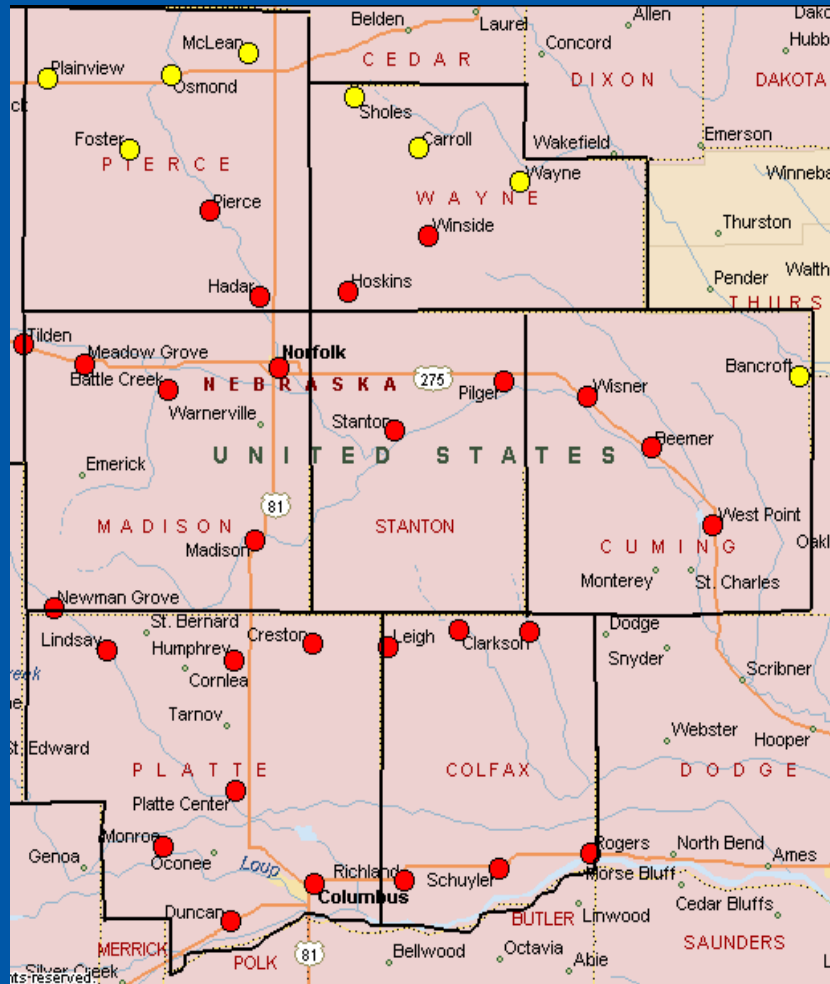


*An Introduction to*  
**NeighborWorks®**  
**Northeast**  
**Nebraska**



# Service Area



# Programs:

- Homebuyer Education
- Financial Pathways
- Purchase/Rehab/Resell
- New Construction



## Purchase/Rehab/Resell Program:

- Renovate existing homes
  - safe, energy efficient and affordable
- To-date more than 525 homes rehabilitated.



# Housing Program Requirements:

- Eligibility - HUD income guidelines.
- Homebuyer \$1000 investment
- Approved for a mortgage loan
- House must be rehabilitated or newly constructed by NWNEN.
- Buyer must complete the REACH Homebuyer Education Workshop.

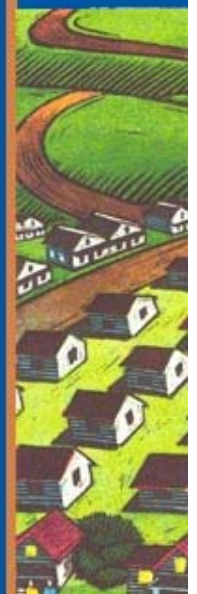


# Down Payment / Closing Cost Assistance :

- Maximum \$20,000 through PRR
- 0% Interest Rate
- Due Upon Resale
- Lien filed on Property



The rehabilitation work to the house can consist of minor or major repairs up to \$25,000.





A lead based paint inspection is performed on all houses built prior to 1978.





# Purchase/Rehab/Resell Process:

- Homebuyer is Pre-Approved with Lender
- Interview, application with NWNEN
- Eligibility determined
- Client seeks home
- NWNEN inspection
- Rehab Estimate



# Purchase/Rehab/Resell Process:

(continued)

- Offer submitted
  - Cash offer
  - Subject to homebuyers loan approval
  - Adequate appraisal value after repairs are completed by NWNEN
- Offer is accepted



# Purchase/Rehab/Resell Process:

(continued)

- Sign Purchase Agreement
- Appraisal
- NWNEN Buys
- Rehab managed
- Client Buys



# P/R/R Example:

<b>PURCHASE PRICE OF HOME:</b>	\$87,000
Rehabilitation Work:	(+) <u>\$13,000</u>
<b>PURCHASE PRICE FOR HOMEBUYER:</b>	<b><u>\$100,000</u></b>
Lender's Estimated Closing Costs:	(+) <u>\$ 4,000</u>
<b>TOTAL EXPENSES TO BE PAID BY HOMEBUYER:</b>	<b><u>\$104,000</u></b>
NeighborWorks® NEN Down Payment Assistance (20%):	(-) \$20,000
Buyer's Cash:	(-) <u>\$ 1,000</u>
<b>ESTIMATED MORTGAGE LOAN NEEDED:</b>	<b><u>\$83,000</u></b>



# Purchase/Rehab/Resell Challenges:

- Current Housing Market
- Homes sell quickly
- Home prices rising quickly
- Lower priced homes need too much repair
- Lower priced homes have been used as rental units
- Fewer buyers qualify for mortgage loans
- Maximum purchase price limits



# Purchase/Rehab/Resell Challenges:

- \$\$ Future Funding??
- Finding contractors to do the smaller jobs that meet all of our qualifications
- Language barriers
- ○
- ○
- ○
- ○





# Purchase Price Limits

Maximum Final Purchase Price  
Purchase/Rehab/Resell Program  
(Recently Increased)

\$149,000 in Platte Co.

\$146,000 in Madison Co.

\$128,000 in Remaining Co.



## Purchase/Rehab/Resell Successful Strategies:

- Most properties are “Pre-Sold” not speculative
- Get Buyer’s Pre-Approval from lender before inspections
- Make inspections & estimates a priority due to quick sales
- Offers to purchase are cash offers subject to Buyer’s Loan Approval with Lender



# Purchase/Rehab/Resell Successful Strategies:

- Offers to purchase subject to appraisal of at least our sale price to buyer
- Homes are re-sold quickly (1 – 2 months)
- ○
- ○
- ○





**Before**



**After**

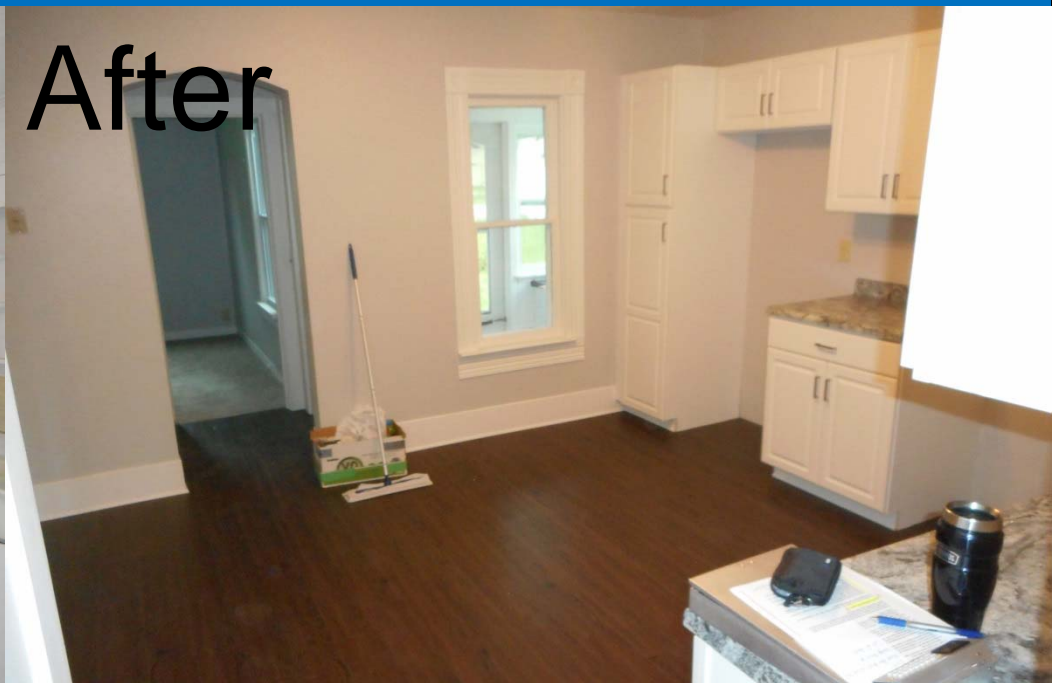




Before



After





*Thank you  
for allowing us to  
introduce  
NeighborWorks®  
Northeast Nebraska.*



**Contact us at:**

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Norfolk, NE 68701  
(402)379-3311

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