



Funds for Fixer-uppers

SoftSecond expands eligibility, offers rehab funds to help homebuyers purchase foreclosed properties in eligible neighborhoods

What is SoftSecond?

- A.** SoftSecond combines fixed-rate financing from a bank with a one-time, publicly-funded subsidy that lowers a homebuyer's monthly mortgage payment. Over 13,000 Massachusetts families have bought homes with SoftSecond.

How can it help me buy a foreclosed property?

- A.** You have always been able to buy a foreclosed property with SoftSecond. Now, thanks to the federal government's Neighborhood Stabilization Program (NSP), there are, for a limited time only, more incentives to buy a foreclosed property with SoftSecond, as long as it is in an eligible census tract, meets NSP criteria and the homebuyer occupies the home.

Why should I consider buying a foreclosed property?

- A.** By encouraging the purchase of foreclosed properties through SoftSecond, and by offering rehabilitation funds to fix properties in certain eligible areas, the federal government is providing a tremendous opportunity for homeowners to get off on the right track.

What communities are eligible for this enhanced version of SoftSecond?

- A.** Enhanced SoftSecond is available in eligible neighborhoods in: Attleboro, Barnstable, Billerica, Boston, Brockton, Chelsea, Chicopee, Dracut, Everett, Fall River, Falmouth, Fitchburg, Framingham, Haverhill, Holyoke, Lawrence, Leominster, Lowell, Lynn, Marlborough, Marshfield, Methuen, Milford, New Bedford, Peabody, Plymouth, Quincy, Randolph, Revere, Salem, Saugus, Somerville, Springfield, Stoughton, Taunton, Wareham, Weymouth, Worcester, and Yarmouth.

How does this enhanced version of SoftSecond work?

- A.** In all eligible neighborhoods, the income limits have been raised to up to 120 percent of area median income. Also, if you buy in any one of these neighborhoods, SoftSecond will waive its requirement that you have to be a first-time homebuyer. Eligible properties include foreclosed condominiums and one, two and three-family properties.



Fixer-uppers Q&A

continued

Are there rehab funds available to help me fix my home?

- A. Rehabilitation funding is available in certain neighborhoods in 17 of the 39 eligible communities. The communities where you can combine enhanced SoftSecond with rehab funding are: Boston, Brockton, Chelsea, Chicopee, Fall River, Fitchburg, Framingham, Haverhill, Holyoke, Lawrence, Lowell, Lynn, Leominster, New Bedford, Revere, Springfield, and Worcester. For more information, contact the local rehabilitation administrator in one of these communities.

How much rehab funding is available and what can it be used for?

- A. MHP will provide federal NSP rehab funds of up to \$20,000 per unit, up to a maximum of \$40,000 per property. Rehabilitation must focus on bringing the property up to state sanitary code. Major systems in danger of failure may be addressed. Energy efficiency and conservation improvements with Energy Star compliant components are encouraged. Funds may be used to satisfy lead paint requirements. Rehabilitation does not include general property improvements unless necessary to bring building up to code.

Who will determine the scope of rehab funding?

- A. Local rehabilitation administrators will determine what's needed and will manage the rehabilitation disbursements, and provide assistance to homebuyers.

What else do I have to do to be eligible?

- A. Additional criteria include:
- Must occupy selected property as principal residence.
 - Qualify for a SoftSecond Loan through a participating bank.
 - Meet SoftSecond's asset test.
 - Make sure your property is in an eligible census tract and that the property has been "foreclosed upon" or "transferred in lieu of foreclosure" in accordance with NSP guidance. Short sales are not eligible.

What do I have to do next?

- A. Your to-do list should include the following:
- Contact your local rehabilitation administrator about additional program requirements.
 - Enroll and complete a homebuyer education class from an approved agency.
 - Contact a participating lender (<http://www.mhp.net/homeownership/banks.php>)

**For more
information:**

**Massachusetts Housing Partnership
SoftSecond Loan Program**

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