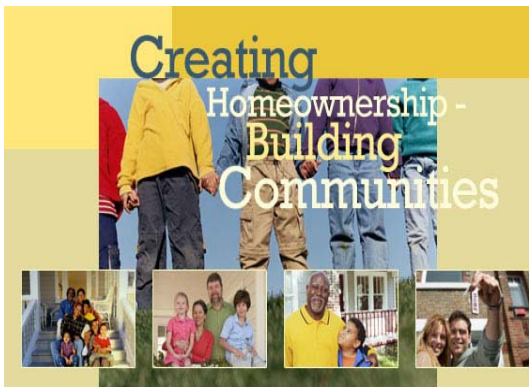




Building a Brighter Future Through Homeownership



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 Paul McCollom at 479- 782-4991 Ext. 34 or 479-755-4663 (pmccollom@CompassRCG.com)

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.

Affordable Housing Program							
80% Area Median Income Limits							
1 person	2 people	3 people	4 people	5 people	6 people	7 people	8 people
\$29,650	\$33,850	\$38,100	\$42,300	\$45,700	\$49,100	\$52,500	\$55,850

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 perspective buyer will need to secure primary financing through any local lending institution of their choice.

Are house payments cheaper than rent?

In most of our sales they have been. Our buyers using current interest rates usually pay about \$550.00 to \$650.00 per month (including principal, interest, taxes and insurance) on a 3br, 2ba home with a sales price of \$95,000 for a 30-year loan. Interest rates vary depending on available bond money and credit scores.

INFORMATION NEEDED WITH AFFORDABLE HOUSING LOAN APPLICATION

WHAT BUYERS NEED TO ATTACH TO THIS APPLICATION:

- 1.) Proof of Income: i.e. Verification of Employment required, Paystubs for last 60 days, social security or pension letters if applicable. (Child Support, Award Letters, Etc.)
- 2.) Credit Report if available.
- 3.) Income Tax Returns (State & Federal) for past two years & W-2's.
- 4.) Bank Statements for last (6) months.
- 5.) Rent Verification Letter form 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 Different.)
- 10.) If a member of the household is 18 years or older and unemployed, we need a letter stating they don't receive any income, signed and dated along with their contact information.
- 11.) List of household expenses, (Monthly Budget) i.e. water bill, gas bill, 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: _____

Counselor: _____

Location: _____

If you are unable to keep your appointment, please call 479-782-4991 Ext: 34

Homeownership Coordinator: Paul McCollom 479-755-HOME (4663)

pmccollom@CompassRCG.com