



Serpa encourages residents to utilize homebuying program

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By Jeremiah Ryan

WEST WARWICK — The Town of West Warwick has taken steps to revitalize Arctic, to turn what has been labeled a blighted area into something more closely resembling the retail Utopia of its past, and now homebuyers in West Warwick will receive a chance, too, to revitalize its residential neighborhoods.

Earlier in this decade, a rash of foreclosures hit the Pawtuxet Valley, and now a new program is making it easier for first-time homebuyers to purchase some of those foreclosed homes. Representative Patricia Serpa (D-District 27- Warwick, West Warwick, Coventry) is urging West Warwick residents and some of her other constituents to take advantage of this program.

The Renewed Homes Program, an initiative that helps first-time homebuyers purchase foreclosed properties in certain Rhode Island communities. It was launched recently by Rhode Island Housing, and provides \$20,000 in down payment assistance for first-time homebuyers to purchase previously foreclosed or otherwise eligible properties in ten communities, including West Warwick. The others are Central Falls, Cranston, East Providence, Johnston, North Providence, Pawtucket, Providence, Warwick, and Woonsocket.

"This is an excellent program with a twofold benefit," explained Representative Serpa in a release issued yesterday by the State House. "First, eligible homebuyers can receive \$20,000 toward a down payment on a previously foreclosed home or other eligible property. Secondly, it will be a tremendous boon to those communities that were hit hardest by the foreclosure crisis, including two that I represent — Warwick and West Warwick."

According to the release, the Renewed Homes Program is helping to strengthen housing demand and stabilize communities that were affected by the housing crisis and is structured as a forgivable loan secured by a second mortgage. Buyers who remain in homes purchased with the assistance for at least 5 years are not required to repay the loan. If the buyer sells, refinances, or no longer uses the home as their primary residence within the first 5 years after closing, a portion of the loan would need to be repaid.

In addition to being located in one of the target communities, the property must have been subject to a qualifying event, including foreclosure, receivership, transfer by deed in lieu of foreclosure, or approval for short sale by a mortgage lender.

The release also explained that in order to qualify for the program, an applicant must be a first-time homebuyer purchasing a one-to four-family home or condominium, obtain a Rhode Island Housing first mortgage through a participating lender or Rhode Island Housing, meet income and purchase price limits, as well as all first mortgage requirements, and occupy the home as a primary residence and be the first to occupy the property after the qualifying event.

To be eligible for the Renewed Homes Program, an applicant's total annual household income must be less than \$89,280 (for a 1-2 person household) or \$104,160 (for a 3-or-more person household).

The maximum purchase price allowed through the Rhode Island Housing Loan Center is \$407,195 for a one- to four-family home or eligible condominium. The maximum loan amount for a FirstHomes loan through participating lenders is \$417,000.

For more information, call (401) 457-1180 or visit RenewedHomesRI.org.