



H. A. W. C.

Housing Authority of Washington County
319 East Antietam Street, 2nd Floor
P. O. Box 2944, Hagerstown, MD 21741-2944
Telephone/TTY: 301-791-3168
Fax: 301-791-2755
www.hawcmd.org or www.facebook.com/hawcmd.org

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Board Chair

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How to buy your house through the **Housing Authority of Washington County** **HOMEOWNERSHIP PLAN**

If you live in one of the units the Housing Authority of Washington County can sell to residents, your first step toward homeownership is to discuss your plans with the Family Self-Sufficiency (FSS) Case Manager at Community Action Council. Tenants in the Neighborhood Conservation Initiative homes (NCI) who are receiving case management services through the Hagerstown HOME Store, will follow these steps with HOME Store staff. The Case Manager will help you set up appointments with a Housing Counselor. The Housing Counselor will help you obtain a copy of your credit report, and will be able to calculate how much you can borrow based on your current income. The Case Manager will also provide you with a copy of the Homeownership Plan and its exhibits.

Your second step will be to obtain a letter from a lender that indicates that you appear to be qualified to borrow money. (You may estimate today's market value of your unit by looking at the current full assessment as shown in Exhibit I of the Homeownership Plan.) The Housing Authority will not order an appraisal of your home until we have a letter from a lender that indicates that you are financially ready to take on a home mortgage.

The next step is to arrange for an appraisal. The Housing Authority will accept an appraisal from anyone licensed by the Maryland Real Estate Appraisers Commission. When you tell us which appraiser you wish to use, the Housing Authority will negotiate with the lender and the appraiser to obtain an appraisal satisfactory to all parties. In most instances the appraisal can be ordered by the Housing Authority and then assigned to the lender. Residents that are FSS participants may seek advance approval from the Family Self-Sufficiency Coordinating Committee to have their half of the appraisal cost taken from their FSS escrow account. Residents that are not FSS participants or who do not have adequate funds in their escrow account will be asked to deposit their half of the appraisal cost with the Housing Authority before the Authority orders the appraisal.

The Authority will enter into a Contract of Sale with the resident based on the appraised value. The form of the Contract of Sale is attached as Exhibit III. The Authority prefers that the deposit that accompanies a signed Contract of Sale be at least \$500.00. The Contract of Sale allows two months to complete paper work needed for the closing of your loan. The Contract of Sale gives the resident the right to have a termite inspection and/or a home inspection done at the resident's cost.

Related documents:

Housing Authority of Washington County Homeownership Plan
Exhibit I, Properties Eligible for Sale to Residents
Exhibit II, Family Self-Sufficiency Action Plan and related materials
Exhibit III, Contract of Sale

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