

Can YOU qualify?

Buyer Qualifications--

- 1) have not owned a home in the last three years (exceptions for divorcees who do not retain ownership rights of marital home and for substandard mobile homes)
- 2) have no more than \$50,000 in cash or similar assets
- 3) have a credit score above the 660 range
- 4) have a minimum household income in the \$28,500 range without excessive debt to afford a mortgage of \$80,000. Depending on home size, mortgages will be in \$80,000 to \$120,000 range. (A slightly smaller income and mortgage may be possible with a completely-renovated home.)
- 5) have a total annual family income less than the amount shown here. (Includes gross of all wages, child support, and other regular income.)

Several homes reserved for families with incomes less than

1 person	2 person	3 person	4 person	5 person
\$35,650	\$40,750	\$45,850	\$50,900	\$55,000

Several homes reserved for families with incomes less than

1 person	2 person	3 person	4 person	5 person
\$27,350	\$31,250	\$35,150	\$39,100	\$42,200

*Call for income limits for larger families.

Paducah Alliance of Neighbors will be working with buyer families to plan and construct (or completely renovate) homes in heart-of-Paducah neighborhoods. Qualified buyers will be able to choose from several plans and locations, based on family size and the amount of mortgage they can qualify for.

These homes are intended to be affordable for low- to moderate-income families. To make these homes affordable, we will subsidize the construction and/or loan costs with funds from several sources (more info. inside).



- ◆ Several floorplans available
- ◆ 1,000 to 1,500 square feet homes
- ◆ Cute
- ◆ Affordable
- ◆ Energy Efficient

Would you like to be a

Heart of Paducah Homebuyer

A program of the Paducah Alliance of Neighbors

Great homes made affordable

Taking applications now



The Paducah Alliance of Neighbors seeks to provide equal opportunity to all applicants and to prohibit discrimination based on: Race, Color, Religion, National Origin, Sex, Disability, Familial Status, Age, Sexual Orientation, Gender Identity, Marital Status, Veterans status, or Membership in a Class.

The Goal

- ◆ To provide great homes
- ◆ That low- to moderate-income buyers can afford
- ◆ Creating stronger neighborhoods for all

The Process

1. Fill out and submit a program application.
(PAN staff will contact you to provide and request more info)
2. Provide supporting documentation so we can confirm that you are income qualified for this program.
(Once PAN staff has verified your income qualification...)
3. Visit a local lender to get a Pre-Approval letter for a mortgage loan that falls within our program limits (or find out why you aren't ready for a home loan yet and what you should do to get ready.)
(Once PAN staff has reviewed the Pre-Approval letter to make sure the mortgage will meet program guidelines...)
4. Complete an online Homebuyer Counseling program and provide a certificate of completion. (Course costs \$99. For the first 10 applicants completing, PAN will reimburse \$50.)
5. Be added to our Approved Homebuyer List. Those at the top will continue with process if desired. We will move down the list as needed.
6. Approved Homebuyers will work with PAN staff to finalize plans and will sign Homebuyer agreements with PAN and with the Kentucky Housing Corporation (KHC--subsidy funding provider.) becoming Committed Buyers.
7. After KHC approves the project setup, construction begins with

8. PAN retains ownership of the property until completion. But the Committed Buyer uses a set of program options to make a final selection of
 - ◇ Exterior and interior paint colors
 - ◇ Floor finishes
 - ◇ Cabinetry and countertop finishes
 - ◇ Light fixtures
9. Upon completion of construction, the Committed Buyer purchases the property and moves in to their NEW HOME.

The Timeline

Home buyers to be identified and committed this winter. Plans for the homes to be completed in spring and summer. Construction planned to begin in late summer or early fall. Depending on weather and contractors' schedules, homes should be finished approximately one year from construction beginning.

The Fine Print

SO how does this all work?

- ◆ First, building a great house isn't cheap.
- ◆ Second, families with the incomes we want to serve with this program couldn't afford a mortgage that would cover the full cost of construction.
- ◆ We have put together funds from several sources to help cover the gap: (1) the Kentucky Housing Corporation (KHC) is providing federal and state dollars through the HOME (HUD) and Affordable Housing Trust Fund. (2) The City of Paducah will provide assistance funds. (3) Either the Paducah Alliance of Neighbors or the Federal Home Loan Bank of Cincinnati, through its Affordable Housing program, will provide final funds needed.
- ◆ Each of these funding sources will require you to sign a Forgivable Mortgage. If you live in the home for 5-10 years (depending on the source), you will owe nothing. If you move out or sell during the period, you will pay back the pro-rated, unforgiven portion.

How do you apply?

Get an application —Text 270-556-0826 or email paducahallianceofneighbors@gmail.com to have an application e-mailed
—Pick up at the PAN office at Fountain Ave. United Methodist Church (Info box at Monroe St. door.)

Drop off your completed application at the PAN office at Fountain Ave. United Methodist Church (dropbox at Monroe St. door.)

What if you need more information?

Call Paducah Alliance of Neighbors Program Staff: **Sharon Poat--270-556-0826**