



# Building a Brighter Future ..... Through Homeownership



*You may qualify to own a home like these –*

*Built by the Compass Realty & Construction Group.*

1. Are you a first time home buyer? Or, if you have owned a home before, has it been more than three years ago?
2. How many people live in your home?
3. Does your income meet the requirements on the next page?
4. Are you creditworthy to obtain a home loan?

If you answered yes to the questions above, you may qualify for homeownership with down payment assistance. Contact Compass RCG at 479-755-4663

## Frequently Asked Questions

---

### ***Am I eligible to purchase a home from the Compass Realty & Construction Group?***

We are required to sell our houses to buyers who can meet the low – median income guidelines. Compass Realty & Construction Group also asks home buyers to attend the First Time Home Buyers one-day class put on by Crawford Sebastian Community Development. The primary lending institution of your choice qualifies the buyer for a loan; however, we can assist in providing banking institutions that currently work with our program.

### ***What are the current low - median income limits for families in the Fort Smith area?***

The number of people in the household determines the maximum amount of income a family can have and still qualify to purchase one of our Affordable Housing Program houses. Low – median income families must have enough income to qualify for the house they are interested in without going over the incomes listed below.

<b>Affordable Housing Program</b>							
<b>80% Area Median Income Limits</b>							
<b>1 person</b>	<b>2 people</b>	<b>3 people</b>	<b>4 people</b>	<b>5 people</b>	<b>6 people</b>	<b>7 people</b>	<b>8 people</b>
\$34,000	\$38,850	\$43,700	\$48,550	\$52,450	\$56,350	\$60,250	\$64,100

### ***Why are we required to have a second mortgage on the houses built through the Compass Realty & Construction Group?***

You will need to obtain a primary mortgage (called home loan) from a lending institution for the sale price, and Compass takes the down payment assistance off the sale price. The down payment assistance is then secured by the Compass Realty & Construction Group along with the City of Fort Smith with a soft second mortgage. The second mortgage, a forgivable loan, will run the first 5 to 10 years (depending on amount of subsidy given) and requires that you continue to occupy the home as your primary residence and follow the deed restrictions. A portion of the second mortgage is forgiven annually over the course of the loan.

### ***Can I finance through the Compass Realty & Construction Group?***

No, a prospective buyer will need to secure primary financing through any local lending institution of their choice.

### ***Are house payments cheaper than rent?***

Yes! In most scenarios, payments have been less than rent. Our buyers using current interest rates usually pay about \$700-\$900 per month (including principal, interest, taxes and insurance) on a 3br, 2ba home with a sales price of \$141,000 for a 30-year loan. Interest rates vary depending on available bond money and credit scores. Assistance for down payments, closing costs vary from buyer to buyer and is calculated on your need.



**City of Fort Smith, Arkansas**  
**HOME Program Application**  
**Housing for Sale**

**Applicant(s) information**

**Name:** \_\_\_\_\_ **Social Security Number:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Street Address                      City,                      State                      Zip Code**

**Phone Number:** \_\_\_\_\_ **Age:** \_\_\_\_ **Hispanic** \_\_\_\_ **Yes** \_\_\_\_ **No**

**Email Address** \_\_\_\_\_

**Race:** \_\_\_\_ **White** \_\_\_\_ **Black/African American** \_\_\_\_ **Asian** \_\_\_\_ **American Indian/Native Alaskan**  
\_\_\_\_ **Native Hawaiian/Other Pacific Islander** \_\_\_\_ **American Indian/Native Alaskan & White**  
\_\_\_\_ **Asian & White** \_\_\_\_ **African American & White** \_\_\_\_ **American Indian/Native Alaskan and**  
**Black/African American** \_\_\_\_ **Other Multi-Racial**

Are you a legalized alien of the United States?  Yes  No

I, the applicant, do not work for the City of Fort Smith or \_\_\_\_\_(name of Subrecipient/CHDO). Also, no member of my household and no person to whom I am related works for the City of Fort Smith or \_\_\_\_\_(name of Subrecipient/CHDO). I understand my obligation of candor in disclosing any relationship with might create a conflict of interest in my receiving a benefit from the program for which I am applying because of my being related to any person who works for the City of Fort Smith or \_\_\_\_\_(name of Subrecipient/CHDO)

**Number of persons in household:** \_\_\_\_ **Head of Household:** **Male** \_\_\_\_ **Female** \_\_\_\_

**Total amount of income for all persons living in the household:** \$ \_\_\_\_\_

**(This is the Adjust Gross income amount from IRS Form 1040 or verifiable income of people living in the household. Attach the most recent IRS Form 1040 to the application.)**

**Note: The applicant(s) must provide a copy of their signed 1040 Tax return from each person living in the household.**

**YOUR AGENCY CONTACT IS**

**Office:**                      **Compass Realty & Construction Group**  
**Address:**                **2100 N 31<sup>st</sup> St, Fort Smith, AR 72904**  
**Phone:**                 **(479) 755-4663**







**INFORMATION NEEDED WITH AFFORDABLE HOUSING PROGRAM APPLICATION**

**WHAT BUYERS NEED TO ATTACH TO THIS APPLICATION:**

- 1.)  **Proof of Income: Verification of Employment**  
Paystubs for last 60 days, social security or pension letters if  
(Child Support, Award Letters, Disability Etc.)
  
- 2.)  **Credit Report if available. (But not necessary)**
  
- 3.)  **Income Tax Returns (State & Federal) for past two years & W-2's.**
  
- 4.)  **Bank Statements for last (6) months.**
  
- 5.)  **Rent Verification Letter from their Landlord**
  
- 6.)  **Copies of Social Security Card for all adult (18) members of the household.**
  
- 7.)  **Copy of State issued ID Cards or birth certificates for all household members.**
  
- 8.)  **First time Homebuyer Certificate**
  
- 9.)  **Proof of Current Residential Address (and Mailing Address if**
  
10.  **If a member of the household is 18 years or older and unemployed, we need  
a letter stating that they do not receive any income, that is signed and dated along  
their contact information.**
  
11.  **List of household expenses, (Monthly Budget) ie.. water bill, gas  
electric bill, cable, telephone, credit cards, car payments, other loans of notes.**

**Approved buyers must be able to pay \$500.00 toward down payment if purchasing a home through the Affordable Housing Program.**

**Appointment Date and Time: \_\_\_\_\_**

**Agent : \_\_\_\_\_**

Location: \_\_\_\_\_

***If you are unable to keep your appointment, please call 479-755-4663***