



FHA SECURE PROGRAM
 WITH PARTICIPATION FROM
 PASCO COUNTY COMMUNITY DEVELOPMENT DIVISION

Pasco County wants to help you keep your home. The Board of County Commissioners has made available funds to help you recover from a mortgage delinquency.

Who is eligible for this program?

Applicants who make less than 120% of the median income for the Tampa Bay area may apply for assistance. This is adjusted for family size. Currently, this is as follows:

		1	2	3	4	5	6
VERY LOW INCOME	Hourly	\$ 9.52	\$ 10.87	\$ 12.24	\$ 13.58	\$ 14.66	\$ 15.75
	Monthly	\$ 1,650.00	\$ 1,883.33	\$ 2,120.83	\$ 2,354.17	\$ 2,541.67	\$ 2,729.17
	Annually	\$ 19,800.00	\$ 22,600.00	\$ 25,450.00	\$ 28,250.00	\$ 30,500.00	\$ 32,750.00
LOW INCOME	Hourly	\$ 15.22	\$ 17.38	\$ 19.57	\$ 21.73	\$ 23.46	\$ 25.22
	Monthly	\$ 2,637.50	\$ 3,012.50	\$ 3,391.67	\$ 3,766.67	\$ 4,066.67	\$ 4,370.83
	Annually	\$ 31,650.00	\$ 36,150.00	\$ 40,700.00	\$ 45,200.00	\$ 48,800.00	\$ 52,450.00
MOD INCOME	Hourly	\$ 22.85	\$ 26.08	\$ 29.37	\$ 32.60	\$ 35.19	\$ 37.79
	Monthly	\$ 3,960.00	\$ 4,520.00	\$ 5,090.00	\$ 5,650.00	\$ 6,100.00	\$ 6,550.00
	Annually	\$ 47,520.00	\$ 54,240.00	\$ 61,080.00	\$ 67,800.00	\$ 73,200.00	\$ 78,600.00

Your home must be your primary residence (you must be homesteaded) and be located in Pasco County, and you must be a Pasco County resident to qualify for assistance under this program. You must be able to show that the delinquency of your mortgage was unavoidable. Some eligible reasons are loss of employment, sudden medical expenses, divorce or separation, death in the family, large increase in loan payment through rate adjustment and unforeseen home repair bills. You must be able to show that you can afford to keep up with housing expenses once the mortgage is brought current.

What kind of home do I have to live in to qualify for assistance?

Any type of home is eligible for this program, except for mobile homes. Condominiums and town houses are also eligible. Your home cannot have a value that exceeds \$240,000.

How do I apply for assistance?

In order to apply for assistance, you must apply through a FHA approved lender. Almost all banks, savings and loans, and mortgage companies that do business in Pasco County are partners with the FHA. When you apply for a mortgage loan at one of these financial institutions, they will make an initial determination on whether you need and are eligible for Pasco HAP funds. If you do, they will reserve funds in your name with the Community Development Division. You do not apply through the County for these funds.

What is FHA Secure?

FHA Secure will refinance homeowners who have non-FHA adjustable rate mortgages, current or delinquent, regardless of reset status, the ability to refinance into a FHA insured mortgage. The program allows that homeowners who are delinquent on their mortgages will not be automatically disqualified by the lender, but they must be delinquent because of an interest rate reset. FHA provides insurance to lenders who lend to qualified individuals. In exchange for the insurance, FHA mandates maximum terms, rates, and fees that are fair and not arbitrary.

The one problem with this program that many face is that the maximum loan-to-value (LTV). This program will allow a 97-99% LTV, depending on the appraised value of the property. Many properties have decreased in value, thereby stopping a FHA Secure loan from being done on the property. The lender may add a second loan for the remaining balance, but that loan will not be insured by FHA, and could have any type of fee or rate that the lender chooses to have.

The County will lend the difference between the FHA loan and 110% LTV.

How much County money can I borrow?

The amount of County funds that are available first depends on how much the financial institution is able to lend you and your income level:

Very Low Income (50% of the median income)	\$20,000.00
Low Income (80% of the median income)	\$15,000.00
Moderate Income (120% of the median income)	\$12,000.00

Do I need any of my own money to bring my mortgage current?

You must have at least one mortgage payment to help bring your mortgage current. You will also need any money that is more than the amount that the County and your new lender will lend.

Do I have to pay these Pasco County funds back?

The funds that come from Pasco County will be in the form of a 0% interest loan. They will have to be paid back to the County. The funds that are paid back will help other families buy homes in the future. The term of the payback is variable depending on your ability to pay. You will have a term of up to 30 years to pay off your loan. If you cannot afford to pay back the loan immediately, the loan will be deferred for five years. At the end of that time you will start making payments, at the following schedule:

<u>Loan Amount</u>	<u>Term of Loan</u>	<u>Maximum Payment</u>
\$0 - \$5,000	10 years	\$41.67 per month
\$5,001 - \$10,000	15 years	\$55.56 per month
\$10,001- \$15,000	20 years	\$62.50 per month

This only applies to deferred loans. Homebuyers who can immediately make payments may have a higher amount. Under no case can a payment be less than \$25 per month. You will know before you close what your payments will be and when you will begin to make them. If the property is rented or vacated, the loan will become immediately due.

Assisted families are also required to go through an individual counseling session with Consumer Credit Counseling Service prior to closing. For further information contact the Community Development Division at (727) 834-3445 in New Port Richey; (352) 521-4274, ext. 3445 in Dade City; or (813) 996-7341, ext. 3445 in Land O'Lakes or visit our web site at: www.pascocountyfl.net/menu/index/cdevindex.htm