

# City of Covington Neighborhood Stabilization Program

## Homebuyer Fact Sheet

Thanks for your interest in the City of Covington's NSP Homebuyer Program. The City is redeveloping 14 properties for sale to the public. There will be 11 properties that will be fully rehabilitated and move-in ready. There will also be 3 newly constructed homes for sale. The City is providing assistance to cover the down payment and closing costs and additional principal reduction to make the purchase of these homes affordable. Please review the information and requirements listed below to make sure that you are eligible and interested in participating in this program:

- Households are **limited to these maximum gross annual household incomes:** 1 person (\$58,400), 2 person (\$66,750), 3 person (\$75,100), 4 person (\$83,400), 5 person (\$90,100), 6 person (\$96,750). Households with gross annual incomes above these limits are not eligible.
- Homebuyers are required to have a **minimum credit score of 620**. Homebuyers with credit scores below 620 will be offered free homeownership counseling services.
- Homebuyers will be required to attend a free HUD approved homeownership education course.
- Homebuyers will be required to obtain an approved first mortgage from a lender of their choice.
- The City will provide assistance that can cover up to 50% of the lender required down-payment. **Homebuyers will be required to cover the other 50% of the lender required down-payment.** On an FHA mortgage, this will usually equate to 1.75% of the purchase price. The City assistance can cover 100% of the lender closing costs. Additional principal reduction may be provided to make the purchase affordable. The amount of assistance is capped at 50% of the purchase price.

Properties that will be available to purchase:

304 Berry Street	120 East 15 <sup>th</sup> Street
819 Bakewell Street	320 East 18 <sup>th</sup> Street
821 Bakewell Street	330 East 18 <sup>th</sup> Street
908 Banklick Street	334 East 18 <sup>th</sup> Street
912 Banklick Street	902 Banklick Street (new construction)
914 Banklick Street	618 East 17 <sup>th</sup> Street (new construction)
118 East 15 <sup>th</sup> Street	916 Banklick Street (new construction)

Homebuyers interested in purchasing these homes must be pre-approved by the City to participate in the NSP Program. Applicants will be required to provide the following documentation to apply for the program:

- At least three (3) recent paystubs for all employment.
- Documentation of any other form(s) of income, i.e. benefits, pensions, Social Security, Disability, etc.
- 2010 IRS tax documents (1040 forms and W-2's).
- Most recent bank statements for all accounts (six months for checking accounts, 1 month for savings accounts).
- Most recent statements for any other cash assets, i.e. stocks, bonds, IRA's, 401K's, other retirement accounts, pensions, Certificates of Deposit, life insurance policies with a cash value, etc.

These documents will be **required for all household members**. Any household member over the age of **18** will need to sign the NSP program application.

If you are interested in getting pre-approved to purchase one of these properties contact:

Jeremy Wallace  
859.292.2147  
[jwallace@covingtonky.gov](mailto:jwallace@covingtonky.gov)

John Hammons  
859.292.2105  
[jhammons@covingtonky.gov](mailto:jhammons@covingtonky.gov)

Info can also be found on our website: [www.makecovingtonhome.com](http://www.makecovingtonhome.com)



City of Covington  
Community Development Department  
638 Madison Avenue  
Covington, KY 41011  
859.292.2163  
TDD/TTY 800.545.1833 ext. 931

