

ABCs of Homeownership Program Guidelines

Our most popular program:

(However, if you have questions: **Call Us!** "We have answers" at **615-750-5463**).

The **ABCs of Homeownership Program** provides individuals and families with new and resell homes. Our new homes are built with subsidies from the HUD HOME program. The **HOME program** is authorized under [Title II of the Cranston-Gonzalez National Affordable Housing Act](#), as amended. Program regulations are at: [24 CFR Part 92 \(PDF\)](#). Homebuyers choosing to purchase a home using this program must qualify under **HOME program** guidelines. Our guidelines are a summary of the **HOME program** and are not subject to negotiation in a sale contract, you must qualify.

The Steps to Qualifying for ABCs Affordable Housing Program:

Step 1: Income Limits

The purchaser's family income cannot exceed the maximum income guidelines established by the **HOME Program Income Limits** for the year the home is purchased (*buyers must be at or below 80% of area median income limits*). Household income is determined by using the income of all household members over the age of 18.

2014 INCOME LIMITS

Nashville-Davidson—Murfreesboro—Franklin, TN MSA
FY 2014 – MFI (Median Family Income): \$62,300

	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Extremely Low (30%)	\$13,450	\$15,400	\$17,300	\$19,200	\$20,750	\$22,300	\$23,850	\$25,350
Very Low Income (50%)	\$22,400	\$25,600	\$28,800	\$32,000	\$34,600	\$37,150	\$39,700	\$42,250
60% Income Limit	\$26,880	\$30,720	\$34,560	\$38,400	\$41,520	\$44,580	\$47,640	\$50,700

Step 2: Application Process

A prospective homeowner must complete a HUD Home application in its entirety. The information on the application will help LDC prove to HUD the buyer's ability to qualify for the **Home Program**.

Step 3: Release Forms

A prospective homeowner must agree to sign release forms to allow **LDC** to verify his or her application information.

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Step 4: Homebuyers Education Class

A prospective homeowner must provide **LDC** with a copy of a certificate from a certified Homebuyers Education Class. Upon request we can supply you with names of organizations in the Nashville area that give certified homebuyer education class.

Step 5: Mortgage Pre-Approval

The Purchaser must provide a commitment letter for a mortgage from a lender. Program participants may select a financier of their choosing.

Step 6: Program Restrictions

There are several restrictions that are imposed on each affordable new home:

- The affordability period for all new construction projects is 20 years. This means that the property must remain affordable for a period of 20 years. If the owner decides to sell during the 20-year period, it must be sold to another household that income level is at or below 80% of area median income.
- The homebuyer must live in the unit as his or her primary residence.
- The homebuyer must not lease or rent the home.

Step 7: Other Documents Needed At Closing

There are several documents that the purchaser must execute in favor of the **HOME program** that will make certain that the property will remain affordable for a period of 20 years.