Baldwin County Homeownership Assistance Program Application Guide

Welcome to the Homeownership Assistance Program!

The Baldwin County Homeownership Assistance Program (HAP) provides financial assistance to eligible households seeking to purchase a home in Baldwin County.

This guide explains how to complete the HAP application, what information you need to provide, and what to expect during the application and eligibility review process. Please note that submitting an application does not guarantee program participation or financial assistance. All applications must be reviewed and verified to determine eligibility for the program.

For additional information about the program, please refer to the Baldwin County Homeownership Assistance Program Policies and Procedures available on Baldwin County's website, https://baldwincountyal.gov/departments/grants/cdbg-dr/hap.

Need Help?

Applications may be submitted online or by paper/hard copy.

Paper applications are available upon request from, and completed applications should be returned to, the following Baldwin County Commissioner offices.

- **Office of County Commissioner, District 1**
  Baldwin County Administration Building
  322 Courthouse Square
  Bay Minette, Alabama 36507
- **Office of County Commissioner, District 2**
  Baldwin County (Fairhope) Satellite Courthouse
  1100 Fairhope Avenue
  Fairhope, Alabama 36532
- **Office of County Commissioner, District 3**
  Baldwin County Central Annex
  22251 Palmer Street
  Robertsdale, Alabama 36567

- **Office of County Commissioner, District 4**
  Baldwin County (Foley) Satellite Courthouse
  201 East Section Avenue
  Foley, Alabama 36535

If you need assistance completing the application, please contact **Family Promise of Baldwin County** at:

Phone: 251-504-3985
Email: info@hapbaldwin.org

Before You Apply

Before starting the application, review the information below to determine whether the program may be a good fit for your household.

Basic Eligibility Requirements

To be considered for assistance through the Homeownership Assistance Program (HAP), applicants must generally meet the following requirements:

- ✓ Meet applicable household income limits
- ✓ Be a U.S. citizen or qualified permanent resident as defined by applicable federal requirements
- ✓ Demonstrate residency in Baldwin County at the time of the qualifying disaster event(s)
- ✓ Obtain mortgage financing from a lender and provide a mortgage pre-approval letter
- ✓ Complete homebuyer education requirements
- ✓ Plan to purchase a home located within Baldwin County
- ✓ Expect to occupy the assisted property as your primary residence for at least 5 years
- ✓ Have a minimum of $500 to contribute to the purchase of a home

Meeting these basic requirements does not guarantee eligibility or assistance. All eligibility requirements must be verified through the application review process.

Applicant Responsibilities

When submitting an application to the HAP program, you will be responsible for:

- ☑ Monitoring email regularly
- ☑ Reviewing messages in their applicant profile
- ☑ Responding to RFIs provided by the Case Management Provider (CMP) by the stated deadline
- ☑ Providing complete and accurate documentation
- ☑ Updating contact information if it changes

Case Management and Homebuyer Support

Applicants will be connected with a case manager for support through the home purchase, eligibility reviews, and completing all program requirements to receive HAP assistance, including:

- Ensuring the applicant provides all necessary program documentation
- Providing resources and referrals to the applicant to complete a HUD certified homebuyer education class

What You'll Need Before Starting Your Application

To complete the initial application, you should have:

- An active email address
- Basic information about all household members
- Estimated annual income information for all adult household members
- A mortgage lender pre-approval letter
- Access to the internet and the ability to upload documents

If you need assistance completing the application or accessing technology, contact Family Promise for support.

Application Process Overview

The Homeownership Assistance Program uses a multi-step review process to determine eligibility.

Step 1: Submit the Application

- Visit the Baldwin County HAP website to access the live application link.
- Complete and submit the application online. To submit, all required fields must be filled in and a mortgage lender pre-approval letter uploaded.
- Alternatively, complete a paper application by visiting one of the Baldwin County Commission offices to request a copy. Completed paper applications will only be accepted at Commission offices.
- You **must provide an email address** with the application and receive communications through that email for both submission methods.

Step 2: Access Your Applicant Profile

After submitting your application, you will receive an email containing a link to your applicant profile and a temporary password. **Save this email**. You will need the link and password to access and manage your application throughout the review and award process.

Your applicant profile is the primary tool for you and program staff to collect required documents and complete eligibility review requirements. Through your applicant profile, you can:

- View your application status and assigned case manager
- Upload documents requested by the program
- Review and update application information, if necessary

Step 3: Initial Eligibility Review

- Program staff will review the information provided to determine whether your application meets initial program requirements.
- If additional information is needed, you may be contacted for clarification.

Step 4: Upload Supporting Documents

- Applicants who continue in the review process will be asked to upload supporting documentation into their applicant profile.
- Required documentation may include:
    - Proof of identity
    - Applicant and co-applicant's proof of valid U.S. citizenship
    - Proof of Baldwin County residency at the time of the disaster,
    - Income documentation, and
    - Asset documentation, and other information needed to verify eligibility.
- See included list under Appendix A for qualifying documents

Step 5: Eligibility Verification

- Program staff will review submitted documentation and verify household eligibility, based on income, assets, residency, homebuyer readiness, and other program requirements.
- If approved, program staff will provide applicants conditional award letters that will identify a maximum award amount of $85,000. Specific award amounts are dependent on actual mortgage loan amount and closing costs.
- Additional information may be requested by your case manager if documentation is incomplete or clarification is needed.

Step 6: Home Selection and Property Review

- Approved applicants will work with program staff and participating partners, including realtors, lenders and title companies, to purchase a home.
- When an offer is accepted on a home, applicants must notify their case manager and provide the signed purchase agreement.
- Program staff will schedule a home inspection at no cost to the applicant.
- The applicant and lender must conduct an appraisal on the property and provide the appraisal report to the case manager.

- Program staff will notify the applicant of property eligibility. If inspection(s) determine the property has issues to be addressed, applicants will undergo coordination with the seller to address any needed remedies.
- If the property meets all requirements for HAP funding, you will receive a property eligibility letter.

Step 7: Award and Closing

- To calculate the HAP award amount and prepare for closing, Program staff must collect closing documents from the applicant, realtor, lender and title company, including closing disclosure, Loan Estimate from 1st lender, Loan Term Sheet, proof of clear title, applicant's contribution to home purchase, and estimate for homeowners' insurance.
- Program staff underwrites the loan to confirm adherence to program requirements.
- Program staff calculates household award amount, if any, and issues an award letter to the applicant with the award amount to be provided to at closing.
- Applicant will sign a promissory note and 2nd mortgage document at closing to accept the HAP funds as part of the home purchase.
- The case manager will collect copies of signed documents, including Uniform Residential Loan Application (Form 1003), first mortgage disclosure, signed underwiring transmittal summary (Form 1008), and Loan Estimate from 1st lender, Loan Term Sheet, proof of clear title, and proof of homeowners' insurance, for the program's files. If any documents are needed after closing, the case manager will follow up with the applicant and realtor.
- Additional program requirements may apply before assistance funds can be provided.

Important Notes

- Submit only one application per household.
- Use an active email address that you check regularly.
- Respond promptly to requests for additional information.
- Answers to demographic questions do not affect eligibility or award amounts. This information is collected only to meet federal reporting requirements.
- Providing incomplete, inaccurate, or false information may delay application review or result in a determination of ineligibility.

Completing the Application

This section explains how to complete each part of the HAP application.

Please note: the application cannot be saved prior to completion, so the applicant should be prepared to complete fields, upload required documentation and submit the application in one sitting.

Applicant Information (Required)

Enter the applicant's:

- ☐ Full legal name
- ☐ Current address
- ☐ Phone number
- ☐ Email address

The applicant should be the individual who will apply for the mortgage loan and serve as the primary point of contact for the HAP program.

Important Notes

- Use an email address that is checked regularly. The applicant's email address will be used for application log-in and updates, requests for information, and other program communications.
- The applicant is responsible for completing program requirements and communicating with program staff throughout the homebuying process.

Common Mistakes

- ✷ Using an email address that is rarely checked
- ✷ Entering contact information for someone other than the applicant
- ✷ Using nicknames instead of legal names

Co-Applicant Information (Optional)

If another individual will be listed on the property title and will be equally responsible for the home, complete the co-applicant section by providing their:

- ☐ Full legal name
- ☐ Current address
- ☐ Phone number
- ☐ Email address

If there is no co-applicant, skip this section.

Important Notes

A co-applicant is an individual who will:

- Be listed on the property title at the time of purchase and/or the mortgage loan; and
- Share responsibility for the home purchase

Co-applicants are expected to participate in program requirements, including any required homebuyer education activities.

Common Mistakes

- Listing household members who will not be on the property title
- Listing adult children or relatives who will live in the home but are not co-owners
- Listing a co-signer for the loan that will not be responsible for the home and will not be on the title

Household Composition and Characteristics (Required)

Enter information for all household members who will live in the home. The total number of household members is necessary to determine program eligibility.

- Household Member 1 is the applicant.
- Household Member 2 is the co-applicant, if applicable.

For each household member, provide:

- ☐ Name
- ☐ Relationship to the applicant
- ☐ Date of birth
- ☐ Demographic information requested in the application
- ☐ Estimated gross annual income, if age 18 or older

If your household includes more members than can be entered in the application, complete the available fields and notify program staff.

Who Counts as a Household Member?

Household members generally include all individuals who will live in the home, regardless of age. Examples may include:

- Spouses
- Children
- Adult dependents
- Other family members who reside in the home

Individuals Generally Not Counted as Household Members

Do <u>not</u> include:

- Foster children
- Foster adults
- Live-in aides
- Children of live-in aides
- Unborn children
- Individuals who do not currently reside with the household

Special Situations

The following individuals may be included, depending on household circumstances:

- ☑ Children living in the home at least 50 percent of the time under a shared custody arrangement
- ☑ Adult dependents attending college
- ☑ Family members residing in a nursing facility who remain household dependents

Program staff may request additional information to determine whether these individuals should be included as part of the household count.

Important Notes

Demographic information is collected for federal reporting purposes only and does not affect eligibility or award amounts. Individual, personally identifiable information provided within the application is only used by the program and is not shared with outside sources.

Common Mistakes

- Using inaccurate income documentation.
- Forgetting to include adult household members.
- Excluding household members who will reside in the home.

Household Income

For all household members age 18 and older, enter the amount of annual gross income earned (before taxes).

Income documentation is not required for the initial application submission, but will be required during eligibility review.

General Information (Required)

Complete all required sections, including:

- Residency at the time of Hurricanes Sally and Zeta
- Current housing situation
- Homebuying readiness
- Conflict of Interest involving a relationship with government officials, contractors or subcontractors administering the program
- Certification and Information Sharing Release
- Other information requested in the application

Important Notes

The information collected in this section is used to help determine whether the household meets program eligibility requirements.

Some questions may be collected for informational purposes and to help program staff support applicants throughout the homebuying process.

Program Documents (Required)

- ☐ Upload a valid mortgage lender pre-approval letter before submitting the application.

Applications cannot be submitted until the required pre-approval letter has been uploaded.

Pre-Approval Requirements

The pre-approval letter should:

- ☑ Be issued by a mortgage lender
- ☑ Include the lender's NMLS number
- ☑ Be current and valid
- ☑ Identify the applicant seeking financing
- ☑ Demonstrate preliminary mortgage qualification

Additional Documentation

Additional documentation is not required during the initial application submission.

However, applicants may upload supporting documents at any time through their applicant profile.

Common Mistakes

- ✷ Uploading a pre-qualification letter instead of a pre-approval letter.
- ✷ Uploading incomplete or unreadable documents.
- ✷ Uploading documents that do not identify the applicant.

Certification and Signature (Required)

Carefully review the Certification and Information Sharing Release.

If you agree to the certification, complete the required signature fields and submit the application. All applicants must sign the application in order to submit.

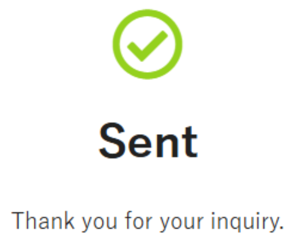
What You Are Certifying

By signing the application, you certify that:

- ☑ The information provided is true and accurate to the best of your knowledge.
- ☑ You understand that false or misleading information may affect eligibility.
- ☑ You authorize the program to verify information needed to determine eligibility.

If a co-applicant is included in the application, the co-applicant must also complete the certification signature fields.

After clicking “Send”, the icon below will appear and you will receive an email containing a link to your applicant profile and a temporary password. Save this email, as you will need it to access and manage your application throughout the review process.



Application Documents

Program staff will provide instructions regarding required documentation during the eligibility review process. For a list of examples of accepted documents, please refer to the ***Baldwin County Homeownership Assistance Program Application Documentation List*** available at Baldwin County’s HAP Program website.

Documentation Required for Completing Step 1: Initial Application Submission

The following items are required when submitting the initial application:

- ☐ Mortgage lender pre-approval letter
- ☐ Certification and signature

Documentation Required for Completing Step 4: Upload Supporting Documents

Identity and Residency Documentation

- ☐ Government-issued identification
- ☐ Proof of legal residency or citizenship status
- ☐ Proof of residency in Baldwin County at the time of the qualifying disaster (September - October 2020)

Homebuyer Readiness Documentation

- ☐ Mortgage lender pre-approval letter
- ☐ Homebuyer education certificate

Duplication of Benefits Documentation

Documentation related to previously received disaster or homebuying cash assistance, including:

- ☐ FEMA assistance

- ☐ SBA assistance
- ☐ Insurance proceeds
- ☐ State assistance
- ☐ Nonprofit assistance

Income Documentation

Depending on household circumstances, applicants may be asked to provide:

- ☐ Tax returns (preferred income documentation)
- ☐ Pay stubs
- ☐ Benefit statements
- ☐ W-2 forms
- ☐ Self-employment records
- ☐ Child support or alimony documentation
- ☐ Unemployment benefit records
- ☐ Bank statements
- ☐ Household members with no income may be required to complete a Zero Income Affidavit during eligibility verification.

Asset Documentation

Depending on household circumstances, applicants may be asked to provide documentation related to:

- ☐ Savings accounts
- ☐ Checking accounts
- ☐ Certificates of deposit
- ☐ Other assets required by program policies

Frequently Asked Questions

For frequently asked questions, please see the Baldwin HAP FAQ List on Baldwin County's HAP Program website.

HAP Policies and Procedures

HAP Program Policies and Procedures are available on Baldwin County's HAP Program website and provide further detail on program requirements, expectations, and procedures.