



Town of Hamden
Community Development Block Grant
Homebuyers Assistance Grant Program
PROGRAM GUIDELINES

Introduction/Overview

This program is designed to assist low and moderate-income homebuyers with the purchase of their home. There are income guidelines. CDBG funds can be used for down payment assistance up to 50% of the lender required down payment up to \$10,000.

CDBG Background/History

The Community Development Block Grant (CDBG) program is a federal program that began its operation in 1974 to consolidate several smaller categorical programs. It is one of the longest running programs by the U.S. Department of Housing and Urban Development (HUD). This federal program provides state and local governments with grants to develop and implement innovative and constructive strategies that improve the physical, economic, and social conditions within communities. Funds must meet one of three National Objectives. Most funds, a minimum of 70%, must provide benefit to low- and moderate-income persons. The other two objectives, removal of slum and blight and Urgent Need, may not exceed 30% of the funds (total funding less administration) in any given year.

The Town of Hamden ("Town") is an entitlement community in the CDBG Program and, as a result, receives formula funding on an annual basis. Through this program, activities are funded through the Office of Economic and Community Development to improve public facilities, provide public services, and expand affordable housing opportunities.

Eligibility and Requirements

1. Applicants must currently live in the target areas.
2. No corporate or commercial entity is eligible.
3. Applicants cannot exceed income limits as established by the U.S. Department of Housing and Urban Development.
4. Applicants must not have ownership in any residential property within three (3) years prior to submitting application.

5. All taxes owed by applicant (including motor vehicles registered in the Town of Hamden) must be current at the time of application submittal.
6. The Town of Hamden does not discriminate based on race, color, creed, national origin, gender or disability.
7. Closing attorney is the sole responsibility of the applicant.
8. Applicants and any adult household member that will be a party on the mortgage must complete an 8-hour, HUD-certified Homebuyers Education Class within 1 year prior to applying for assistance. A copy of the certificate of completion must be included with the application.

PROPERTY ELIGIBILITY

The following types of housing units are eligible:

1. Single family detached home.
2. Two-to-four-unit dwelling and the applicant(s) intend to occupy at least one unit as their primary residence.
3. Maximum purchase price must be below HUD Section 222 (d)(3) limits established for Hamden, CT, or may not exceed 90% of the median area purchase price, whichever is lower.
4. The housing unit must meet property standards and are subject to verification and inspection by Hamden, CT staff or their designated representative.
5. The property to be purchased by the applicant must have an environmental review completed at no cost to the applicant.
6. Property being acquired with down payment assistance must be owner occupied or vacant. Tenant occupied homes (unless occupied by the applicant household) are not eligible for assistance through this program.
7. The property value, determined by an appraisal, must be equal to or higher than the selling price.
8. Homes built prior to 1978 will be inspected for lead-based paint (see below), and any abatement required must be done at the seller's expense.
9. New construction homes must have a certificate of occupancy on file before the Town can provide assistance.

LEAD BASED PAINT- Applicants approved for funding who are purchasing a house built prior to 1978 must arrange for a **VISUAL LEAD ASSESSEMENT** of the property by a **CERTIFIED LEAD PAINT INSPECTOR**. Where there is evidence of defective paint surfaces (chipping, peeling, flaking, etc.), the applicant is responsible for verifying that the any Lead Based Paint (LBP) detected has been corrected in accordance with HUD approved standards and submit the results to the Town of Hamden

All properties built before 1978 must be granted a **LEAD CLEARANCE** by a **CERTIFIED LEAD PAINT INSPECTOR** and a copy of the notification must be received by the Office of Housing and Neighborhood Development for the release of funds. Failure to comply with this requirement and any other LEAD and housing code regulations will void the Town's grant commitment.

Financing Requirements

- Homebuyers applying for the Homebuyer Assistance Program are responsible for securing a first mortgage loan. The mortgage financing programs eligible for assistance through this

program are competitive fixed rate (15-30 year) Federal Housing Administration (FHA), Veterans Administration (VA) or conventional loans only.

- Properties to be financed by adjustable-rate loans, seller financing, or construction permanent loans are not eligible for down payment assistance through this program.
- The housing front end ratio must be no more than 30%, with exceptions considered on a case-by-case basis that may raise that ratio to a maximum of 35%.
- Homebuyer assistance may be applied to down payment assistance, closing costs, pre-pays, and reserves.
- The back-end debt ratio may not exceed 45%, and the calculation of the debt ratio will include all housing costs including principal, interest, insurance, taxes, and HOA fees, existing debt and deferred loans (including student loans) are to be considered to ensure the home is affordable to the applicant household.
- The terms of the first mortgage loan will be reviewed to ensure that the interest rate, loan origination fees, and discount points are reasonable.

Approval and Selection Process

1. Availability of funds may be used as a consideration when determining eligibility.
2. Qualified applicants are informed in writing via a Pre-approval Notification.
3. Pre-approval Notifications are valid for up to 12 months from the date on which the document is signed, including a 6-month initial approval and a one 6-month extension upon request. (Pre-approval is not a guarantee of funding).
4. Applicants are required to submit a Real Estate Purchase and Sales Agreement before the expiration of the Pre-approval Notification. (It is the applicant's responsibility to locate an eligible property and secure his/her mortgage from a reputable lending institution.)
5. Qualified applicants may then be granted a commitment upon meeting the requirements of the Pre-approval Notification.

INCOME REQUIREMENTS

1. Income of all persons related or otherwise living in the applicant's household will be included in determining income eligibility. Total income must not exceed 80% of the median family adjusted gross income (AGI) for the New Haven/Meriden MSA as adjusted for family size and illustrated below.
2. Income includes employment wages, unemployment benefits, pension, disability payments, all forms of social security payments, welfare, alimony, child support, military stipend, rental income, workers' compensation, income from family, friends, roomers and boarders, and any other income source not mentioned.
3. Income shall be verified at time of application via the most recent tax return filed with the Internal Revenue Service (IRS). However, other documentation may be requested if the applicant has not filed a tax return.

Table 1- 2023 Income Limits

Income Limits for 2023								
New Haven-Meriden, CT HUD Metro FMR Area								
Household Size:	1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons
Extremely low Income (30%)	\$ 24,100	\$ 27,550	\$ 31,000	\$ 34,400	\$ 37,200	\$ 39,950	\$ 42,700	\$ 45,450
Very Low Income (50%)	\$ 40,150	\$ 45,900	\$ 51,650	\$ 57,350	\$ 61,950	\$ 66,550	\$ 71,150	\$ 75,750
Low Income (80%)	\$ 64,250	\$ 73,400	\$ 82,600	\$ 91,750	\$ 99,100	\$ 106,450	\$ 113,800	\$ 121,150

Source: HUD CDBG Income Limits Effective June 15, 2023

HUD’s income limits for the CDBG are updated on an annual basis, and the income limits in place at the time of income certification will be used. Applicant income may be reevaluated to ensure that the household income meets the required HUD program income limits at the time that assistance is provided.

Fair Housing Act and Anti-discrimination

The implementation of the Down Payment Assistance Program will be conducted in compliance with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations. These laws prohibit discrimination concerning the sale, rental, and financing of housing based on race, religion, national origin, sex, (and as amended) handicap and family status. Title VIII of the Act is also known as the Fair Housing Act (of 1968).

For more information, please contact:

Town of Hamden, 11 Pine Street, Hamden, CT 06517 at cdbg@hamden.com.

Application No. _____
For Internal Use

I. APPLICANT INFORMATION:

Applicant's Name: _____
Last First M.I.

Present Address: _____
Number Street

City State Zip Code

Email

Home Phone # Work #

Do you presently (Check One): OWN RENT

Marital Status (Check One):

Married Separated Unmarried Divorced Widowed

Have you had ownership interest in any property during the last three (3) years?

Yes No

If yes, please explain: _____

APPLICANT EMPLOYMENT INFORMATION

Name of Employer: _____

Address of Employer: _____
 Number Street

_____ City State Zip Code Telephone

Type of Business: _____

Title/Position: _____ No. of years with employer: _____

If self-employed, NAME OF BUSINESS: _____

Address: _____
 Number Street

_____ City State Zip Code Telephone

II. CO-APPLICANT INFORMATION (if Applicable)

Co- Applicant's Name: _____
Last First M.I.

Present Address: _____
Number Street

City State Zip Code

Email

Home Phone # Work #

Do you presently (Check One): OWN RENT

Marital Status (Check One): Married Separated Unmarried Divorced Widowed

Have you had ownership interest in any property during the last three (3) years? Yes No

If yes, please explain: _____

CO-APPLICANT EMPLOYMENT INFORMATION

Name of Employer: _____

Address of Employer: _____
Number Street

City State Zip Code Telephone

Type of Business: _____

Title/Position: _____ No. of years with employer: _____

If self-employed, NAME OF BUSINESS: _____

Address: _____
Number Street

City State Zip Code Telephone

III. HOUSEHOLD COMPOSTION:

Please provide the following information for ALL other persons who will be residing with you (the applicant[s]) in the house to be purchased.

Name	Date of Birth	Sex	Social Security #	Relationship

1. Total number of individuals to occupy the house_____.
2. Does anyone live with you now who is **not** listed above? Yes No
3. Does anyone plan to live with you in the future who is not listed above? Yes No

HOUSEHOLD INCOME INFORMATION

Please indicate the amount of annual income (for the current year) received for ALL household members in the appropriate boxes.

Income Source	APPLICANT	CO-APPLICANT	OTHER HOUSEHOLD MEMBER	OTHER HOUSEHOLD MEMBER	OTHER HOUSEHOLD MEMBER
Salary					
Overtime Pay					
Commissions Bonus/Fees/Tips					
Net Income from Business					
Unemployment Compensation					
Workers' Compensation					
Child Support					
Alimony					
Welfare					
Rental Income					
Other					
Total					

Please attach copies of the most recent federal income tax return for applicant(s) and all other household members. (These documents will not be returned.) **Failure to report all sources of income may lead to revocation of grant.**

HAMDEN HOMEBUYER ASSISTANCE INFORMATION

1. How much money do you have for closing costs? \$ _____
2. How much of your money will be used toward the down payment on the home? \$ _____
3. What other funding, if any, might you have access to (i.e., gift loan, another grant)? Please explain.

-
-
- A. Do you have a signed sales agreement for the purchase of a home? Yes No

If a "yes" , please attach a copy of the sales agreement.

- B. Do you have a pending application for a mortgage with a lending institution? Yes No

If yes, please provide the name and address and contact information of the lending institution below.

Financial Institution

Street Address

City/Town

State

Zip Code

Contact Name

Telephone Number

- C. Are you pre-qualified for a mortgage? Yes No
- D. Have you or anyone listed in section iii ever been convicted of any offense other than a traffic violation or a juvenile offense ? Yes No

FAMILY CHARACTERISTICS (REQUIRED)

The following information is used for statistical reporting only. This information is not considered when considering eligibility for assistance. Please check all that apply.

- | | |
|---|--|
| <input type="checkbox"/> Elderly | <input type="checkbox"/> Black |
| <input type="checkbox"/> Female Head of Household | <input type="checkbox"/> Latino |
| <input type="checkbox"/> Small Family (1-4) | <input type="checkbox"/> Native American |
| <input type="checkbox"/> Large Family (5+) | <input type="checkbox"/> White |
| <input type="checkbox"/> Handicapped | <input type="checkbox"/> Other Ethnicity_____. |

PLEASE READ IN ENTIRETY BEFORE SIGNING

I certify that I have received and read the General Instructions and Program Guidelines for the Town of Hamden’s Homebuyer Assistance Grant Program. I understand that this authorization does not constitute an approval for homeowner’s assistance or a first mortgage loan.

I understand that the information collected above will be used to determine whether or not I am eligible for the Town of Hamden Office of Economic and Community Development, Hamden Homebuyer Assistance Grant Program. I certify that the information provided above is true and complete to the best of my knowledge and belief. I understand that any willful misstatement of material fact will be grounds for disqualification. I understand that it may be a federal crime, punishable by fine or imprisonment or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of the United States Criminal Code. I further understand that false or fraudulent statements are subject to prosecution.

I consent to the disclosure of such information for the purpose of verifying income related to this application for financial assistance. I authorize the Town of Hamden and its Office of Economic and Community Development to obtain such information as they may require the statements made in this application.

I understand that the Town of Hamden and its Office of Economic and Community Development may disclose the information contained herein to the participating first mortgage lender as required and permitted by law. If requested by my designated lender, for the purposes of facilitating a residential mortgage application or pre-qualification, I consent and authorize the Town of Hamden and its Office of Economic and Community Development to provide said Lender with a copy of this application and copies of any income verification that I have provided. Said lender has my permission to notify the Town of Hamden and its Office of Economic and Community Development of any discrepancies in income verification that do not meet the Homebuyer Assistance Grant Program Guidelines.

I CERTIFY THAT I HAVE READ THE ABOVE AND AGREE WITH THE STATEMENTS CONTAINED HEREIN:

APPLICANT SIGNATURE

DATE

CO-APPLICANT SIGNATURE

DATE

a

**Town of Hamden
Office of Economic and Community Development**

Keefe Community Center, 11 Pine Street, Hamden, CT 06517

FINANCIAL INFORMATION DISCLOSURE FORM

I am interested in applying for the Hamden Homebuyer Assistance Grant Program. As part of the application process, I authorize the Town of Hamden and its Office of Economic and Community Development to make inquiries as to the employment and income for any member of my household.

Signed: _____

Name (Printed): _____

Date: _____

Lead Information Booklet Confirmation

I am interested in applying for the Hamden Homebuyer Assistance Grant Program. As part of the application process, I affirm that I have received and read the booklet Protect Your Family From Lead In Your Home

Signed: _____

Name (Printed): _____

Date:

THE COMMUNITY DEVELOPMENT BLOCK GRANT TARGET AREA

*Census Tract 1655 – The entire street unless indicated otherwise
(Highwood Neighborhood)

Alenier Street	Dudley Court	Marlboro Street	Second Street
Alling Street	Dudley Street	Millrock Road #335-425	Shelton Avenue
Alstrum Street	Easton Street	Morse Street #155-420	Shepard Street
Arch Street	Edwards Street	Mott Street	St. Mary Street
Augur Street #323-342	Fairview Avenue	Murray Street	Third Street
Beaver Street	First Street	Newbury Street	Warner Street
Bowen Street	Fitch Street	Newhall Street	Warren Street
Burke Street	George Street	North Street	West Easton Street
Butler Street	Glemby Street	Notkins Street	Whiting Street
Cherry Ann Street	Goodrich Street #149-406	Pine Street	Winchester Avenue
Columbus Street	Hamden Park Drive	Putnam Avenue #336-480	Woodin Street to #175
Dix Street	Harris Street	Prescott Street	
Dixwell Avenue to #1216	Helen Street to #164	Remington Street	

*Census Tract 1656 – The entire street unless indicated otherwise
(Hamden Plains Neighborhood)

Albertson Road	Cumley Street	Lee Street	Pond Road
Arcadia Avenue	Dallas Street	Lexington Street	Red Rock Terrace
Arents Road	Dante Place	Malcolm Street	Robert Street
Bagley Avenue	Dewey Street	Manila Avenue	Roosevelt Street
Baldwin Road	Dixwell Avenue to #1932	Maplewood Terrace	Rose Street
Bank Street	Duane Road	Marne Street	Rosedale Street
Battis Road	Foch Street	Meadow Road	Sampson Street
Beacon Street	Garden Street	Merrimac Street	Savoy Street
Beechwood Avenue	Garfield Street	Miles Street	Scott Street
Benham Street to #110	Gilbert Avenue to #140	Millis Street	St. James Street
Blacy Street #13-20	Gorham Avenue	Newton Street	Summit Road
Blue Hills Avenue	Grandview Avenue	Noble Street	Taft Street
Bradley Avenue	Hayward Road	Norton Avenue	Treadwell Street #380-410
Carrington Street	Haywood Lane	Oregon Avenue	Valley Road
Chester Street	Helen Street	Palmer Avenue	Victor Street
Church Street	Hillcrest Avenue	Park View Road	Village Circle
Circular Avenue to #487	Hobson Avenue	Pearl Avenue	Weybossett Street
Claire Terrace	Homestead Avenue	Pershing Street	Wheeler Street
Collins Street	Hope Avenue	Pine Rock Avenue #610-865	Wilbert Street
Concord Street	Lakeview Avenue	Piper Road	William Street
Cross Street	Langer Street	Plains Road	Woodland Avenue

*Census Tract 1651 – The entire street unless indicated otherwise
(State Street Neighborhood)

Addison Road	Lent Road
Allene Drive	Leo Road
Armstrong Street	London Drive
Atlas Street	Lovell Street
Battis Road	Lynmour Place
Benton Street	Maple Street
Cardo Road	Merritt Street
Carew Road	Myra Road
Carroll Road	Olds Street
Cook Street	Park Road #45-205
Corbin Road	Pickwick Road
Craft Street	Potter Place
Curry Street	Quaker Road
Dadio Road	"Quinnipiac Meadows" Stevens Street
Daniel Road	Ridge Road #30 and odd numbers only from #31 to 539
Davis Street #244-315	Robinwood Road
Edgecomb Street	Sidehill Road #53 to 101
Edmond Street	Sebec Street
Farm Road	Smith Drive
Fenway Drive	State Street
Fernwood Road	State Street Rear #2301-2700
Foot Street #11-223	Town Line Road #9-15
Franklin Road	Vineyard Road #80-209
Grafton Road	Wayne Street
Hartford Turnpike odd only from #441-963	Webb Street
Hepburn Road	Welton Street
Hesse Road	Welton Street Rear
Hubbard Road	Westcott Road
Hyde Street	Windsor Street
Jean Street	

DOCUMENT CHECKLIST

Prior to submitting your application for assistance, please make sure you have included the appropriate documents as indicated below. **Incomplete applications will not be considered.**

<input type="checkbox"/>	Complete and signed all parts of the application.
<input type="checkbox"/>	Applicant(s) must provide a valid government issued photo identification.
<input type="checkbox"/>	Copy of most recent federal income tax return for all household members or a signed statement that applicant(s) are exempt from filing federal income tax return.
<input type="checkbox"/>	Most recent pay stub (2) from all sources of employment for all individuals who will be residing in the household.
<input type="checkbox"/>	Certificate of Completion for 8-hour HUD-certified Homebuyers Education Class.