HOME BUYER INCENTIVE
LEGAL OVERVIEW

Section 15.2-958.2 of the Code of Virginia

- City may adopt ordinance to provide:
- *"…homeownership grants to employees of the locality, employees of the school board and employees of constitutional officers, to purchase their primary residences in the locality."*
- May not exceed $25,000 per employee.

HOME BUYER INCENTIVE LEGAL OVERVIEW

- **City can establish "terms and conditions"**
  - For example, to focus on specific neighborhoods and/or limit to certain positions, such as, public safety employees

- Code of Virginia requires program to comply with VHDA **"regional sales price & household income limitations"** based on this geographic region

	1-2 Person Household	3+ Person Household	Sales Price/ Loan Limits
Hampton Roads Metro Area	**$90,400**	**$105,400**	**$390,000**
	162% AMI (1 Person)	*140% AMI (3 Person)*	*158% Median Value*

CURRENT HOMEBUYER PROGRAM

HRHA Homebuyer Subsidy Assistance (HOME)

- **Eligible Properties**
  - HRHA owned homes
- **Eligible Applicants**
  - Below 80% AMI Household Income
  - Complete HRHA Homebuyer Seminar
- **Program Benefit**
  - Lesser of $20,000 or 20% of sale price
  - Forgivable interest free loan
  - Used for combination of down payment and/or closing costs

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OTHER VIRGINIA PROGRAMS

Loudon County	Richmond
PUBLIC EMPLOYEE HOMEOWNERSHIP GRANT (PEG)	**HOMEOWNERSHIP INCENTIVE PROGRAM (CITY CODE)**
Full or Part-time Gov/School Employees	*Police officers, deputy sheriffs, teachers & firefighters*
Forgivable 5 year loan (employ, own, reside)	*Purchase primary residence in targeted areas of the City*
$10,000 for home purchase	*$25,000 max for home purchase*
First-come first-served	-----
30-70% AMI or $36,400-$84,950 annual income	*VHDA Regional Annual Income Limit*

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AREA MEDIAN INCOME (AMI) & EMPLOYEE SALARY EXAMPLES

Hampton Roads	1 Person Household	2 Persons Household	3 Persons Households	4 Persons Households
80% of Area Median Income (AMI)	<$44,450	<$50,800	<$57,150	<$63,450
City of Hampton Entry Salaries	*City Planner* ---- *Case Manager* ---- *Business Dev. Coord.* ---- *Police / Fire Entry Level*	*Senior City Planner* ---- *Plans Reviewer II* ---- *Budget Analyst*	*Grant Writer* ---- *Housing Dev. Specialist*	*Division Manager* ---- *Media Relations*

CITY OF HAMPTON EMPLOYEES

58%
Live within Hampton

Avg Salary
$38K

42%
Live outside of Hampton

Avg Salary
$46K

94% of city employees are making the same or less than the AMI