



## INVEST HAGERSTOWN

### PROGRAM GOALS

The City of Hagerstown wishes to:

1. Inspire and enable homeownership, both city-wide and in the urban core, by providing assistance to those looking to purchase their own home.
2. Motivate and create the opportunity for the creation of new first time home buyers.
3. Increase the value of Hagerstown's residential communities.
4. Lower the barriers discouraging or preventing individuals and families from owning their own home.

## Hagerstown Homeownership Initiative Summary

The Hagerstown Homeownership Initiative offers an incentive to reduce the barriers associated with homeownership within the City of Hagerstown by providing support in the form of a loan-to-grant for down payment and closing cost assistance. This investment will support our neighborhoods across the city by reducing vacant homes and boosting new homeownership.

**NOTE: THIS IS A FORGIVABLE LOAN TO GRANT PROGRAM WITH DEFERRED PAYMENTS OVER 5-YEARS**

## Hagerstown Homeownership Initiative

### Program Summary

1. 0% Interest loan to grants up to \$7,500 for down payment and/or closing cost assistance.
2. The entire deferred loan will be forgiven if the homebuyer maintains the structure as their primary residence for a period no less than five (5) years.
3. Eligible properties must reside within the City of Hagerstown's corporate limits.
4. Applicants will not be required to provide income verification documentation.
5. Applications are reviewed on a continual basis, and approved by the Invest Hagerstown Review Committee on a first come, first served basis.
6. Program assistance is subject to funding availability.

## I. ELIGIBILITY CRITERIA

1. Residential structures must be located within the Corporate Limits of Hagerstown.
2. Properties must be either:
  - a. A pre-owned attached or detached single-family dwelling such as:
    - i. A single family or townhome,
    - ii. A duplex or triplex,
    - iii. A privately owned condominium, OR
  - b. A rental dwelling consisting of two or more units, and upon purchase by program applicant, will be converted to a single family, owner-occupied dwelling unit within 6 months of the date of settlement.
3. Homebuyer will be required to maintain the structure as their primary residence for five (5) years in order for the loan to be forgiven.
4. If the homebuyer fails to maintain the structure as their primary residence for 5 years, complete recapture of the loan is required and the original loan amount will become due and payable to the City of Hagerstown.
5. Application must be received *at least* thirty (30) days **prior** to settlement of home purchase.
6. Priority will be provided to current renters, first-time home buyers, and those purchasing vacant properties.
7. Applicants may only qualify once per household.

## II. ELIGIBLE USE OF FUNDS

- Funding may be applied to down payment, closing costs, or a combination of both.
- Funding may be used in conjunction with any other homebuying assistance programs as allowed.
  - The City cannot control restrictions and requirements made by other departments, agencies, or organizations. Please contact any other applicable party prior to applying for clarification on use.

## III. INELIGIBLE USE OF FUNDS

- Unit reduction of existing rental units that is not in conjunction with a purchase of property for primary homeownership is not eligible for this program.
- Addition of new rental units to property during/after the time of sale is not eligible for this program.