

Home Buyer Assistance

Homeownership is a cornerstone of strong, stable communities, yet rising housing costs and limited financial resources have made purchasing a home increasingly difficult for many families. The City of Nevada is committed to expanding homeownership opportunities by providing financial assistance to income-qualified households seeking to purchase an existing home within the community.

The Homebuyer Assistance Program is designed to reduce financial barriers to homeownership by offering eligible buyers a one-time grant of up to \$15,000 to assist with the purchase of an existing home. In exchange, applicants must meet income eligibility requirements of 80% or below the Story County Area Median Income (AMI) for their household size, as established by the Iowa Finance Authority (IFA).

The Nevada Economic Development Council (NEDC) will administer the program by verifying applicant eligibility in accordance with Iowa Finance Authority guidelines, coordinating funding with the City and the buyer's financial institution, and ensuring compliance with all program requirements.

The pilot program is intended to assist eligible homebuyers annually over a two-year period, helping households achieve homeownership while encouraging reinvestment in Nevada's existing housing stock. Funding for the program is anticipated through the Story County Housing Trust Fund's Low- and Moderate-Income (LMI) allocation, leveraging local resources to create long-term housing stability and strengthen neighborhoods throughout the community.

Eligibility Requirements

Eligible homebuyers must have household incomes at or below:

- Eighty percent (80%) of County Median Income (AMI), adjusted for household size.
- Income eligibility shall be determined by NEDC in accordance with Iowa Finance Authority guidelines and Iowa Code Section 403.17.
- Applicants must purchase an existing home located within the City of Nevada.
- Assistance is limited to one grant per household.

Assistance

Eligible homebuyers may receive:

- Grant of up to \$15,000
- Payable at closing

- Subject to available funding

Required Application Documents

- Completed Application Form
- Government-Issued Photo Identification
- Most Recent Federal Tax Return
- Two (2) Most Recent Pay Stubs (or other income verification)
- Asset Verification (if requested)
- Mortgage Pre-Approval or Loan Commitment Letter
- Executed Purchase Agreement

Award & Closing Documents

- Homebuyer Assistance Agreement
- Closing Disclosure (CD)
- Owner Occupancy Certification
- W-9
- Authorization for Payment to Closing Agent

Program Requirements

Recipients acknowledge and agree to the following:

- Household income shall be verified by NEDC prior to approval.
- Grant funds shall only be used toward the purchase of the approved property.
- Grant funds shall be disbursed directly at closing.
- Applicant agrees to cooperate with NEDC and the lender in processing the grant.
- Applicant certifies the property will be occupied as the applicant's primary residence at the time of closing.
- Submission of an application does not guarantee funding.

Repayment Provision

NEDC reserves the right to seek recapture of funds for noncompliance with program requirements, including but not limited to:

- Material misrepresentation.
- Failure to provide required documentation.
- Failure to comply with program requirements.
- Misuse of grant funds.

Any determination to seek recapture shall be made by NEDC based on the severity of the violation, efforts to cure the violation, and the overall intent and objectives of the program.

Owner-Occupancy and Affordability Requirements

As a condition of receiving assistance through the City of Nevada Homebuyer Assistance Program, the recipient must occupy the purchased home as their primary residence for a minimum period of five (5) consecutive years from the date of closing. The property may not be sold, transferred, conveyed, or otherwise disposed of during this five-year affordability period without the prior written approval of the City of Nevada and the Nevada Economic Development Council (NEDC).

If the recipient voluntarily sells, transfers ownership of, or ceases to occupy the home as their primary residence before the expiration of the five-year affordability period, the recipient shall be required to repay a prorated portion of the grant funds received under the program to the City of Nevada and the Nevada Economic Development Council (NEDC). Repayment shall be calculated based on the amount of time remaining in the five-year affordability period according to the following schedule:

Time Occupied	Amount Required to be Repaid
Less than 1 year	100% of grant assistance
1 year but less than 2 years	80% of grant assistance
2 years but less than 3 years	60% of grant assistance
3 years but less than 4 years	40% of grant assistance
4 years but less than 5 years	20% of grant assistance
5 years or more	No repayment required

The repayment obligation shall terminate upon completion of five (5) consecutive years of owner occupancy. The City of Nevada and NEDC may require the execution and recording of a Promissory Note, Forgivable Loan Agreement, Mortgage, or other legal instrument necessary to secure the repayment obligation during the affordability period.

Exceptions to the repayment requirement may be considered by the City of Nevada and NEDC in cases of documented hardship, death of the homeowner, permanent disability, or other extraordinary circumstances, at their sole discretion.

Homebuyer Assistance Program Application Form

Applicant Information

Applicant Name: _____

Co-Applicant Name (if applicable): _____

Current Address: _____

City _____ State _____ Zip _____

Phone: _____

Email: _____

Household Information

Number of Persons in Household: _____

Estimated Annual Household Income: \$ _____

Employer(s):

Property Information

Property Address:

Purchase Price: \$ _____

Estimated Closing Date: _____

Real Estate Agent (if applicable):

Lender:

Loan Officer:

Requested Assistance

Amount Requested (Maximum \$15,000):

\$ _____

Required Application Documents

Please submit the following:

- Government-Issued Photo Identification
- Most Recent Federal Tax Return
- Two Most Recent Pay Stubs (or other income verification)

- Mortgage Pre-Approval or Loan Commitment Letter
- Executed Purchase Agreement

Applicant Acknowledgements

By signing below, I acknowledge and agree that:

- I have read and understand the Homebuyer Assistance Program Guidelines.
- I authorize NEDC to verify my household income and other eligibility information.
- I understand grant funds are subject to program eligibility and funding availability.
- I understand grant funds will be paid at closing.
- I certify that the property will be my primary residence at the time of closing.
- I understand submission of an application does not guarantee funding.
- I understand that NEDC reserves the right to seek recapture of funds for noncompliance with program requirements.

Applicant Certification

I certify that the information contained in this application and all supporting documentation is true and correct to the best of my knowledge.

Applicant Signature: _____

Printed Name: _____

Date: _____

Co-Applicant Signature (if applicable): _____

Printed Name: _____

Date: _____

NEDC Office Use Only

Date Received: _____

Income Eligible

☐ Yes

☐ No

Application Complete

☐ Yes

☐ No

Award Amount

\$ _____

Approved

☐ Yes

☐ No

NEDC Representative

Date _____