

KANE COUNTY NEIGHBORHOOD STABILIZATION PROGRAM

Program Fact Sheet

Under Kane County’s Neighborhood Stabilization Program (NSP), foreclosed houses up-and-down the Fox Valley have been beautifully renovated and are available for purchase (at very attractive prices!) to eligible homebuyers. Outlined below are the homebuyer eligibility criteria, NSP financing terms, and steps in the home-buying process. For additional details, a current list of available homes, and NSP application materials, please visit the Kane County Office of Community Reinvestment’s website: www.countyofkane.com/pages/OCR/asp and click on “Neighborhood Stabilization Program.”

Eligible NSP Homebuyers:

- Homebuyers must meet certain **income limits** in order to purchase an NSP home. (See table at right.)
- The Neighborhood Stabilization Program is **not** just for first-time homebuyers, but program rules require that homes purchased serve as the primary residence of the homebuyer. (Sorry, no investors.)
- In order to participate in the program, homebuyers must follow the steps outlined below, including completing a homebuyer education course with a HUD-Approved Housing Counseling Agency.

| NSP Homebuyer Program | |
|-----------------------|----------------|
| Household Size | Maximum Income |
| 1 | \$63,100 |
| 2 | \$72,100 |
| 3 | \$81,100 |
| 4 | \$90,100 |
| 5 | \$97,350 |
| 6 | \$104,550 |
| 7 | \$111,750 |
| 8+ | \$118,950 |

NSP Financing Terms:

Under the Neighborhood Stabilization Program, homebuyers are required to have a minimum downpayment equal to 1% of the purchase price, and must obtain a first mortgage from the lender of their choice.* In order to make the home-buying process easier and more affordable, however, NSP homebuyers are eligible for a **zero-interest, deferred-payment loan in the amount of \$20,000** (not to exceed 17% of the sales price). No interest accrues on the “soft-second” loan, and no payments are due until the home is sold, the title is transferred, or the home is no longer used as the homebuyer’s principal residence. When any of these events occur, the loan is repaid in full.

Five Easy Steps to Purchasing an NSP Home:

- **STEP ONE:** Complete the NSP Application.*
- **STEP TWO:** Complete a Homebuyer Education Course sponsored by the HUD-Approved Housing Counseling Agency of your choice. Below is a list of such agencies located in Kane County:
 - **Family Counseling Services of Aurora**, 800-349-1451, <http://aurorafcs.org/cccs/>
 - **Joseph Corporation**, 630-906-9400, www.josephcorporation.org/
 - **Neighborhood Housing Services of the Fox Valley**, 847-695-0399, <http://nhschicago.org/>
 - For additional agencies, go to www.hud.gov/ and search “HUD-Approved Housing Counseling Agencies.”
- **STEP THREE:** Get preapproved for a first mortgage with the lender of your choice.*
- **STEP FOUR:** Find the Realtor of your choice and begin looking at available NSP homes.*
- **STEP FIVE:** Select a home and submit an offer.

*For an NSP application, mortgage guidelines, and a list of available homes, call **630-444-2960**, or visit www.countyofkane.org/Pages/OCR.aspx and click on “Neighborhood Stabilization Program”.