

## **J. Name of the Strategy: Florida Homebuyer Opportunity Program**

**a. Summary of the Strategy:** This strategy is designed in response to the legislative provision requiring SHIP local governments to expend 2009-2010 funds to ensure that residents of the state derive the maximum possible economic benefit from the federal first time homebuyer tax credit created through The American Recovery and Recovery Act of Reinvestment Act of 2009. This will be accomplished by providing subordinate down payment assistance loans to first time homebuyers for an owner occupied primary residence. This loan is to be repaid by the income tax refund the homebuyer is entitled to under the federal First Time Homebuyer Credit. This program shall be called the "Florida Homebuyer Opportunity Program."

**b. Fiscal Years Covered:** 2009/2010 until expiration of the Florida Homebuyer Opportunity Program Tax Credit.

**c. Income Categories to be served:** Up to \$75,000 for a single taxpayer or \$150,000 for multiple tax payer households.

**d. Maximum award:** is the principal balance of the loans provided and shall not exceed 10% of the purchase price or \$8,000 whichever is less.

**e. Terms, Recapture and Default:** the term of the loan is four years at 4% interest. From the date the loan proceeds are disbursed, interest will accrue at 4%, with no repayment required for 36 months. If the County receives repayment from the homebuyer within 18 months after the closing date of the loan, the County shall waive all interest charges that accrued at four percent (4%) from the date the loan proceeds were disbursed. Failure by the homebuyer to initiate payment after the 36<sup>th</sup> month will trigger default on the note and mortgage as well as make the loan balance immediately due in full.

This loan will be secured by a mortgage and note. If the property is sold, title is transferred or conveyed or ceases to be the applicants primary residence, the loan becomes immediately due and payable.

In the event of a sale, the County may exercise its right of first refusal to purchase the property at its current market value for continued occupancy by income eligible persons

In the event of the death of the borrower prior to the end of the term of the mortgage, the outstanding balance becomes immediately due and payable.

All funds repaid to a county or eligible municipality shall be considered “program income” as defined in s. 420.9071 (24).

- f. Recipient Selection Criteria:** Recipients must meet the requirements of the following: The maximum income limit shall be Adjusted Gross Income of \$75,000 for single taxpayer households or \$150,000 for multiple taxpayer households which is equal to that permitted by the American Recovery and Reinvestment Act of 2009.