



2004 Homewise Program Official Rules

To encourage homeownership counseling for prospective homebuyers, HUD has teamed up with the National Association of Home Builders (NAHB), Wells Fargo Home Mortgage, Fannie Mae and Freddie Mac in a Homeownership Month initiative that will make 10 rehabilitated HUD homes available to income eligible first time home buyers and recently service disabled veterans at a 50% discount. The National Housing Endowment, a nonprofit organization affiliated with NAHB will purchase the homes from HUD for \$1, fully rehabilitate them and sell them for half their market value to eligible applicants who have completed a homeownership education course offered by a HUD-approved housing counseling agency. Homes are located in 10 cities throughout the United States. All properties will be offered to income eligible first time buyers. In two of the cities, the homes will be offered exclusively to any veteran with a disability rating of 10% or higher. Winning buyers will be selected by lottery to be held in each of the participating cities. To make the properties even more affordable, 15 year, no interest rate financing will be arranged by the National Housing Endowment in conjunction with NAHB.

Agreement to Official Rules: By completing the 2004 Homewise Program Application, the applicant fully and unconditionally agrees to and accepts these Official Rules and the decisions of HUD and NAHB, which are final and binding in all respects.

Eligibility: The 2004 Homewise Program is open to all persons who are at least 18 years old at the time of entry and meet the following criteria:

1. The Applicant must be a first time homebuyer. To determine if you qualify as a first time homebuyer see the Homewise Frequently Asked Questions (FAQs).
2. Applicant gross household income must be at or below maximum income levels established by HUD and NAHB for the Homewise Program. Maximum income limits in the participating cities are indicated on the chart below.

Income Limits

Location	Maximum Gross Household Income
St. Louis, MO	\$52,720
Kansas City, MO	\$54,720
Columbus, OH	\$51,040
Miami, FL	\$36,320
Detroit, MI	\$53,440
Seattle WA	\$57,520
Chicago, IL	\$55,680
Atlanta, GA	\$55,200
Philadelphia, PA	\$55,040
Minneapolis, MN	\$61,120

3. In two cities, Columbus and Seattle, the Applicant must be a disabled veteran with a disability rating of 10% or higher. Applicants will be required to submit proof of disability before date of the purchase of the home with the application. Complete eligibility requirements for service disabled veterans are found in the FAQs.
4. The Applicant must complete a HUD approved homeownership education course prior to the closing on the Homewise Program property.
5. The Applicant must be able to meet the underwriting requirements for the purchase mortgage.
6. The Applicant must agree to occupy the house as a principal residence for 5 years following closing.
7. Applicants may only submit an application in one city and one application per household. Multiple applications will be disqualified.
8. Applicants must agree to publicity after the prize is awarded as set forth below.

Employees of HUD, NAHB and each of their respective related companies, affiliates and agents, as well as the immediate family (spouse, parents, siblings and children) and household members of each such employee are not eligible. In addition, the Board of Directors of NAHB and Members of NAHB, and their spouses are not eligible. Finally, city employees involved in the lottery process or Homewise proceedings, as well as the immediate family (spouse, parents, siblings and children) and household members of each such employee are not eligible.

Timing: Applications will be accepted from July 1, 2004 through August 31, 2004. However, all applications received from service disabled veterans will be accepted up until September 17, 2004. After eligibility and income screening, qualified applicants will be notified that they will be included in a lottery. Lottery drawings will be scheduled in participating cities on various dates beginning in the Fall of 2004, following completion of rehabilitation of each property by affiliate members of NAHB.

Obtaining an Application: Homewise Program Applications, Official Rules and Frequently Asked Questions may be obtained from:

1. **Internet:** The application and other information can be downloaded from HUD's Internet web site at <http://www.hud.gov/offices/hsg/sfh/nsc/homewise.cfm>.
2. **Phone:** Interested homebuyers may call 888-297-8685 and request that a Homewise Package be mailed to you.
3. **Housing Counseling Agencies:** Special Homewise Housing Counseling Agencies (HCAs) in the participating cities can provide application forms and assistance in completing the application and signing up for free homeownership counseling. A list of the Homewise HCAs in your city of interest can be found on the HUD web at <http://www.hud.gov/offices/hsg/sfh/nsc/homewhca.cfm> or by calling the toll free number above.

To Enter: There is only one way to enter the Homewise Program lottery. Completed applications must be delivered to any of the Homewise HCAs by the appropriate deadline (i.e., August 31, 2004 for non-veterans and September 17, 2004 for veterans). Contact any of the Homewise HCAs to set up an appointment for assistance in completing the application, to register for homebuyer education or for instructions for delivery of the completed application. Applicants who have not completed a HUD approved homeownership education program within the past 12 months will be required to sign up for an education course before their application can be entered into the lottery.

Limitations: All applications must be received by HCAs no later than the appropriate deadline (i.e., August 31, 2004 for non-veterans and September 17, 2004 for veterans). Proof of application submission or sending will not be deemed to be proof of receipt by an HCA. Applications received after the above-mentioned deadlines will not be accepted. All applications become the exclusive property of HUD and NAHB, and none will be acknowledged or returned. Applications will be screened for eligibility based on the requirements described in the Official Rules and ineligible applications will be disqualified. Neither the HCA, HUD or NAHB are responsible for lost, late, incomplete, invalid, unintelligible, illegible, misdirected or postage-due entries, which will be disqualified.