



# Alachua County Dept. of Growth Management Housing Programs

## (N.S.P.) Neighborhood Stabilization Program

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### Frequently Asked Questions:

#### (1) What is NSP?

The Neighborhood Stabilization Program (NSP) was established through the Housing & Economic Recovery Act of 2008 in an effort to combat some of the challenges associated with a declining economy and escalating foreclosure rates. Alachua County was awarded funding under this program through the Florida Department of Community Affairs (DCA) to acquire & rehabilitate single family units in designated areas of the County.

#### (2) How does Alachua County plan to implement this program?

The County has already purchased foreclosed homes within the designated zip code areas and is currently in the process of rehabilitating these homes. Once the repairs are fully completed and the properties are evaluated by a licensed appraiser, they will be put up for sale to eligible home buyers.

#### (3) What are the benefits of purchasing an NSP home?

- The properties will be fully rehabilitated and brought to housing code by licensed & insured contractors. The scope of work may include some of the following:
  - ✓ New windows & doors
  - ✓ New Water heater & plumbing
  - ✓ New flooring
  - ✓ New roof
  - ✓ Cooling & Heating Unit / upgraded insulation
  - ✓ New appliances / light fixtures / other misc repairs
  - ✓ Other energy efficiency upgrades.

\* This is not an all-inclusive list applicable to each individual home but merely an example of some of the work that may be completed at a given property\*

- The County will provide down payment/principal reduction assistance to subsidize mortgage affordability & buyer cost.

#### (4) What are the income eligibility levels?

<b>Alachua County NSP Income Limits Chart (Revised 12-1-11)</b> Maximum annual household income adjusted for Family size FY 2011/2012			
<b>Household Size</b>	<b>Very Low</b> (30% to 50% of AMI):	<b>Low</b> (51% to 80% AMI):	<b>Moderate:</b> {81% to 120% of AMI}:
1	\$19,500	\$31,150	\$46,800
2	\$22,250	\$35,600	\$53,400
3	\$25,050	\$40,050	\$60,120
4	\$27,800	\$44,500	\$66,720
5	\$30,050	\$48,100	\$72,120
6	\$32,250	\$51,650	\$77,400
7	\$34,500	\$55,200	\$81,800
8	\$36,700	\$58,750	\$88,080

#### (5) How much down payment/principal reduction is being offer?

Principal reduction and/ or down payment Assistance is based on the combined annual gross income of the household. Please keep in mind that “household income” includes earned wages & other sources of income for everyone that intends to reside in the subject property. Please refer to the “Income Limits Chart” listed above (#4) and the chart below listing the subsidy for each corresponding income level.

<b>Alachua County NSP Minimum buyer’s contribution:</b> Per income category	
<b>Very-Low</b>	<b>Minimum of \$500</b> {or 50% of the required down payment per the loan type}
<b>Low</b>	<b>Minimum of \$1,000</b> {or 50% of the required down payment per the loan type}
<b>Moderate</b>	<b>Minimum of \$1,500</b> {or 50% of the required down payment per the loan type}

#### (6) What are the other eligibility criteria to purchase a NSP Home?

- Buyer cannot own a home at the time of purchase of a NSP property.
- Combined Household income {including all sources of income: salaries, Social Security benefits, child support & alimony, income from pensions & retirement, etc.} cannot exceed 120% of the area medium income adjusted for family size. [Scroll up](#) to view the “Income Limits Chart”.

- Buyer must have sufficient income & credit worthiness to qualify for a fix 30-year mortgage thru an institutional lender. Please see list of Approved Lenders. First mortgage payment (principal, interest, taxes, insurance (s)) is limited to a maximum debt-to-income-ratio of 36/42. For questions regarding ratios, please contact your lender directly.
- Buyer must occupy the NSP home as their primary residence for a period of at least 15 years.
- **Buyers are required to make a contribution towards the purchase of a NSP home.** Per the guidelines provided by HUD for the administration of the NSP program, buyers must contribute 50% of the required down payment for their particular loan type or the minimum requirement per local guidelines, whichever one is higher. For example, as of now, the required minimum down payment for a FHA Loan is 3.5%. This means that for a NSP participant he or she must contribute (from their own funds) at least 50% of that 3.5% requirement. *This information is given on this flyer as a form of disclosure and the structure & details of your loan is to be figured out between your lender and our staff.*

### **(7) Do I need to take a class to be eligible for this program?**

**YES!** Buyers are required to attend a “Home Buyer’s Education” class provided by a HUD-certified counseling agency. To register for the next available class please contact the following organizations directly:

- **City of Gainesville Housing Division:** 352-334-5026
- **NHDC** (Neighborhood Housing Developing Corporation) 352-380-9119

### **(8) Since the NSP homes will be fully rehabilitated, do I still need to obtain a home inspection?**

While it is generally recommended as part of a real estate transaction, it is not required to participate in the NSP program. Alachua County will do a “before” and “after” home inspection but it is intended to assist in determining the scope of work needed and later confirm the completion of it. **Alachua County does not guarantee properties to be free from defects or mechanical malfunctions;** therefore it is the buyer’s responsibility to obtain the opinion of a licensed professional in the field. If you need a list of suggested home inspectors, please discuss that with your realtor.

### **(9) When will these properties become available?**

Once the rehab is completed and the “after-appraisal” is conducted, our staff will issue a press-release announcing the subject property as available for sale. On the announcement, a specific time frame to submit offers will be included. If you would like to be notify when properties become available, please send an email to: [bwoodham@alachuacounty.us](mailto:bwoodham@alachuacounty.us) and include on the subject line “**NSP Houses for Sale**” and on the body of the email indicate that you would like to be added to the “NSP Notification List”.

**(10) Are deposits required when placing an offer for an NSP property?**

Yes. A \$500 binder-deposit is required when submitting an offer. These funds will be held in escrow by the title agency conducting the closing and it will count towards the “*minimum buyer’s cash contribution*”.

**(11) Do I need a realtor and who pays his or her commission?**

Yes. Alachua County requires buyers to choose a licensed realtor to assist & represent them in the process of buying a NSP home. As the seller, the County will pay for the buyer realtor’s commission in the amount of 3.5% of the of purchase price. This compensation is to be disbursed at closing and reflected on the final HUD1.

**(12) For the NSP subsidy to be provided, is there interest or monthly payments collected by the County?**

No, the subsidy is being provided in the form of a soft second mortgage with no interest and no monthly payments.

**(13) What are the terms of the NSP “soft second mortgage”?**

A 15 year Mortgage Lien taking 2<sup>nd</sup> position is to be recorded against the property associated with the assistance. As previously mentioned on question #12, there is neither interest nor monthly payments due on this mortgage.

**14) Does the subsidy funds needs to be pay back to the County?**

Not while the buyer resides in the home as their primary residence for the full term of the mortgage but on the 15<sup>th</sup> year anniversary it will become completely forgiven. However, the amount on the mortgage will become due in full upon the sale or refinance of the property if it occurs prior to the 15 year period.

**(15) What are the “steps-by-steps” to purchase a home thru this program?**

- a) Send an email to [bwoodham@alachuacounty.us](mailto:bwoodham@alachuacounty.us) and request to be added to the “NSP Notification List” so that you may know when properties become available for sale.
- b) Contact a lender from our list of “*Suggested Lenders*” to obtain a pre-qualification letter. If they have any questions they can contact us at: [bwoodham@alachuacounty.us](mailto:bwoodham@alachuacounty.us).
- c) Choose a “buyer’s realtor” to represent you and inform him or her that you would like to purchase an NSP home. If they have any questions they can contact us at: [bwoodham@alachuacounty.us](mailto:bwoodham@alachuacounty.us).
- d) Register to attend a “home buyers education” class, contact information listed under section # 7 on this flyer.

- e) When the property that you are interested in becomes available, have your realtor submit an offer within the designated time frame and including all the required documents. Your realtor can contact us at [bwoodham@alachuacounty.us](mailto:bwoodham@alachuacounty.us) if they need to obtain our "NSP-Offers Package" or if they have any questions regarding this step.
- f) Wait to hear back from our staff regarding your offer.

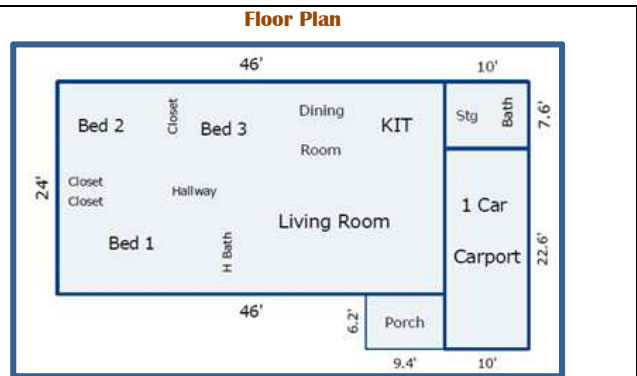
**16) Are any pictures, address, or other details pertaining to the property available?** Yes, see below.....

### Listings of NSP Properties



FOR SALE  
\$91,000

\*\*\*Offers now being accepted\*\*\*



**Address:** 2211 NE 12<sup>th</sup> Terrace  
**Gainesville, FL 32609**  
**Size (Square Fee):** 1,104  
**Rooms:** 3 BR / 1.5 baths  
**Year Built:** 1965  
**R.E. Taxes:** \$2,010.87/ **Tax year:** 2010



FOR SALE  
\$3,000

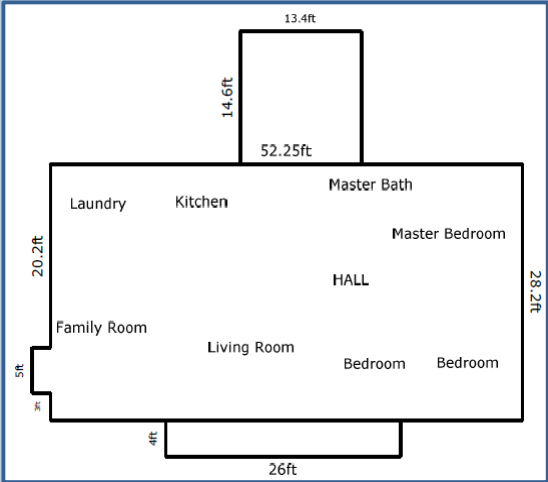
\*\*\*Offers now being accepted\*\*\*



**Address:** 3741 SE 17<sup>th</sup> Ave  
**Gainesville, FL 32641**  
**Size (Square Fee):** 1,040  
**Rooms:** 3 BR / 1 bath  
**Year Built:** 1964  
**R.E. Taxes:** \$2,165.93/ **Tax year:** 2010



**\*\*\*\*\*SOLD\*\*\*\*\***



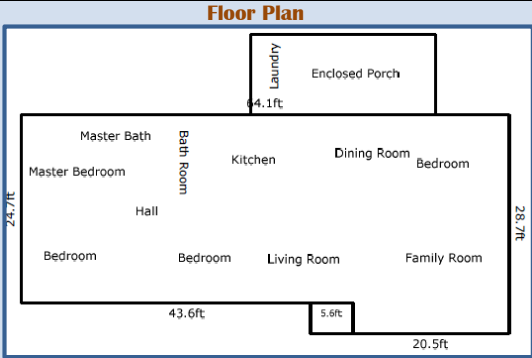
**Address:** 12017 NW 164<sup>th</sup> Terrace  
Alachua, FL 32615

**Size (Square Fee):** 1,483

**Rooms:** 3 BR / 2 baths / **Year Built:** 1979 / **R.E. Taxes:** \$2,164.68 / **Tax year:** 2010



**\*\*\*SOLD\*\*\***



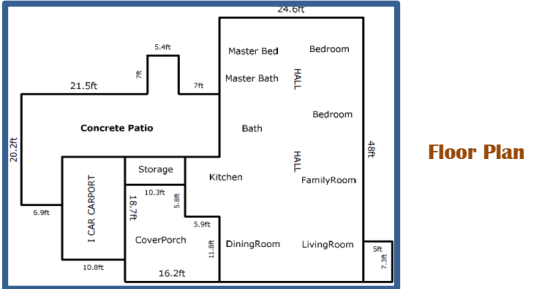
**Address:** 3713 SE 14<sup>th</sup> Terrace  
Gainesville, FL 32641

**Size (Square Fee):** 1,665

**Rooms:** 3 BR / 2 baths **Year Built:** 1962 **R.E. Taxes:** \$2,363.14 / **Tax year:** 2010



**\*\*\*SOLD\*\*\***



**Address:** 3009 NE 11<sup>th</sup> Terrace  
Gainesville, FL 32609

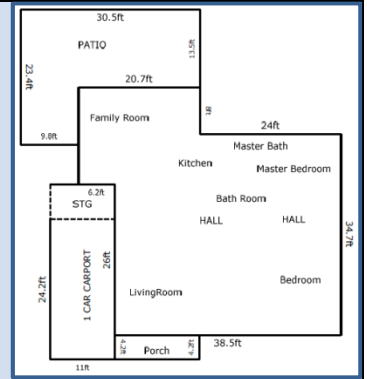
**Size (Square Fee):** 1,245

**Rooms:** 3 BR / 2 baths

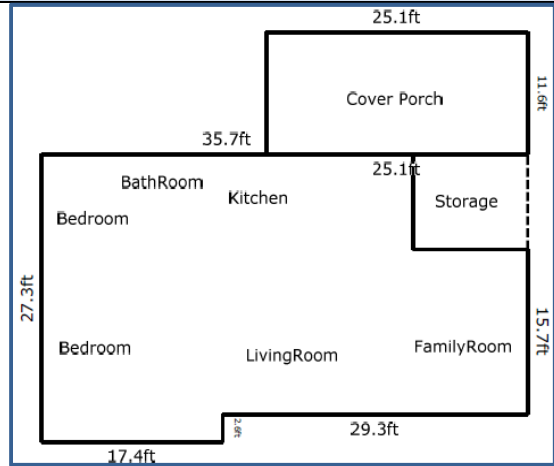
**Year Built:** 1961 / **R.E. Taxes:** \$2,044.31 / **Tax year:** 2010



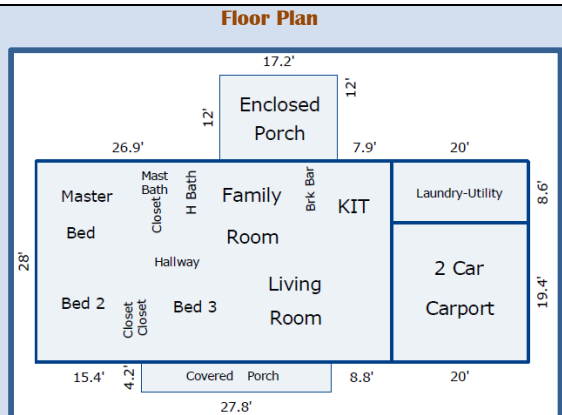
**R.E. Taxes:**  
**\$2,414.19**  
**Tax year: 2010**  
**Address: 1631**  
**SE 37<sup>th</sup> Street**  
**Gainesville, FL**  
**32641**  
**Size (Square**  
**Fee): 1,555**  
**Rooms: 3 BR / 2 baths**  
**Year Built: 1963**

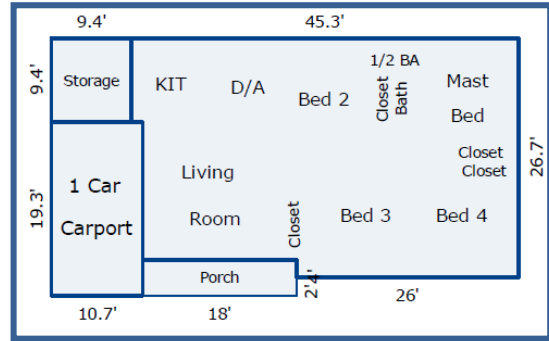


**Address: 3150 NE 12<sup>th</sup> Street /Gainesville, FL 32609 /****Size (Square Fee): 1,099**  
**Rooms: 2 BR / 1 bath /** **Year Built: 1965 / R.E. Taxes: \$1,779.26/ Tax year: 2010**



**Address: 22532 SE 59<sup>th</sup> Place**  
**Hawthorne, FL 32640**  
**Size (Square Fee): 1,456**  
**Rooms: 3 BR / 2 baths** **Year Built: 1968 R.E. Taxes: \$2,398.66/ Tax year: 2010**





**Address:** 2923E NE 11 Terrace  
Gainesville, FL 32609

**Size (Square Fee):** 1,151

**Rooms:** 4 BR / 1.5 baths /**Year Built:** 1962 /**R.E. Taxes:** \$1,886.72 **Tax year:** 2010

## Who can I contact if I have additional questions?

**Barbara Woodham, Housing Programs Coordinator**  
[bwoodham@alachuacounty.us](mailto:bwoodham@alachuacounty.us)

**\*\* Program Guidelines may be subject to change \*\***

**\*\*Document last revised February 13, 2012\*\***



**Alachua County  
Dept. of Growth Management  
Housing Programs**

## **List of S.H.I.P. and NSP Approved Home Inspectors**

	<b>Company Name</b>	<b>Contact Person</b>	<b>Phone numbers</b>
<b>1</b>	<b>The Home Team Inspection Services</b> 2525 SE 50 <sup>th</sup> Terrace Ocala, FL 34480 <i>*State License #HI105*</i>	Daniel Blankenship	352-694-8201
<b>2</b>	<b>Santa Fe Inspection Service, Inc</b> 12624 NW 93 <sup>rd</sup> Place Alachua, FL 32615 <i>*State License #HI496*</i>	Don Gocek	352-538-7149
<b>3</b>	<b>Gator Home Inspections, Inc.</b> 9901 NW 171 <sup>st</sup> Terrace Alachua, FL 32615 <i>*State License # HI303*</i>	Henry McBride	386-462-7800
<b>4</b>	<b>Reliance Home Inspection</b> 4316 SW 80 <sup>th</sup> Street Gainesville, FL 32608 <i>*State License # HI1262*</i>	Ian Millinoff	352-378-5808
<b>5</b>	<b>HouseMaster</b> 24605 NW 25 <sup>th</sup> Place Newberry, FL 32669 <i>*State License #HI738*</i>	Matthew Peck	352-472-5552
<b>6</b>	<b>Pillar To Post Home Inspection</b> P.O. Box 142481 Gainesville, FL 32614 <i>*State License #HI1152*</i>	Karl Spitzer	352-572-7253

***Disclaimer:** Alachua County does not endorse nor promote any particular vendor; however, buyers planning to participate in the Alachua County **S.H.I.P.** Program or **NSP** program must conduct a home inspection by a **state licensed inspector** who has experience identifying "minimum housing code" issues as required by **S.H.I.P.** standards*

*\*State License number were obtained from [www.myfloridalicense.com](http://www.myfloridalicense.com)*

Revised February 2012