



Where Stimulus funding makes
Bay Area homeownership achievable

REAL ESTATE PROFESSIONAL FAQs

WHAT IS HomeHub®

HomeHub® is a unique collaboration of Bay Area developers, government agencies and homebuyer counseling agencies, with the shared goal of creating greater awareness, access and understanding for low and moderate income buyers, about homeownership opportunities made possible by the Neighborhood Stabilization Program.

WHAT IS THE NEIGHBORHOOD STABILIZATION PROGRAM?

The Neighborhood Stabilization Program (NSP) is a federal stimulus program created in 2008 for the purpose of stabilizing communities suffering from foreclosures and abandonment. Established by the US Department of Housing and Urban Development (HUD), billions of dollars are being distributed to local government agencies across the nation to put toward the purchase and renovation of foreclosed or abandoned homes. Once renovations are complete, these homes are made available to eligible low and moderate-income homebuyers at prices they can afford.

Each jurisdiction implements their Neighborhood Stabilization in a variety of ways, but the following is a summary of common practices.

THE BASICS

- In the Bay Area, more money is invested in the repair and renovation of the home than can be recouped from the sale of the home to your client. The NSP stimulus funds make this investment possible, creating a unique opportunity for government agencies and developers to significantly improve the quality, safety and energy efficiency of housing stock in our communities.
- Buyers must meet income eligibility requirements. According to NSP requirements, home buyers must earn 120% or less of the Area Median Income (AMI) per household size in order to qualify. However, some jurisdictions have targeted buyers at lower incomes.
- NSP homes are only available to buyers who plan to live in the home, not to investors.
- An eligible buyer must contribute a down payment of approximately 1.75 - 3% of the purchase price. The exact amount will vary depending on the requirements of each NSP jurisdiction.
- An eligible buyer must be prequalified for a 30-year fixed rate mortgage; FHA and VA loans are welcome.
- An eligible buyer must not exceed a 40% debt-to-income ratio.
- Down payment and closing cost assistance may be available.
- The NSP program offers competitive commissions to both the buyer's and the seller's agent. Percentages may vary by developer.
- A buyer must attend a HUD-approved, 8-hour homebuyer education class prior to closing.



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Realtor FAQs

HOW CAN YOU GET INVOLVED?

- Contact a participating Realtor Partner in your area. They understand the NSP requirements and are eager to help connect your buyers to quality renovated homes at an affordable price.
- Contact a participating Developer in your area. Each Developer can share information specific to their NSP program and homes they are selling.
- Visit www.HomeHub.org to search our listings of homes that are currently for sale or coming soon.

Real estate professionals are key to the success of the Neighborhood Stabilization Program. Learning how the program works and how your clients can benefit is the primary goal of HomeHub®.

LEGAL DISCLAIMER

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