



Southside

Why investing in a new home in Southside is a great idea and how to do it.



Deciding to buy a home:

When you have decided that you're family is ready to build their financial wealth by making the commitment of owning a home, there are three important things you want to consider:

- You want to invest in a great community.
- You want to invest in a HOME that you love.
- You want to make a good financial investment for your future, but also one that you can afford today.



Why you should invest in the Southside Community:

THE CITY OF DURHAM IS INVESTED

The City of Durham has made a major investment in the purchase of the lots in Southside and the community updates. Because of this, the lots the homes will be built on are being sold to you well below their market value.

The City of Durham has also invested in other areas of Southside:

- The multi-family site on the East side of Roxborro Road
- The conversion of the Whitted School
- The purchase of additional property for more residential phases in the future



Why you should invest in the Southside Community:

THE EXISTING RESIDENTS OF SOUTHSIDE ARE INVESTED

- Members of the existing Southside Neighborhood and the Southside Neighborhood Association have been the driving force behind the revitalization efforts
- The members of this community are committed to continuing to drive Southside in an increasingly positive direction.



AND THE HOMEBUILDERS AT SOUTHSIDE ARE INVESTED, TOO

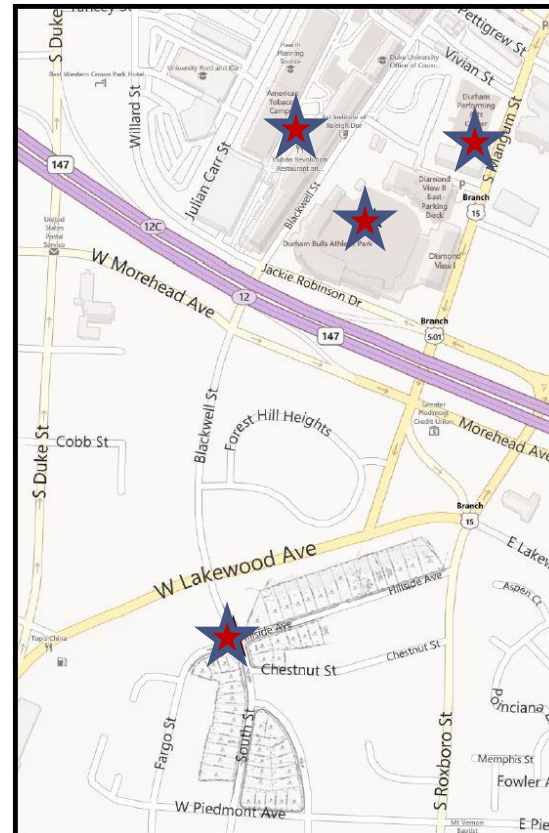
- We are local business who care about what happens in Durham, and we committed to be a part of this project because we believe in its future success.



Why you should invest in the Southside Community:

THE LOCATION!

- **Downtown Durham is Thriving!**
- **Southside is just blocks away from:**
 - **American Tobacco Campus**
 - **Durham Bulls Athletic Park**
 - **Durham Performing Arts Center**



Why you should invest in the Southside Community:

THE LOCATION!



PLUS, WHERE ELSE CAN YOU GET THIS VIEW?

Why you will love the homes in Southside:

48 NEW HOMES TO BE BUILT

- **Quality constructed, historically inspired new homes**
- **3 & 4 Bedroom Designs**
- **One level homes available**
- **Livable, open floor plans**
- **Upscale Interior Finishes**
- **Kitchens with granite counters & stainless appliances**
- **Bathrooms with ceramic tile**



How do you invest in your new home?

THE CITY OF DURHAM'S SUPPORT OF THIS PROJECT ALLOWS THE BUILDERS TO OFFER THESE OUTSTANDING HOMES AT AN EXCEPTIONAL VALUE



Some of the same homes in comparable Durham locations have recently been sold for prices of as much as \$25,000 more.

In addition to the incomparable value, moderate-income buyers will be able to take advantage of a variety of special financing programs .

How do you invest in your new home?

MODERATE INCOME HOUSEHOLDS

25 of these homes are reserved for households with incomes generally in the \$32,000 to \$60,000 range, depending on household size.

- **The City of Durham and North Carolina Housing Finance Agency are going to help you with the purchase of your home with special financing programs exclusive to the Southside community!**
 - **North Carolina Housing Finance Agency Program:**
 - Up to 15% of the purchase price as a deferred mortgage (\$18,000-\$29,250)
 - 0% interest
 - No monthly payment, repaid upon resale
 - **City of Durham Forgivable Mortgage Program:**
 - Up to \$20,000 forgivable mortgage
 - Forgiven at the rate of 3.33% per year
 - 0% interest
 - **City of Durham Second Mortgage Program:**
 - Up to \$20,000 amortizing 30-year loan
 - 2% Interest

WITH A TOTAL OF \$58,000+ OF POSSIBLE MORTGAGE ASSISTANCE, YOUR FIRST MORTGAGE PAYMENT WILL BE AS IF YOU BOUGHT THE HOME FOR \$58,000 LESS!

How do you invest in your new home?

MODERATE INCOME HOUSEHOLDS

- To qualify for mortgage assistance, household income must be at or below 80% of the Area Median Income based on your family size.

Family Size	1	2	3	4	5	6	7	8
80% AMI	\$36,800	\$42,050	\$47,300	\$52,550	\$56,800	\$61,000	\$65,200	\$69,400

- Family size includes anyone living in your home and any students who are temporarily away from home. Income includes wages, Veteran benefits, alimony & child support, social security, and other regular income.
- It also will be important that you have acceptable credit and employment history. You will need \$1,000 of your own funds to apply towards your mortgage.
- Your first step is to qualify for a first mortgage through a participating lender. Remember, your first mortgage amount will be significantly less than the purchase price of the home, and the programs available through the City of Durham and NCHFA will help you make up the difference.

IT IS IMPORTANT TO TALK TO A MORTGAGE LENDER FAMILIAR WITH THESE PROGRAMS

How do you invest in your new home?

EXAMPLE A: HOUSEHOLD INCOME \$33,000 (FAMILY 1+)

Household with \$33,000 annual income	
\$2,750.00	Monthly Income
\$880.00	Maximum Housing Payment 32% of monthly income
\$1,100.00	Maximum Total Debt includes mortgage, car loan, credit card payments, student loans, etc.

Monthly Housing Payment	
First Mortgage Payment	\$510.00
Second Mortgage Payment	\$74.00
HOA Dues	\$20.00
Taxes & Insurance	<u>\$250.00</u>
Total Housing Payment	\$854.00

New Home Purchase Price \$162,000.00	
First Mortgage at 4.5%	\$97,700.00
Second Mortgage at 2%	\$20,000.00
Forgivable Mortgage	\$20,000.00
NCHFA Deferred Mortgage	<u>\$24,300.00</u>
TOTAL PURCHASE PRICE	\$162,000.00

In this example, the buyer is able to keep the total housing payment just below the maximum allowable payment and is able to buy a \$162,000 home for \$854 per month.

This family's total debt could not exceed the maximum \$1,100 total debt calculation above.

What about when you decide to sell your home?

- **One of the great things about this program, is that unlike many other programs, there is no future restriction on who you can sell your home to or how much you can sell it for. You sell your home at its fair market value to any interested buyer.**
- **When you sell your house you pay off the balance on your first mortgage as well as whatever balances remain on your mortgage assistance programs.**
- **You will have been paying down principle on your mortgages the whole time you have lived in the house**
- **The balance on your forgivable mortgage will have been decreasing by 3.33% every year.**
- **Since you are selling your home at market rate and homes generally appreciate in value over time, you should be able to pay all of this off and have money left over!**

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