Ave. Pittsburgh, PA 15222 1-800-242-1616
Willissae's Agency for Vision and Empowerment 134 South Highland Ave, #6 Pittsburgh, PA 15206 412-573-9217 www.waveoflife.org	

2. Obtain a mortgage pre-approval letter and closing cost estimate:

Once you have completed step one and received your certificates of completion, will be referred to a local bank lender. You must obtain a mortgage pre-approval or pre-qualification letter, which states how much the lender is willing to provide in the form of a mortgage loan, as well as closing-cost estimate. HACP requires that the mortgage pre-approval letter and cost estimate reflect the highest amount of mortgage you are eligible to receive. *Pre-approval and pre-qualification letters from mortgage brokers are not accepted. If you have any questions, contact DeAnna Vaughn at 412-456-5000, ext. 2301*

3. Submit your Homebuyer Education certificate of completion, mortgage pre-approval letter, and closing cost estimate to the Homeownership Program:

Use the following contact information to send your documents to the Homeownership Program:

HACP Homeownership Program
200 Ross St., 6th Floor

Pittsburgh, PA 15219-2068
Phone: 412-456-5062; Fax: 412-456-5259
Email: DeAnna.Vaughn@hacp.org

If you are not an LIPH resident or HCV voucher-holder, it is at this point that you will be referred to HACP's Occupancy Department to receive an initial eligibility letter.

4. Obtain a Homeownership Program eligibility letter:

HACP will provide you with an eligibility letter that advises you of your estimated closing cost assistance amount (up to \$8,000) and your estimated soft second mortgage amount (up to \$52,000). The soft second mortgage is a forgivable mortgage with no monthly payment provisions and a term of only 10 years. *Your eligibility letter will advise how much of your pre-approved mortgage you must use before applying a soft second mortgage. It is your responsibility to inform your realtor of this requirement.*

5. Shop for your new home:

Before you submit an offer to purchase a home, you must receive written permission from HACP's Homeownership Program. Forward your offer to De Anna Vaughn at DeAnna.Vaughn@hacp.org before moving forward. *Your offer must include a contingency clause that states that the purchaser is not obligated to pay for any repairs cited in the home inspection/appraisal report.*

6. Obtain Approval Letter and submit your offer to seller:

Once the Homeownership Program reviews your offer, they will provide you with an Approval letter stating the second mortgage and closing cost assistance amounts. At this point, you can submit your offer to the seller. *HACP may not approve a home sale if the seller is debarred, suspended, or subject to limited denial of participation. HACP may deny approval of a seller for any reason stated above.*

7. Your offer is accepted!

Once the sales agreement is signed by both you and the seller, the home is "under contract." You must fax, mail, or email a copy of the agreement to the Homeownership Program using the following contact information:

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Unless stated otherwise in the sales contract, you will usually have 10 days to complete the next steps.

8. Submit a home inspection by an independent professional to HACP within the Inspection Contingency period:

You must contract a home inspector and provide a copy of the inspection report to HACP. Unless stated otherwise, this must be done within 10 days of the offer being accepted. Any items cited as “poor” or “fail” in the inspection may be required to be repaired. *You are not permitted to pay for any necessary repairs uncovered during inspection. HACP will reimburse you for the cost of the inspection itself.*

9. Meet with lender to make a mortgage application:

When you meet with your lender, you will sign the Uniform Loan Application and Loan Estimate disclosures. Once completed, you or your lender must submit these disclosures as soon as possible to HACP using the contact information below. HACP will use these disclosures to finalize the amount of financial assistance you will receive from the Homeownership Program. *If you are receiving additional, non-HACP assistance, your approved assistance from HACP may be adjusted.*

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10. Finish loan closing and complete purchase process:

After your mortgage application gets approved by the lender and an appraisal is completed, a loan closing will be scheduled. This is when you will sign the final documentation to purchase your home. You will receive a settlement statement, also known as a Closing Disclosure or CD, 3-10 days before your closing. Be sure to bring your photo ID and a cashier’s check to the closing. You must pay your portion of the settlement cost with a cashier’s check—cash, money orders, and personal checks are not

accepted. It is your responsibility to have all the utilities put in your name by the date of the closing. *Your agent should contact HACP when arranging closings. If you are receiving a second mortgage from HACP, your closing must take place in Downtown Pittsburgh.*

Congratulations!

Once you have completed these steps, you will have completed the homeownership program and entered the world of homeownership! If you have any questions about the program or the homeownership process, contact De Anna Vaughn at 412-456-5062 or at DeAnnaVaughn@hacp.org