



## Apply for HOMEBUYER ASSISTANCE

### NEIGHBORHOOD STABILIZATION PROGRAM (NSP) 1

#### CITY OF EL PASO



The NSP is a program created to stabilize neighborhoods and to assist homebuyers. The City of El Paso was awarded NSP1 funds from the Department of Housing and Urban Development (HUD) and from the Texas Department of Housing and Community Affairs (TDHCA). The City will buy and rehab/redevelop foreclosed vacant properties, provide financing to income qualified households to purchase these homes, and will demolish blighted structures. All activities will be carried out in NSP targeted Census Tracts only. To view target areas and NSP properties that the City owns and is selling to households that qualify for NSP homebuyer assistance, please see [www.elpasotexas.gov/commdev/nsp.asp](http://www.elpasotexas.gov/commdev/nsp.asp)

**HUD NSP1 Homebuyer Assistance** is available for households at or below 120% of Area Median Income (AMI) and may include:

- Down Payment and Closing Cost assistance: deferred forgivable loan up to \$7,000 at 0% interest
- Principal Reduction Loan: amortized and/or deferred loan up to \$40,000 at 0% interest
- Revitalization Area Loan: households buying an NSP home in a recognized revitalization area receive \$10,000 as a forgivable loan

**TDHCA NSP1 Homebuyer Assistance** is available for households at or below 50% of Area Median Income (AMI) and may include:

- First mortgage financing from TDHCA
- Up to \$30,000 in a deferred forgivable loan at 0% interest, closing costs may be financed in this amount

**Qualifications** include, but are not limited to:

- Purchase a NSP property within the city limits of El Paso
- Purchase a NSP property that is a single family property, one unit in a 2-4 unit property, condo, townhome, or manufactured home where treated under state law as real estate
- Purchase a NSP property that does not exceed 95% of the Area Median Purchase Price (currently, the max purchase price is \$125,305)
- Occupy the NSP property as your principal residence within 30 days of loan closing
- Provide proof of residency within the city limits of El Paso
- Not have an ownership interest in any other residential dwelling at the time of loan closing
- Qualify for a first lien mortgage from an approved lender participating in the NSP if you are interested in the HUD NSP1
- Complete a 8-hour homebuyer education course given by a HUD approved counseling agency prior to purchasing a NSP property
- Agree to stay in the home for the duration of the affordability period
- Annual household income may not exceed 120% of AMI for HUD NSP1 and 50% of AMI for TDHCA NSP1 according to household size:

Household Size	1	2	3	4	5	6	7	8
120% of AMI	\$41,520	\$47,400	\$53,280	\$59,160	\$63,960	\$68,640	\$73,440	\$78,120
50% of AMI	\$17,300	\$19,750	\$22,200	\$24,650	\$26,650	\$28,600	\$30,600	\$32,550

*\*income limits subject to change\**

**HUD NSP1 Homebuyer's Required Downpayment Contribution:**

50% of the lender's required down payment must be paid by your own resources (e.g. if you get a standard FHA loan, the required down payment is 3.5% of the purchase price. NSP assistance can cover 50% of the required down payment (or 1.75%), you must contribute the remaining 1.75%)

**TDHCA NSP1 Homebuyer's Required Contribution:**

\$500

**Application Process:**

Applicants will first need to complete a homebuyer training course offered by a HUD counseling agency and approved by the City to participate in the NSP. To obtain a schedule of homebuyer classes, please call the YWCA Consumer Credit Counseling Service at 577-2530 or visit the NSP website at [www.elpasotexas.gov/commdev/nsp.asp](http://www.elpasotexas.gov/commdev/nsp.asp). After completion of the homebuyer course, you may apply for NSP assistance.

For more detailed information on the NSP please visit [www.elpasotexas.gov/commdev/nsp.asp](http://www.elpasotexas.gov/commdev/nsp.asp). If your questions have not been answered through this brochure or website, contact Art Gloria, Affordable Housing Finance Coordinator, [GloriaAX@elpasotexas.gov](mailto:GloriaAX@elpasotexas.gov) or 541-4845.

