

Hernando Homebuyer Assistance Program (HBA)

The City of Hernando has received grant funds from the Mississippi Development Authority to assist low and moderate income persons who would like to purchase a home. The program provides a grant of \$30,000 per applicant that can be used toward a down payment on a home, help with closing costs, or help with reducing a home's price so that the buyer can afford it.

Income Eligibility

FAMILY SIZE	INCOME
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1	\$ 32,400
2	\$ 37,000
3	\$ 41,650
4	\$ 46,250
5	\$ 49,950
6	\$ 53,650
7	\$ 57,350
8	\$ 61,050

Other Eligibility Criteria

- Applicants must not currently own a home and must secure a mortgage through a financial institution/mortgage company at a fixed interest rate. No adjustable interest rates or balloon notes are allowed. Interest rates must be reasonable and affordable for a low-income buyer. Taxes and insurance must be escrowed to be included as part of the monthly mortgage payment. Buyers may refinance for a lower rate. Cash out or home equity loans are not allowed during the affordability period with the exception that a prorated share of Home funds invested are repaid in full. The home must be kept in the ownership of the applicant for 15 years, or the \$30,000 or a portion thereof must be repaid.

- The program requires purchase of an existing home, or if a home is under construction, it must be completed before program funds can be used to purchase it.
- Only houses within the city limits of Hernando, Mississippi may be purchased under the Hernando Homebuyers Assistance Program.
- Applicants must purchase property and maintain it as his/her residence.
- The applicant must obtain ownership of property through a fee-simple title.
- Eligible properties include single-family (one unit), duplex, 3-4 plex, condominium unit, or manufactured home.
- The property must meet local, state and federal codes and ordinances.

For more information, or to pick up an application, call Shelly Johnstone at Hernando City Hall at 662-429-9092. Ext. 103 or Mattie Cushman at 615-386-0222.