

ST. JOHNS COUNTY

Housing and Financial Counseling Program



St. Johns County Housing and Financial
Counseling Program

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St. Johns County Housing & Community Development

(904) 827-6890

2017/2018

THE STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM

The SHIP homebuyer program is the most well known purchase assistance program here in St. Johns County which makes sense, because for many years, it was the *only* purchase assistance program utilized locally.

The SHIP program is funded by proceeds from documentary (doc) stamp revenues created when real estate transactions are recorded. Unfortunately, recent housing market conditions and the economic downturn has greatly reduced the amount of SHIP funds available for purchase assistance.

Additionally, Affordable Housing Trust fund monies dedicated through the Sadowski Act have been redirected to the state general budget further reducing opportunities for first time homebuyers. Housing professionals and affordable housing advocates are currently letting their voices be heard in support of future rededication of affordable housing monies to the SHIP program under the Sadowski Act.

Fortunately, there are currently other state and federal first time homeownership programs that can provide purchase assistance for aspiring homeowners. Participation in the St. Johns County Housing and Financial Counseling Program is the best way to ensure that every opportunity regarding purchase assistance programs, mortgage loan programs and homeownership education is available to you.

ST. JOHNS COUNTY HOUSING & COMMUNITY DEVELOPMENT

Mission Statement

The Housing & Community Development Division is responsible for the promotion, development, preservation and administration of affordable housing programs, initiatives and policies in St. Johns County. These programs are designed for both single family, multifamily households and developers. Housing & Community Services also assists with related community development issues such as utilities, roads and zoning.

St. Johns County

Housing Finance Authority (HFA)

Mission Statement

The Authority is authorized, in furtherance of the public purposes described in the Act, to alleviate the shortage of affordable residential housing facilities and to provide capital for investment in such facilities for low, moderate and middle-income families in St. Johns County by issuing its revenue bonds.

St. Johns County

Community Redevelopment Agency

Mission Statement

The St. Johns County Community Redevelopment Agency was established to promote, coordinate and fund a variety of residential and commercial redevelopment efforts in three community redevelopment areas.

WHO IS ELIGIBLE?

Are you a first time homebuyer?

Eligible applicants include individuals who don't own their current home, don't claim their mobile home as real property or have it homestead exempted and haven't owned a home within the past three years.

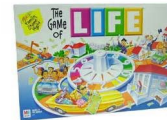


Acceptable Credit History

Acceptable does not mean that your credit must be perfect; however, you must be "credit worthy" to qualify for a home mortgage.

The St. Johns County Housing and Financial Counseling program has credit counselors to help you in rebuilding or perfecting your credit.

If you believe that you have not established a good payment history, have negative credit items or have not established any credit, all is not lost.



Eligible Properties

Property **must** be located in St. Johns County and be an owner-occupied single family residence. Individual lender program requirements may vary—condos, town homes, existing homes and DCA approved modular homes are eligible under certain programs. Mobile homes, duplexes, etc. are not.



WHAT DOES THE ST. JOHNS COUNTY HOUSING AND FINANCIAL COUNSELING PROGRAM DO?

The St. Johns County Housing and Financial Counseling Program has assembled a team of housing professionals to guide eligible first time homebuyers through all phases of the home buying process. This comprehensive program provides the following services:

- One-on-one credit counseling for rebuilding or perfecting your credit history.
- Homeownership Education
- Affordability Consultation
- Referral to mortgage loan programs to fit your individual situation.
- The ability to access SHIP purchase assistance funds to partner or layer with other state or federal funds if needed. **When available*
- Access to all available State or Federal down-payment/purchase assistance programs you may be eligible for.
- Information and connection with the network of home builders and developers who are working with us to provide affordable housing locally.

**Submittal of a St. Johns County Homeownership Program Registration Packet is mandatory in order to participate in the program.*

See page 7 to see how to get started.

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HOMEOWNERSHIP INFORMATION RESOURCES

Please visit the Housing and Community Development Division section of the St. Johns County Board of County Commissioners website at www.sjcffl.us/housing. You will find information regarding St. Johns County Housing and Financial Counseling Program registration, the Fair Housing Act and other helpful resources.

You may also find useful information regarding credit, mortgages, predatory lending, foreclosure prevention and other housing-related issues at the following sites:

Fannie Mae	www.fanniemae.com
U.S.D.A. Rural Development	www.rurdev.usda.gov
Florida Housing Finance Corp.	www.floridahousing.org
Florida Housing Coalition	www.flhousing.org
Freddie Mac	www.freddiemac.com
U.S. Dept. of Housing & Urban Development	www.hud.gov
St. Johns Housing Partnership	www.sjhp.org

MAXIMUM INCOME AND SALES PRICE LIMITS

There are maximum income limits and sales price limits associated with each program and lender. This means that in order to qualify for the program, your income must not exceed the program's limits for income and the sales price of the home that you would like to purchase cannot exceed the program's limits. Each down payment assistance program sets those limits and they may vary from program to program.

HOW THE LENDER DECIDES THE MAXIMUM LOAN AMOUNT YOU CAN AFFORD

The lender considers your debt-to-income ratio, which is a comparison of your gross (pre-tax) income to housing and non-housing expenses. Non-housing expenses include debts such as car payments, student loan payments, alimony, or child support. According to the FHA, monthly mortgage payments should be no more than 31% of gross income, while the mortgage payment, combined with non-housing expenses, should total no more than 43% of your income. Different loan programs will naturally have different guidelines.

The lender also considers cash available for down payment and closing costs, credit history, bill payment history, etc. when determining your maximum loan amount. Additionally, you may also want to estimate how much of a house payment you can afford to get a better idea of the loan amount you may need. If so, complete the *"How Much Can You Afford"* worksheet on page 6.

HOW MUCH CAN YOU AFFORD

TOTAL GROSS MONTHLY INCOME

(Monthly Gross Pay + Other Gross Monthly Income) \$ _____ (1)

RATIOS AND DEBTS

Total Gross Monthly Income x 31% (Housing ratio) \$ _____ (2)

Total Gross Monthly Income x 43%
(Debt-to-income ratio) \$ _____ (3)

TOTAL MONTHLY DEBT PAYMENT

(any installment debts with 10+ months remaining,
such as credit cards, car payments, loan repayments, etc.)
\$ _____ (4)

Subtract Line (4) from Line (3) \$ _____ (5)

MAXIMUM MORTGAGE LOAN PAYMENT ALLOWED

(enter whatever is less, Line (2) or Line (5)) \$ _____ (6)

Multiply Line (6) by 20% (Estimated taxes & insurance) \$ _____ (7)

Subtract Line (7) from Line (6)
(Maximum principle & interest payment allowed) \$ _____ (8)

Divide Line (8) by a factor of 5.68 \$ _____ (9)

MAXIMUM MORTGAGE LOAN AMOUNT

Multiply Line (9) by \$1,000 \$ _____ (10)

PROGRAM LENDING PARTNERS

One of the biggest advantages participation in the St. Johns County Housing and Financial Counseling Program gives a potential homebuyer is the security of knowing that lenders working with the program are approved *Lending Partners*.

These *Lending Partners* and the institutions they work for are enthusiastic about affordable and first-time homeownership programs and derive their satisfaction from helping renters become homeowners.

HOW DO I GET STARTED WITH THE ST. JOHNS COUNTY HOUSING AND FINANCIAL COUNSELING PROGRAM?

In order to participate in the program, you must complete and submit a St. Johns County Housing and Financial Counseling Program registration packet.

Call the Housing & Community Development Office at (904) 827-6890 for locations to obtain a registration packet or download a packet from our website www.sjcfcl.us/Housing.

We look forward to helping you realize your dream...

HOMEOWNERSHIP.

