



City of Kingston, NY

Office of Economic & Community Development

2019 First-time Homebuyer Program

Administrative Work Plan

1. Kingston's First-time Homebuyer Program will assist up to two (2) prospective homeowners during FY2019 to achieve the dream of homeownership. Funds will assist homebuyers earning up to 80% of the Area Median Income. The funds can be used for down payment or closing costs and must be matched by a minimum of two thousand five hundred dollars (\$2,500.00) in personal savings. Eligible properties include single- and multi-family homes, up to 2 units, and must be located within the City of Kingston. The program is a first-come, first-served opportunity and applicants must agree to maintain the parcel as owner-occupied for a minimum of five (5) years.
2. The maximum subsidy is seven thousand five hundred dollars (\$7,500.00) and is provided as a zero-interest, deferred, forgivable loan with a regulatory period of five (5) years. Each year, one thousand five hundred dollars (\$1,500.00) will be forgiven from the total amount owed on the mortgage until, at the end of the fifth year, the loan will be completely forgiven. Mortgages will be between the City of Kingston and the homebuyer and will be signed for the total amount of financial assistance on the date of closing.
3. The Office of Community Development (OECD) will establish a Memorandum of Agreement with each participating lending institution providing funds to selected applicants. The lending institution will be responsible for processing prequalification for applicants and reviewing credit history to determine if applicants are financially prepared to purchase a home. At least ten (10) days prior to the loan closing, OECD must be advised of the total amount of funds needed. OECD can only collaborate with lenders who offer fixed-rate mortgage products and cannot supplement sub-prime loan products with First-time Homebuyer funds.
4. Applications for the program will be made available at participating lending institutions, the Office of Economic & Community Development, the Kingston Public Housing Authority, and RUPCO.
5. RUPCO can provide first-time homebuyer training certifications, either through one-on-one counseling or through their group training classes. Other homeownership training courses will be accepted if approved in advance by the OECD. A certificate of completion must be provided.
6. Lead hazard testing will be performed prior to the completion of the loan process. Actions must be performed by Certified Lead Hazard Safety workers and pass the follow-up inspection should any lead hazards be found in the home.