

The Neighborhood Stabilization Program (NSP)

The Neighborhood Stabilization Program (NSP) is funded by the US Department of Housing and Urban Development (HUD) under the Housing Economic Recovery Act (HERA) of 2008. The goal of NSP is to revitalize and stabilize communities that have been hit by the foreclosure crisis. Guidelines have been established to ensure these funds are used properly.

Buyers who purchase NSP properties through PRG, Inc. must have a household income below 120% of area median income. A minimum \$1,000 and maximum \$7,500 NSP incentive is required. The NSP incentive money can be used for up-to 50% of the Lender's required down payment or 100% of closing costs. This assistance is in the form of a deferred loan that is forgiven after 5 years.

120% Area Median Income (AMI) is adjusted by household size

one	two	three	four	five	six	seven
\$70,500	\$80,550	\$90,600	\$100,700	\$108,750	\$116,800	\$124,850

Additional Information:

If the home is resold before 5 years, the entire amount of NSP assistance must be repaid to the City of Brooklyn Park.

A thirty (30) year restrictive covenant prohibits the rental of NSP properties.

Buyer must have a \$1,000 of his/her/their own funds towards the purchase of the property to be applied to entry costs (i.e. inspections, appraisal fees, application fees, earnest money).

Housing debt ratio cannot exceed 30% of gross income
(Unless Brooklyn Park EDA approved a higher ratio)