

Kansas Housing Resource Corporation Moderate Income Housing Program

City of Sedgwick Redbarn Farms Subdivision

Down Payment Assistance for qualifying Buyers



Sedgwick Redbarn Farms Subdivision is offering two Kansas Moderate Income Housing Grants available for qualifying buyers of up to \$20,000 for down payment assistance with the following minimal and flexible guidelines.

Guidelines:

1. Moderate Income Housing Income Range HUD's FY 2020 Income Limits

		1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Maximum	150%	\$ 80,344	\$ 91,781	\$103,313	\$114,750	\$123,938	\$ 133,125	\$ 142,313	\$ 151,500
Minimum	60%	\$ 32,138	\$ 36,713	\$ 41,325	\$ 45,900	\$ 49,575	\$ 53,250	\$ 56,925	\$ 60,600

2. A qualified Mortgage Loan approval from any participating Lender

3. **Five Year Deed Restriction** from the time of initial occupancy with a 20% annual declining refund (not to exceed 50%) to City of Sedgwick of the down payment assistance amount. Payable from any net profits made from the sale of the home after including costs of improvements, and seller closing costs. At the end of the fifth year of occupancy the deed restriction will be lifted and there shall be no restriction on the profit achieved by the sale of the home. If home is sold at any time no further deed restriction will be applicable to subsequent buyers.

- a. Example: Cost of Lot and Home built is \$200,000 with \$20,000 down payment assistance. Home is sold during the 3 years of occupancy for \$240,000, with additional \$10,000 in home improvements. Net Profit= \$240,000-\$215,000 (incl. closing costs of \$5,000) = \$25,000. In the third year of occupancy the declining restriction remaining is (40% of \$20,000 grant amount= \$8,000). A grant refund of \$8,000 payable to City from the Net Profits with the deed restriction lifted. Grant refund cannot exceed 50% of net profit, and if home is sold for a net loss no refund is required.