

2004 St. Louis County Procedures HOME Investment Partnership Funds New Construction For Sale Developments

New construction For Sale Developments funded with St. Louis County HOME funds are subject to the following requirements:

- **Home** Buyers must successfully complete counseling through one of St. Louis County's approved Home Buyer Counseling Agencies. This counseling must include a letter from the agency stating that buyer is able to obtain a conforming first mortgage as described in the 1st HOME manual. A list is available on the web at <http://www.stlouisco.com/plan/Housing/1stHOME.html>
- **Home** Buyers income must not exceed 80% of the area median income per the number of household members, as determined by HUD. Tables identifying the current guidelines can be found on the web at <http://www.stlouisco.com/plan/Housing/ForSale.html>
- **First** Mortgage loans are required to be conforming loans. For a complete definition refer to the 1st HOME Manual located on the web at <http://www.stlouisco.com/forms/planning/1stHOME-2004-Manual.rtf>
- **The** property is required to remain "affordable" for a period determined by the amount of subsidy stated on the Deed of Trust. To see the affordability table refer to St. Louis County's Resale/Recapture Policy on the web at <http://www.stlouisco.com/plan/Housing/ForSale.html>
- **Loans** from the County to the Homebuyer are Due on Sale, at zero percent interest, and no monthly payments are required. At the time of sale by the original homebuyer, the Note is due and payable to St. Louis County. The amount and terms of the County loan should be noted on the sales contract. "Special financing terms" should be posted in the Realtor's listing information.
- **Home** Buyers will sign a Note and Deed of Trust securing St. Louis County's interest in the property.
- **Documentation** confirming the eligibility of the Home Buyer must be submitted to St. Louis County prior to the purchase of the property. For a list of items necessary see the Home Buyer Checklist on the web at <http://www.stlouisco.com/plan/Housing/ForSale.html>
- **In** the event of the Home Buyer refinancing their first mortgage, St. Louis County will subordinate to a primary position only if the new mortgage meets St. Louis County's Subordination Policy available on line at <http://www.stlouisco.com/plan/Housing/ForSale.html>