

By Senator Clary

7-675-02

1                                   A bill to be entitled  
2           An act relating to homeownership assistance;  
3           creating the Extended Homeownership Assistance  
4           Program within the Florida Housing Finance  
5           Corporation; providing for loans to eligible  
6           borrowers for down payments or closing costs  
7           related to the purchase of residences;  
8           providing for repayment of loans; authorizing a  
9           fee; requiring deposit and authorizing  
10          expenditure of certain revenues; requiring the  
11          adoption of rules; providing for future repeal;  
12          providing an effective date.

13  
14 Be It Enacted by the Legislature of the State of Florida:

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16           Section 1. Extended Homeownership Assistance  
17 Program.--

18           (1) As used in this section, the term:

19           (a) "Corporation" means the Florida Housing Finance  
20 Corporation.

21           (b) "Eligible borrower" means a person or family  
22 earning up to 150 percent of the state or county median  
23 income, whichever is greater, adjusted for family size.

24           (2) There is created as a temporary program within the  
25 corporation an Extended Homeownership Assistance Program for  
26 the purpose of assisting low, moderate, and middle-income  
27 persons and families in purchasing a home by reducing the down  
28 payment and closing costs paid by these persons and families.

29           (3) Subject to specific legislative appropriation, the  
30 corporation shall make subordinated nonamortizing, no-interest  
31 loans to eligible borrowers for down payments or closing costs

1 related to the purchase of the eligible borrowers' primary  
2 residences. Each loan is limited to \$15,000 and is limited to  
3 the lesser of 10 percent of the total purchase price or 10  
4 percent of the appraised value of the residence. The balance  
5 of each loan is due at closing if the residence is sold or  
6 transferred.

7 (4) The corporation may impose a fee not to exceed \$50  
8 for each loan application and may retain these fees to defray  
9 the costs of implementing this section.

10 (5) Loan repayments and other revenues that accrue  
11 under this section shall be deposited in the Florida  
12 Homeownership Assistance Fund created under section 420.5088,  
13 Florida Statutes, and shall not revert to the General Revenue  
14 Fund. These funds shall be expended as provided in section  
15 420.5088, Florida Statutes, are not required to be included in  
16 the corporation's budget request, and are not subject to  
17 appropriation by the Legislature.

18 (6) The corporation shall adopt rules under sections  
19 120.536(1) and 120.54, Florida Statutes, to administer this  
20 section, including rules governing loan-application  
21 procedures, loan-selection criteria and procedures, the terms  
22 and conditions of loans, loan-processing procedures, and the  
23 application fee.

24 (7) This section expires June 30, 2003.

25 Section 2. This act shall take effect upon becoming a  
26 law.

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29 SENATE SUMMARY

30 Creates the Extended Homeownership Assistance Program  
31 within the Florida Housing Finance Corporation.