



INVEST HAGERSTOWN

PROGRAM GOALS

The City of Hagerstown wishes to:

1. Inspire and enable homeownership, both city-wide and in the urban core, by aiding those looking to purchase their own home.
2. Motivate and create the opportunity for the creation of new first time home buyers.
3. Increase homeownership in Hagerstown's residential communities.
4. Lower the barriers discouraging or preventing individuals and families from owning their own home.
5. Promoting homeownership to current renters.
6. Assist home buyers who might not otherwise qualify for financing without the assistance of this program.

Hagerstown Homeownership Initiative Summary

The Hagerstown Homeownership Initiative offers an incentive to reduce the barriers associated with homeownership within the City of Hagerstown by providing support in the form of a loan-to-grant for down payment and closing cost assistance. This investment will support our neighborhoods across the city by reducing vacant homes and rental properties by boosting new homeownership.

NOTE: THIS IS A FORGIVABLE LOAN TO GRANT PROGRAM WITH DEFERRED PAYMENTS OVER 5-YEARS

Hagerstown Homeownership Initiative Program Summary

1. 0% Interest loan to grants up to \$7,500 for down payment and/or closing cost assistance.
2. The entire deferred loan will be forgiven if the homebuyer maintains the structure as their primary residence for a period no less than five (5) years.
3. Eligible properties must reside within the City of Hagerstown's corporate limits.
4. Applications are reviewed on a continual basis and approved by the Department of Community & Economic Development staff on a first-come, first-served basis.
5. Program assistance is subject to funding availability.
6. Applicants must show lender financing, Loan to Value cannot be lower than 80%.
7. Applicants **cannot** receive funds greater than \$250.00 back at settlement

I. ELIGIBILITY CRITERIA

1. Residential structures must be located within the Corporate Limits of Hagerstown.
2. Properties must be either:
 - a. A pre-owned single-family dwelling such as:
 - i. A Single Family Attached
 - ii. A Single Family Detached
 - iii. Townhome
 - iv. A Privately Owned Condominium,
3. The purchase price of the property must be no more than 100% of the average home sale price within the City of Hagerstown's corporate boundaries. (Determined by National Association of Realtors)
4. Homebuyers will be required to maintain the structure as their primary residence for five (5) years for the loan to be forgiven.
 - a. If the home is sold, transferred, refinanced or not used as the primary residence before this minimum residency requirement is met, the original loan amount will immediately become due and payable to the City of Hagerstown.
5. Application must be received at least thirty (30) days **prior** to settlement of home purchase.
6. Applicants may only qualify once per household.

II. ELIGIBLE USE OF FUNDS

- Funding may be applied to down payment, closing costs, or a combination of both.
- Funding may be used in conjunction with any other homebuying assistance programs as allowed.

o The City cannot control restrictions and requirements made by other departments, agencies, or organizations. Please contact any other applicable party prior to applying for clarification on use.

III. INELIGIBLE USE OF FUNDS

- Unit reduction of existing rental units that is not in conjunction with the purchase of property for primary homeownership is not eligible for this program.
- The addition of new rental units to property during/after the time of sale is not eligible for this program.

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