



## Home Opportunity Program



Sponsored by: **Alaska Community Development Corporation**

1517 S. Industrial Way, #8, Palmer, AK 99645  
(907) 746-5680 FAX: (907) 746-5681 e-mail [akcdc@alaskacdc.org](mailto:akcdc@alaskacdc.org)  
Toll-Free Outside the Mat-Su Borough (800) 478-8080

### HOME BUYER APPLICATION PACKET

The Home Opportunity Program (HOP) assists with and promotes homeownership for low-income households in Alaska. This program is funded by HUD, the HOME Investment Partnerships Program through Alaska Housing Finance Corporation (AHFC), and is administered by Alaska Community Development Corporation for the Mat-Su Borough and Kenai areas. **This application is for home purchase assistance in either the Mat-Su Borough or Kenai Peninsula.**

If you qualify, you can receive down payment assistance (if required by primary lender) not to exceed 2% of purchase price or appraised value, or \$3,800 whichever is less; up to \$3,000 in closing costs and if necessary to achieve affordability, a buy-down of the first mortgage (see loan limits). Homebuyer must contribute a minimum of \$1,000 towards purchase of property. Without exception, any excess amount of funds over \$100 at closing will be returned to AHFC. All adult household members must sign the Home Buyer Agreement and the HOME Opportunity Program Note.

The HOP homebuyer assistance provides zero interest rate loans to low-income homebuyers with the first \$10,000 conditionally forgivable over a five-year period. HOP funds provided to a homebuyer are subject to recapture (repayment) in the event that the assisted homebuyer does not continue (defaults) to own and occupy the property purchased with HOP assistance THROUGHOUT THE OWNERSHIP AND OCCUPANCY PERIOD ("Affordability Period") SPECIFIED IN THE HOMEBUYER ASSISTANCE AGREEMENT. AHFC will inform the buyer in writing the date the Affordability Period begins. Funds provided under the HOP program will be secured by a Note and Deed of Trust executed by the homebuyer. The portion of the loan that is not forgiven is a zero interest loan (if no default occurs) held by a note that is due upon eventual sale of the home.

If buyer fails to occupy the property as their primary residence during the HOME Affordability Period (ownership and occupancy period), BUT retains ownership of the property, the FULL PRINCIPAL AMOUNT - no forgiven amount - is due to AHFC within 30 days. Be aware that AHFC does monitor for residency during the Affordability Period. If the homebuyer is required to repay any portion of the HOP funds because of default, interest shall accrue at the rate of 2% per annum from date of default on the principal remaining until paid in full. Refinancing can be considered for limited purposes. (No cash out.)

Participation with a lending institution that offers mortgage loans is required. The lending institution is solely responsible for approving or denying the primary mortgage loan. The applicant should contact a lending institution for qualifications for home purchase and to determine the amount of the primary loan for which they qualify. **Current participating lenders with the HOP program in the Mat-Su Valley and Kenai Peninsula are Wells Fargo Home Mortgage, First National Bank of Alaska, Alaska USA Mortgage Company, Residential Mortgage (includes Summit Mortgage and Preferred Mortgage), Kelstar Mortgage, Homestate Mortgage, and USDA Rural Development.**

Attendance of an 8 hour homebuyer education class is a requirement for anyone to receive HOP assistance. Home Choice homebuyer education classes are offered by Alaska Housing Finance Corporation in the Mat-Su Borough and Kenai Peninsula. Contact AHFC at 330-8437 or 1-800-459-2921 for class schedules and to register for this free class.

\_\_\_\_\_/\_\_\_\_\_  
Initials

*Homes purchased or constructed using HOP funds must meet required property standards and must be inspected by a qualified home inspector ordered by and billed to Alaska Community Development Corporation. Property must pass favorable Environmental Review by AHFC. Homes built before 1978 must undergo a visual assessment and possible stabilization of lead-based paint. The HOP assisted home must be the only home the buyer(s) owns and it must be their principal residence. Homes purchased or developed with HOP assistance must be of a non-luxury nature and can not exceed in purchase price \$200,160 in the Kenai Peninsula Borough and \$263,600 in the Mat-Su Borough. The homebuyer may not be in arrears on any child support obligation.*

Funds may only be provided to an eligible low-income household. Low-income is defined as less than 80% of the median income as determined and regionally adjusted by HUD. The HOP loan assistance limit is \$20,000 (except households below 60% of median income may qualify for a \$30,000 limit), not to exceed \$3,000 in closing costs, and the payment ratio on the first mortgage should not be less than 25% (24% allowed for RD direct loans) of the buyer's gross income used to qualify for the first mortgage. Current income limits for the Mat-Su Borough and Kenai Peninsula are: *Note – Unborn children may be counted in household size.*

80% of Median Household Size	Mat-Su Borough	Kenai Peninsula	Maximum HOP Loan
	Maximum Income	Maximum Income	
1	\$40,800	\$39,300	\$20,000
2	\$46,650	\$44,900	\$20,000
3	\$52,450	\$50,550	\$20,000
4	\$58,300	\$56,150	\$20,000
5	\$62,950	\$60,650	\$20,000
6	\$67,650	\$65,150	\$20,000
7	\$72,300	\$69,650	\$20,000
8	\$76,950	\$74,100	\$20,000

60% of Median Household Size	Mat-Su Borough	Kenai Peninsula	Maximum HOP Loan
	Maximum Income	Maximum Income	
1	\$30,600	\$29,460	\$30,000
2	\$34,980	\$33,720	\$30,000
3	\$39,360	\$37,920	\$30,000
4	\$43,740	\$42,120	\$30,000
5	\$47,220	\$45,480	\$30,000
6	\$50,760	\$48,840	\$30,000
7	\$54,240	\$52,200	\$30,000
8	\$57,720	\$55,620	\$30,000

HOP assistance funding for the Mat-Su Borough and Kenai Peninsula is very limited and will be available on a first come, first served basis—*based on receipt of a sales contract and Good Faith Estimate from the approved lender and subsequent approved application and AHFC funding commitment with priority to Housing Choice Voucher recipients.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

The HOP application for homebuyer assistance in the Mat-Su Borough and Kenai Peninsula should be submitted to:  
**Alaska Community Development Corporation**  
**1517 S. Industrial Way, #8 Palmer, AK 99645**



# Home Opportunity Program

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Office: 907 746-5680; 800 478-8080 Fax: 907 746-5681; 800 478-1530  
1517 S. Industrial Way, #8, Palmer, AK 99645



EQUAL HOUSING OPPORTUNITY

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## HOME BUYER APPLICATION

Head of Household:

Single  Married  Other i.e., Separated

Last Name: \_\_\_\_\_ First: \_\_\_\_\_ Middle Initial: \_\_\_\_\_

Phone: \_\_\_\_\_ Msg. Phone: \_\_\_\_\_  U. S. Citizen  Permanent Resident

Current Mailing Address: \_\_\_\_\_ City \_\_\_\_\_ Zip \_\_\_\_\_

Current Residence Address: \_\_\_\_\_ City \_\_\_\_\_ Zip \_\_\_\_\_

List all people living in the home. Start with the Head of Household. If pregnant, unborn children may be counted in household size. Attach another page if necessary

If Disabled, do you have an accommodation request? See Pg 3

Name (also write last name if different)	Gender	Birth	Disabled	Ethnicity-Voluntary (Mark all that apply to each person.)													
	M	F	Yes	No	Hispanic / Latino	Not Hispanic/Latino	American Indian / Alaska Native	Am. Indian / AK Native & White / Caucasian	Am. Indian / AK Native & Black / African American	Black/African American & White	Black / African American	Asian	Asian & White	Caucasian / White	Native Hawaiian / Pacific Islander	Latino	Other (Specify)
	M	F	Yes	No													
	M	F	Yes	No													
	M	F	Yes	No													

1) Annual Household Income (Attach current IRS tax form) \$ \_\_\_\_\_

2) Current Residential Status  Rent  Own (any residential property)  Other

3) You intend to occupy the residence purchased with HOP funds as your principle residence):  Yes  No

4) To the best of your knowledge, have you ever received funding assistance through the HOME Investment Partnerships Program?  Yes  No

5) Do you now live in Public Housing or receive any rental assistance?  Yes  No Please note that this Program provides priority to status of applicants from the Housing Choice Voucher Homeownership Program.

6) First Time Homebuyer (Defined as not having owned a home in the past 3 years. Does not affect eligibility.)  Yes  No

### Type of assistance requested

7) Down payment (if required by primary lender, maximum 2%): \$ \_\_\_\_\_

8) Closing cost (maximum \$3,000): \$ \_\_\_\_\_

9) First Mortgage buydown for affordability: \$ \_\_\_\_\_ (7+8+9)

**TOTAL REQUESTED**

HOME Opportunity Program funds may only be used in conjunction with fixed interest rate and terms, fully amortizing, first deed of trust loans. In no event may HOP funds be used to assist a homebuyer whose primary loan is a non-traditional product with features such as interest only, variable interest rates and/or terms, or balloon payments.

We certify that the information provided in this application is true and correct as of the date set forth opposite my/our signature(s) on this application and acknowledge my/our understanding that any intentional or negligent misrepresentation(s) of the information contained in this application may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq. and liability for monetary damages to AHFC, its agents, successors and assigns. Insurers and any other person who may suffer any loss due to reliance upon any misrepresentation which I/we have made on this application.

Signature of Head of Household

Date

Household Income Worksheet

(or attach current IRS tax form)

Name:

	Names:				
	a	b	c	d	e
<b>TAXABLE INCOME</b>	Applicant	Co-Applicant	All others 18 and older	All others under 18	Total Household (add columns a-d)
1 Wages, Salaries, Tips.					
2 Taxable interest					
3 Alaska Permanent Fund Dividend income					
4 Other Dividend income					
5 Taxable refunds/credits/offsets of state/local income taxes					
6 Alimony received					
7 Business income (or loss)					
8 Capital gain (or loss)					
9 Other gains (or losses)					
10 Taxable amount of IRA distributions					
11 Taxable amount of pensions and annuities					
12 Rental real estate, royalties, partnerships, trusts, etc.					
13 Farm income (or loss)					
14 Unemployment compensation					
15 Taxable amount of Social Security benefits					
16 Other income					
17 <b>Subtotal (lines 1-16)</b>					
18 IRA deductions					
19 Medical savings account deduction					
20 Moving expenses					
21 One-half of self-employment tax					
22 Self-employed health insurance deduction					
23 Keogh and self-employed SEP and Simple plans					
24 Penalty on early withdrawal of savings					
25 Paid alimony					
26 <b>Subtotal (lines 18-25)</b>					
27 Subtract line 26 from line 17. This is Adjusted Gross Income.....					

**VERIFICATION OF TAXABLE INCOME INFORMATION**

You must report all sources of TAXABLE income for the previous 12-month period. Use additional pages if necessary.

For what period are you reporting this income? \_\_\_\_\_

Please identify the 12-month period; for example, January 1, 2009 to December 31, 2009. The ending date must be within the last 6 months.

In all cases you **MUST** include a copy of your most current tax return (*signed and dated by taxpayer(s)*). If any household member 18 years of age or older does not file taxes, that household member must complete the section box below:

[ ] I no longer file Tax Returns. Reason: \_\_\_\_\_

Last Tax Return Filed? \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

[ ] I no longer file Tax Returns. Reason: \_\_\_\_\_

Last Tax Return Filed? \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**All TAXABLE income sources must be listed below for verification purposes. Failure to list all taxable income sources below will delay the processing of your application. For each source of household income you must give the information below for all household members. Use additional pages if needed.**

AMOUNT OF TAXABLE INCOME (include Wages, Dividends, etc.)	HOUSEHOLD MEMBER	EMPLOYER or INCOME SOURCE	ADDRESS	CITY/ZIP	PHONE NO.	FAX NO.

**Reasonable Accommodation Request**

People with disabilities are entitled to reasonable accommodation. It is the applicant's responsibility to prove the disability and to request reasonable accommodation. It is the sponsoring organization's responsibility to grant accommodations that are reasonable. Reasonable is defined as not too expensive or difficult to arrange. If necessary, the sponsoring organization will help the requestor with comprehension and completion of the Reasonable Accommodation Request form below.

I or a person in my household has a disability that I believe requires reasonable accommodation.

1. The accommodation I request is (*If none, write "None" in #1 and sign*): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. You can verify the need for the accommodation requested by contacting:

Name \_\_\_\_\_ Agency \_\_\_\_\_ Phone \_\_\_\_\_  
Address \_\_\_\_\_

Signature of Head of Household \_\_\_\_\_ Date \_\_\_\_\_



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Office: 907 746-5680, 800 478-8080 (toll-free outside Mat-Su Borough)

Fax: 907 746-5681, 800 478-1530 (toll-free outside Mat-Su Borough)

## AUTHORIZATION for Release of Information

### CONSENT

I authorize and direct any Federal, State, or local agency, organization, business, or individual to release to Alaska Community Development Corporation any information needed to complete and verify my application for assistance under the HOME Opportunity Program (HOP). I understand and agree that this authorization or the information obtained with its use may be given to and used by Alaska Community Development Corporation and the Alaska Housing Finance Corporation (AHFC) in administering and enforcing program rules and policies.

### INFORMATION COVERED

I understand that previous and current information regarding me and my household may be needed. Verifications and inquiries that may be requested, include but are not limited to:

- Employment and Income
- Public Assistance Payments
- Assets (including real estate)
- Credit History

### WHO MAY BE ASKED

The groups or individuals that may be asked to release the above information include but are not limited to:

- Banks and other Financial Institutions
- Medical and Child Care Providers
- Past and Present Employers
- Retirement Systems
- Social Security Administration
- State Unemployment Agencies
- Support and Alimony Providers
- Veterans Administration
- Welfare Agencies
- Credit Agencies

## COMPUTER MATCHING NOTICE AND CONSENT

I understand and agree that AHFC or Alaska Community Development Corporation may conduct a computer matching program to verify the information supplied for my application or recertification. If a computer match is done, I understand that I have a right to notification of any adverse information found and a chance to dispute incorrect information. AHFC or the Alaska Community Development Corporation may in the course of its duties exchange such automated information with other Federal, State, or local agencies, including but not limited to: State Employment Security Agencies, State Welfare Agencies, and the Social Security Administration.

### CONDITIONS

I agree that a photocopy of this authorization may be used for the purposes stated above. The original of this authorization is on file with \_\_\_\_\_.

I understand I have a right to review my file and correct any information that is incorrect.

### SIGNATURES

X Applicant Signature \_\_\_\_\_ Date \_\_\_\_\_

Applicant Printed Name \_\_\_\_\_ SSN# \_\_\_\_\_

X Co-Applicant Signature \_\_\_\_\_ Date \_\_\_\_\_

Co-Applicant Printed Name \_\_\_\_\_ SSN# \_\_\_\_\_

**HOME OPPORTUNITY PROGRAM - Affordability Restrictions – Recapture Option**

e) The **HOME Affordability Period** (also known as the **Ownership and Occupancy Period**) is the required timeframe that the HOP homebuyer must continue to own and occupy the assisted property as their primary residence. [24 CFR 92.254(a)(4)] AHFC has adopted the minimum affordability provisions as required by the HOME Investment Partnerships Program. Beginning on the date that AHFC has entered the project completion information in HUD's disbursement and information system, the borrower is required to own and occupy the assisted property as their primary residence as follows:

Assistance Amount (direct homebuyer subsidy)	HOME Affordability Period [24 CFR 92.254(a)(4)]
Under \$15,000	5 years
\$15,000 to \$30,000	10 years
	AHFC not monitoring residency after Affordability Period

AHFC will notify the HOP homebuyer in writing to inform them of the date the Affordability Period commences. Generally, AHFC will close the project in HUD's disbursement and information system within three (3) weeks of receipt and final approval of the Subrecipients (ACDC) project close-out documents. **(REVISED 2010)**

f) For every **full** year the homeowner continues to own the home and make it his or her primary residence during the HOME Affordability Period, the loan will be forgiven by a maximum of \$2,000 or 20% of the loan, whichever is less. This is known as the **Forgiveness Period** (First 5 years of ownership and occupancy period). Of the maximum \$30,000 in assistance, up to the first \$10,000 will be provided to the homebuyer as a forgivable loan.

Forgiveness Period (starts at AHFC closeout)	Forgiveness Amount
1 Full Year	20% of HOP assistance or \$2,000, whichever is less
2 Full Years	20% of HOP assistance or \$2,000, whichever is less
3 Full Years	20% of HOP assistance or \$2,000, whichever is less
4 Full Years	20% of HOP assistance or \$2,000, whichever is less
5 Full Years	20% of HOP assistance or \$2,000, whichever is less
5 Years +	Any remaining HOP assistance (the amount in excess of \$10,000) will be provided to the homebuyer as a loan with 0% interest, repayable at time of sale.

Any remaining HOP assistance (the amount in excess of \$10,000) will be provided to the homebuyer as a loan with 0% interest, repayable at time of sale. In the case of a sale (voluntary or otherwise) the maximum amount of funds subject to recapture is limited to whatever net proceeds are available (if any). Net proceeds are calculated by the sales price less any superior non-HOME loan(s) or repayments less customary seller closing costs. In certain instances, AHFC will subordinate the HOP loan to another party. Please see AHFC's Subordination Policy for specific details. The Subordination Agreement (HOME Form #1) should be provided to every homebuyer in conjunction with the Assistance Agreement (HOP Form #4).

g) Under the recapture option in the event that the homebuyer sells the property during the required ownership and occupancy period as stated above, a pro-rata amount of the original HOP loan provided shall become immediately due and payable. The amount subject to recapture is the total HOP assistance provided the homeowner, less the pro-rata amount of the first \$10,000 forgiven per the terms described above plus any amounts unforgiven. To calculate the pro-rata amount due and payable, use each full year, rounded down to the nearest full year, of ownership and occupancy. For instance, a homebuyer who owned and occupied the property for two years and seven months would be given credit only for two full years.

h) If the homeowner fails to occupy the property as their primary residence during the HOME Affordability Period, but retains ownership of the property, the entire principal amount is due (no forgiven amount) to AHFC within 30 days.

I have read and understand the above information regarding noncompliance with Home Affordability Period.

Date \_\_\_\_\_

Date \_\_\_\_\_