

City of Boston - AFSCME Council 93, AFL-CIO Housing Trust Fund

Homeownership Benefit Eligibility Criteria

The City of Boston - AFSCME, Council 93, AFL-CIO Housing Trust Fund (“the Trust”) can provide a deferred and forgivable loan of \$10,000 to help you buy your first home.

You are eligible for this benefit if:

- You are currently a member in good standing of AFSCME, Council 93 and have been for at least two years;
- Your base yearly income (not your household’s total income) is less than \$72,050 per year;
- You have not had an ownership interest in residential property within the past five years¹;
- You do not owe any past due real estate taxes to the City of Boston;
- You intend to occupy the home you purchase within the city of Boston;
- You agree to attend a free Home Owner 201 course after you move in.

Prior to submission of your application, you must have completed an approved Homebuyers 101 course. This course, offered by both the City of Boston and others, provides useful information on homebuying. Attached is a list of approved homebuyer course providers. For a schedule of courses and locations contact the Boston Home Center at 26 Court Street (www.bostonhomecenter.com). The course sponsor will provide you with a certificate of completion, which you will need to access the Trust fund.

Applicants are strongly encouraged to secure mortgages from lenders classified by the Trust as “City of Boston – AFSCME, Council 93 Housing Trust Fund Participating Lenders”. A list of those lenders is included in the Trust application package.

The benefit is a deferred and forgivable loan, secured with a promissory note and mortgage on the property. If the member occupies the home as his/her principal residence for a period of ten years, then the loan will be forgiven.

¹ If you have owned a property, there may be extenuating circumstances, as determined by the Trustees, which allow you to receive this benefit.

Repayment of this benefit occurs when the property is transferred or sold or is not maintained as a principal residence before the end of ten years. The repayment is pro-rated at 10% per year, up to the tenth year, when it is forgiven.

Eligible Uses for Home Ownership Assistance

The Trust funds can be used to help with downpayment and closing costs, including the costs of appraisals, legal fees, recording fees, etc. The best use of these funds should be discussed with your mortgage lender.

The Application Process

- 1) Submit a completed Application package to the Trust.² Application forms are available at the AFSCME office or can be downloaded from www.afscmecouncil93.org. **Along with the application you must:**
 - a) Obtain and submit a “**letter of good standing**” from AFSCME Council 93 or your Local President or delegate;
 - b) Complete an approved **Homebuying 101 course** and submit a copy of the **certificate of completion**;
 - c) Submit a copy of your **most recent pay stub**.
- 2) If you are deemed to be an eligible member, you will receive a Reservation letter from the Trust reserving your \$5000.00 homebuying benefit contingent on the purchase and finance of an eligible property in Boston. This letter is valid for six (6) months from the date of issue.
- 3) At least **four weeks before you plan to close** on your new home **you should:**
 - a) Submit a copy of a fully executed **Purchase and Sale agreement** for a home in Boston;
 - b) Submit a copy of your **mortgage commitment letter**;
 - c) Provide the **anticipated closing date** on your new home.
 - d) Provide the **name, address and phone number of the attorney** who will close your loan for the mortgage lender, when available;

Or

 - e) **If you have already closed on the home** and you have submitted your application to the Trust within 90 days of the closing date, then you must submit a copy of your **Deed and Mortgage Statement** and sign a Note and Mortgage with the Trust to complete the process of reimbursement.
- 4) The Trustees of the Trust will then review your completed application and vote to approve your deferred and forgivable loan of \$10,000.00.

² All documents required herein must be submitted to the Trust at AFSCME, Council 93, 8 Beacon Street, Boston, MA 02108.

- 5) A Trust Fund check will be made out to you. It will be mailed to your closing attorney or lender before your scheduled closing. At your closing, you will sign the Note and Mortgage and sign the Trust check over to the mortgage lender.

Or

If you have already closed on the home, a Trust Fund check will be made out to you, and you must apply it to your mortgage expenses. It will be mailed to you to be sent to your mortgage provider.