

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 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 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 or HCV voucher-holders must obtain an eligibility letter from HACP.
 - Must be a first-time homebuyer purchasing a home in the City of Pittsburgh
2. Household annual income must be between 50% -80% AMI and at least one family member who will own the home at the commencement of homeownership assistance must be employed, 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. A family whose head, spouse or sole member is a person with a disability may be exempt from the minimum income requirement provided there exists a sufficient combination of monthly household income and initial down payment money to satisfy the lending institution's pre-approval requirements for the purchase of the property and all other applicable HACP requirements relating to eligibility are met.

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 a workshop held by a HUD-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 pre-approval, you are not required to participate in pre-purchase counseling (see listing at end of document).

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

Once you have completed step one and received your certificates of completion, you 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 the 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. Questions should be sent to: home.ownership@hacp.org. Please include your contact information.

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 225 Ross St., #501

Pittsburgh, PA 15219-2068

Email: home.ownership@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 \$7,000) 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 for 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 share the proposed offer with HACP. Forward your offer to the Homeownership Program: home.ownership@hacp.org before moving forward.

The following must remain true in order to receive funds from the HACP Homeownership program:

1. The purchase price does not exceed the amount used to establish your eligibility;
2. The loan amount does not exceed the amount used to establish your eligibility;
3. The home is within the City of Pittsburgh limits;
4. Any deficiencies listed on the home inspection report must pass HQS standards;
5. Any deficiencies that do not meet HQS standards must be remedied by the seller.

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. Your offer is accepted!

Once the sales agreement is signed by both you and the seller, the home is “under contract.”

You must email a copy of the agreement to the Homeownership Program Email:
home.ownership@hacp.org

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

7. 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.

8. 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.

9. 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.

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, email the home ownership program at: home.ownership@hacp.org.

HUD-Approved Agencies

Action Housing

611 William Penn Pl. Pittsburgh, PA 15219

412-281-2102

www.actionhousing.org

Neighborworks of Western PA

7101 Fifth Ave.

Pittsburgh, PA 15219

412-281-9773

www.nwwpa.org

Willisae's Agency for Vision and Empowerment

134 South Highland Ave, #6 Pittsburgh, PA 15206

412-573-9217

www.waveoflife.org

Circles of Greater Pittsburgh

134 Highland Ave., 3rd Floor Pittsburgh, PA 15206

412-623-9596

www.circlespgh.org

Advantage CCS

2403 Sidney St.

Pittsburgh, PA 15203

885-511-2277

www.advantageccs.org/pa-home

Urban League of Greater Pittsburgh

610 Wood St., 2nd Floor Pittsburgh, PA 15222

412-227-4163

www.ulpgh.org

Dollar Bank

401 Liberty Ave.

Pittsburgh, PA 15222

1-800-242-1616