

**YORK HOMEBUYER ASSISTANCE PROGRAM (YHAP)
FINANCING ADDENDUM TO THE AGREEMENT OF SALE**

Realtors Association of York & Adams Counties
901 Smile Way, York, PA 17404
Telephone: 717-843-7891 Fax: 717-854-0720

The Agreement of Sale, this addendum, and the YHAP Application MUST be submitted to the Realtors Association of York & Adams Counties, more than 55 days prior to any projected settlement date.

NOTE: Use of this form is restricted to Buyers/Sellers who are using the services of a Realtor who is a member of RAYAC

DATE: ___/___/___ PROPERTY: _____ SALE PRICE: \$ _____

SELLER: _____ BUYER: _____

DATE OF AGREEMENT: ___/___/___ PROPOSED SETTLEMENT DATE: ___/___/___

It is understood and agreed that the above Agreement of Sale shall be endorsed as follows:

1. The property being purchased within York County is located in the City of York [] Yes [] No
2. The sale of the subject property is conditioned upon purchaser obtaining one of the York Homebuyer Assistance Program mortgage loans as listed below: (check one of the following)

(a) ___ The Buyer is applying for only a **City** forgivable loan of 2% of the purchase price and closing costs in the following amounts:

- 8% of the sale price for homes purchased for less than \$40,000
- 7% of the sale price for homes purchased between \$40,001 to \$60,000
- 6% of the sale price for homes purchased for \$60,001 and above
- City loans will be forgiven over a five (5) year period at 20% per year.
- City assistance not to exceed \$7,000.00.

The remainder of the purchase price, down payment, and closing costs shall be from Buyer's personal resources or through participating commercial lenders. The Buyer is required to contribute 3% of the sales price or \$1000, whichever is greater, to down payment and/or closing costs. One-half (1/2) of the Buyer's contribution may be in the form of an unsecured gift.

NOTE: As part of its closing cost assistance, the City will not provide funding for more than 3 points including loan origination fees, discount points, or interest buy downs.

NOTE: The York Homebuyer Assistance Program will only be used in conjunction with "A" paper, government backed mortgage products or with mortgages granted through USDA and Habitat for Humanity. All participating lenders are required to have a contractual agreement with RAYAC.

OR (b) ___ The Buyer is applying for only a **County** loan of 2% of the property purchase price and up to 6% of the property price for closing costs. However, the maximum amount of any County loan for down payment and closing costs shall not exceed \$5000. The Buyer is required to contribute 3% of the sales price or \$1000, whichever is greater, to down payment and/or closing costs. One-half (1/2) of the Buyer's contribution may be in the form of an unsecured gift. County loans will be forgiven over a five (5) year period at 20% per year.

Within the first five years following the date of settlement, the entire amount of the County's assistance shall be repayable, in full, upon occurrence of one or more of the following:

- 1) Sale or transfer of the Real Property, except for transfers between husband and wife;
- 2) Borrower ceases to occupy the Real Property as Borrower's primary residence;
- 3) Borrower refinances their mortgage obligation on the Real Property; and/or
- 4) Borrower defaults under either the terms of this Note or the terms of other mortgage obligations of Borrower secured against the Real Property.

NOTE: As part of its closing cost assistance, the County will not provide funding for more than 3 points including loan origination fees, discount points, or interest buy downs.

NOTE: County funds are restricted to properties that are at least one year old and have previously been occupied; have public water and sewer; are located in a borough, village or a developed area; and exclude mobile homes.

NOTE: The York Homebuyer Assistance Program will only be used in conjunction with "A" paper, government backed mortgage products or with mortgages granted through USDA and Habitat for Humanity. All participating lenders are required to have a contractual agreement with RAYAC.

3. Seller and Buyer agree that if Buyer is applying for York City or York County financial assistance to purchase this home, the property must pass a Housing Quality Inspection prior to settlement. Community Progress Council, Inc., shall order the inspection. If the property does not pass and if Seller refuses to make the required repairs before settlement then this Agreement shall be null and void. **The Seller is cautioned to contact Community Progress Council, Inc., to determine if the Buyer qualifies for City/County funding prior to beginning required repairs.**

Seller's Initials

Buyer's Initials

4. The Seller and Buyer acknowledge that the property is being purchased with Federal financial assistance; that the property will not be taken by eminent domain; and that the estimated fair market value of the property is the amount offered by the Buyer and accepted by the Seller.

Seller's Initials

Buyer's Initials

5. The Seller and Buyer affirm that the property being purchased is either: (check one of the following)

- 1) ___ occupied by the Seller;
- 2) ___ occupied by the Buyer; or
- 3) ___ vacant at the time of the execution of this agreement, **AND that no tenants will be dislocated as a result of this transaction.**

Listing Realtor

Seller's Initials

Buyer's Initials

Selling Realtor

6. The Buyer acknowledges that he/she shall be required to attend two (2) post purchase counseling provided by Community Progress Council, Inc., at 6 months and one (1) year following the date of settlement if the Buyer has less than 3 months of principal, interest, and home owner's insurance available in liquid assets following settlement.

Buyer's Initials

7. The Buyer certifies as a condition of eligibility for financial assistance from the City of York / County of York that:

- ___ They have not had an ownership interest in residential real estate for the past three (3) years.
- ___ Although they've had an ownership interest in residential real estate in the past three years, they qualify as a: (check one of the following)
 - a) ___ Single Parent (i.e.: an individual who ... (A) is unmarried or divorced from a spouse; and (B) has one (1) or more minor children for whom the individual has custody or joint custody or is pregnant).
- OR (b) ___ Displaced Homemaker (i.e.: an individual who ... (A) is an adult; (B) has not worked full-time full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family; and (C) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment).

Buyer's Initials

8. The Buyer acknowledges that he/she must complete the First-time Homebuyer Workshop conducted through Community Progress Council, Inc., before becoming eligible for financing through any of the York Homebuyer Assistance Programs. Registration for the workshop can be made by contacting Community Progress Council, Inc., at (717) 845-7176.

Buyer's Initials

9. The Buyer certifies, as a condition of eligibility for financial assistance from the City of York / County of York that they intend to use the property they are purchasing as their principle residence.

Buyer's Initials

10. If buyer defaults (sells or moves out of a property in the City) before the five years, the percentage due is prorated from the date of the original anniversary to the same date of the month of sale. The dollar amount is divided by sixty (60) months in order to calculate the amount per month, and the monthly amount is then multiplied by the number of months remaining to determine the amount of Forgiveness by the Obligee to the Obligor. The difference between the original amount of the loan and the amount of the Forgiveness is the amount to be repaid by the Obligor to the Obligee.

Buyer's Initials

All other terms and conditions of said Agreement of Sale shall remain unchanged and in full force and effect.

Witness Date

Buyer Date

Witness Date

Buyer Date

Witness Date

Seller Date

Witness Date

Seller Date

