



## **Affordable Home Ownership Opportunity** **Applying For Six Habitat for Humanity Homes** **On Murray Lane, at 93-97 Main St. in Harwich**

**You may be eligible for a Habitat home, if:**

- ✓ You are in critical need of year round affordable housing, *and*
- ✓ You are willing to complete the required “sweat equity” on your home and other Habitat projects (500 hours for a two adult household – 250 hours for a one adult household), *and*
- ✓ You are eligible, under the income and asset limits, *and*
- ✓ You are able to make monthly housing payments of approximately **\$718 - \$797** *and*
- ✓ You are unable to qualify for conventional mortgage financing for a market rate home, *and*
- ✓ You are a first time home buyer (some exceptions apply; see application packet for more information)
- ✓ You are a U.S. Citizen or Permanent Resident.

**Application period: Applications will be available beginning October 1, 2020. We accept applications during a 60-day period, until December 1, 2020.** The completed Application packet with required documentation, must be received in the Yarmouth Port Habitat Office; or postmarked on or before December 1, 2020. A mailed application must be received no later than 5 business days after the postmark. Applications may not be submitted by fax or email.



Applications will be available at the Habitat office, online at the Habitat website, and by mail. Call Habitat at 508-362-3559 when the application period opens, to request an application be mailed to you.

Check [www.habitatcapecod.org](http://www.habitatcapecod.org) for more information, or contact: Mary Ann Mills-Lassiter, Family Programs Manager at 508-362-3559 X21 or [maryann@habitatcapecod.org](mailto:maryann@habitatcapecod.org)

**Information about Habitat for Humanity Homes**

**How many? What size? What else should I know?**

We will be building 6 homes: Two 2-bedroom ranch style, two 3-bedroom ranch style, two 3-bedroom Cape style.

- We anticipate home construction to take about 10 to 12 months from wall raising day.
- There will be a homeowners’ association, as the homes will have a shared access drive (a new road- Murray Lane) to enter their driveways. The Association will provide for the common maintenance of the access drive and related drainage and a bit of landscaping.
- The homes will have town water with a private septic system.
- Pending funding commitments, we hope to have photovoltaic solar panels on the six homes.
- Each home will have a paved driveway, full basement, front porch, and come equipped with kitchen appliances (stove, refrigerator, dishwasher), laundry appliances (washer and dryer), and air-source heat pumps for heating, cooling and hot water.

**Sample House Price and Monthly Payment – Estimated\***

	2-Bedroom	3-Bedroom
<b>House Price</b>	<b>\$141,250</b>	<b>\$158,750</b>
<b>Principal Payment</b>	<b>\$455</b>	<b>\$511</b>
<b>Escrow Payment*</b>	<b>\$203</b>	<b>\$226</b>
<b>Total Monthly Payment*</b>	<b>\$718</b>	<b>\$797</b>

\*These are sample **estimates** for monthly principal, property taxes, insurance, and homeowners’ association \$60/month fee. Actual costs will vary.

*Because we cannot accurately project an occupancy date, we urge applicants to maintain the best housing circumstances possible until their new house is ready.*

Reasonable Accommodation: If, because of the disability of a household member your family needs consideration of a modification to the home or some aspect of our program, please add this request to your application.

## What You Should Know About Building a Home with Habitat for Humanity

### Income Eligibility

Maximum income eligibility is household income at or below 60% of area median income by household size for four homes, and at or below 65% for two homes.

#### 60% of Area Median Income by Family Size      **Effective April 1, 2020 (Adjusted annually by HUD/FHLBB)**

Family Size	60%	65%	Family Size	60%	65%
1	\$40,613	\$43,997	5	\$62,625	\$67,844
2	\$46,388	\$50,253	6	\$67,275	\$72,881
3	\$52,200	\$56,550	7	\$71,925	\$77,919
4	\$57,975	\$62,806			

\*\*\*This is the maximum *gross*, current and anticipated, annual income your household may earn and be eligible for consideration for a Habitat for Humanity home on Cape Cod.

**ASSET LIMITATION:** Total of all household assets must be under \$75,000.

### Sweat Equity and Unique Habitat for Humanity Partnership Requirements

You will be building your own home alongside community volunteers! From the date of wall raising, construction typically takes 10-12 months. During this period, you will be dedicating nearly one day/week, (on **Tuesday or Saturday**) to building your home. You will also attend pre-purchase education courses. The sweat equity requirement is 250 hours per adult in your household, with a maximum of 500 hours. Habitat has set aside a certain number of those hours, that friends and family volunteer- work may count towards your sweat equity. Sweat equity must be completed before we will close on your home. You will be assigned a volunteer partner to mentor and support you during the construction period and the first year of homeownership.

**Affordability:** To keep our homes affordable, we rely on cash donations, grants, land donations, volunteerism, and gifts of materials and professional services. For these Habitat homes in the Town of Harwich, purchasers will need to qualify for, and close with an affordable mortgage. Usually the United States Department of Agriculture will be the mortgage lender; occasionally Habitat, or another third party lender. Our homes are deed restricted to continue as affordable homes in perpetuity. In your application packet, be sure to review the "Important Information" sheet for some details about eligibility and affordable housing restrictions.

**Application Review Process:** Your complete application will be evaluated for your financial eligibility. If it receives a preliminary approval, it moves to a family interview committee. You will be contacted for an appointment, for two volunteers to visit your family in your home, to interview you and evaluate your family's housing need and "willingness to partner with Habitat" - including fulfilling requirements such as sweat equity. At that point, there will be a final review of your application, and if qualified, your application number is entered into a lottery. If your application is rejected at any step, you will also be notified. Successful applicants and other finalists will be notified after the lottery.

**More about Habitat for Humanity:** HHCC is a 501(c)3 non-profit ecumenical housing ministry, with a mission to build homes, hope, lives and community on Cape Cod. We work to provide the opportunity of affordable home ownership in all 15 Cape towns. Homes are built in partnership with families who have a need for decent, affordable housing and do not have the financial means to build or purchase a home through conventional financing.

Habitat for Humanity of Cape Cod does not discriminate in the selection of applicants. Habitat for Humanity of Cape Cod is a not-for-profit organization and we do business in accordance with Federal and Massachusetts Fair Lending Laws.



**Habitat for Humanity of Cape Cod**

411 Main Street, Suite 6, Yarmouth Port, MA 02675

Phone: 508-362-3559 Fax: 508-362-3569

[www.habitatcapecod.org](http://www.habitatcapecod.org)



## HABITAT HOME APPLICATION PACKET IMPORTANT INFORMATION

**AFFORDABLE HOME DEED RIDER:** This home will be sold with deed rider that preserves it as an affordable home in the future. This rider will *limit* the sales price of the house in the future so that it will be affordable again to an income eligible household. The rider will also require the home to be used as your primary residency. Renting of the home is not allowed; any refinancing or capital improvements will need the approval of the Town, Habitat and the Department of Housing and Community Development (DHCD). A copy of the deed rider may be reviewed at:

<http://www.mass.gov/hed/docs/dhcd/hd/lip/lipdeedrider.pdf> A summary may be viewed here:  
[http://habitatcapecod.org/images/uploads/LIP\\_Disclosure\\_Statement\\_2015\\_w\\_RH.pdf](http://habitatcapecod.org/images/uploads/LIP_Disclosure_Statement_2015_w_RH.pdf)

**NON DISCRIMINATION:** Habitat for Humanity of Cape Cod does not discriminate in the selection of applicants on the basis of race, color, national origin, disability, ancestry, children, familial status, genetic information, marital status, public assistance reciprocity, religion, sex, sexual orientation, gender identity, veteran/military status, or any other basis prohibited by law.

**FINANCIAL INTEREST:** Individuals who have a financial interest in the development and their families shall not be eligible.

**PRIVACY NOTICE** is enclosed in this packet

**HABITAT FOR HUMANITY HOME MORTGAGE POLICY:** All applicants will be pre-approved for a Habitat for Humanity no-interest mortgage as part of determining eligibility for the final lottery. However, we **require** all successful applicants to apply for a mortgage from “USDA” (United States Department of Agriculture 502” low-interest mortgage) or from a third party lender – once they have entered into an agreement to purchase their Habitat home. They must utilize the USDA or other lender’s mortgage (rather than a loan from Habitat) if qualified. Houses are financed at 100% and there is no requirement for a down payment.

**APPRAISAL DISCLOSURE:** If you are selected to purchase a home, we may order an appraisal to determine the property’s value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.

**“FIRST TIME HOMEBUYER” DEFINITION EXPLAINED** --- To qualify you must be a “first time homebuyer.” However, **there are several important EXCEPTIONS.** If any of these exceptions describe YOUR situation, you may still be considered a qualified “first time home buyer” for the purposes of this application.

**First time homebuyer means:** The household shall not have owned a home *within three years preceding* the application.

**Exceptions to this rule include:**

1. displaced homemakers, where the displaced homemaker (an adult who has not worked full-time, full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family), while a homemaker, owned a home with his or her partner or resided in a home owned by the partner;
2. single parents, where the individual owned a home with his or her partner or resided in a home owned by the partner and is a single parent (is unmarried or legally separated from a spouse and either has one or more children of whom the individual has custody or joint custody, or is pregnant);
3. households where at least one household member is 55 or over;
4. households that owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; and

5. households that owned a property that was not in compliance with state, local or model building codes and that cannot be brought into compliance for less than the cost of constructing a permanent structure. Please note: Even if you qualify for the exception, your previously owned home must be sold before the date of your application.

**FINAL LOTTERY preferences:** In the final lottery of eligible candidates there are certain preferences, including, first, for households that need the number of bedrooms being offered above smaller families. Then, for four of the homes, a preference for local applicants (as defined on checklist form) over non-local applicants. The information on the “Government Monitoring Form” as to minority / non-minority status will be used to ensure that Local Preference does not create a discriminatory consequence in the lottery.

#### **REPORTING OF ALL INCOME AND ASSETS:**

##### **INCOME**

- **All income of all adults 18 or older** who are members of the household to live in the Habitat home (even if temporarily away) must be reported.
- Most of **the income of full time students over 18**, other than head of household or spouse, will be disregarded for eligibility purposes as long as their student status is documented (but it still must be reported and documented).
- Adult household members with **zero income** must sign a certification of zero income.
- There are a **very few sources of income that are not counted as income**. You should report all income. Our credit reviewers have the list of excluded income, and will disregard any income on that list. If you have a question whether a source should be counted, list and document it, and put that question in your cover note. (Examples may include certain one-time payments, or compensation specifically for medical expenses)
- Habitat for Humanity of Cape Cod uses **the standards of HUD 24 CFR 24 5.609 and LIP guidelines** in considering what income to count, and the required methodology of the Federal Home Loan Bank of Boston Affordable Housing Program.

##### **ASSETS**

All assets of all household members, including minor children, should be listed in the application with their value, and documented. **There is a \$75,000** asset limitation to qualify as an affordable home ownership applicant under the Department of Housing and Community Development Ch. 40B program (which governs the homes you are applying for with Habitat. Habitat’s **reference for what assets shall be considered is HUD Handbook (6/07) Exhibit 5-2: Assets**. Common assets are cash (including the cash from lump sum payments, even if not counted as income) held in bank accounts or in other ways, revocable trusts, rental or capital investment income, stocks, bonds, treasury bills, C.D.s, retirement accounts, if the holder has access to the funds (even with a penalty), face value of whole (not term) life insurance, and others. Excluded from the limit is certain personal property (such as car, furniture, wedding ring, and other) that is not held as an investment, and assets (other than owned rental property) that is part of an active business. All assets should be reported. The Habitat’s credit reviewers will reference the list of what is included/excluded if this may make a difference in an applicant’s eligibility for our program.

**REASONABLE ACCOMODATION:** persons with disabilities have the right to request a reasonable accommodation related to the home, or to some aspect of the Habitat process. Please see the bottom of Application, Page 1, asking if a modification will be needed to the home, and the Sweat Equity Form, where we ask about restrictions to your participation and what you *will* be able to do. You must document that you/a household member has a disability, and the relevant restrictions for the accommodations you are requesting.





# Habitat for Humanity of Cape Cod

411 Main Street – Suite 6 • Yarmouth Port, MA 02675

508-362-3559 • fax 508-362-3569 • [www.habitatcapecod.org](http://www.habitatcapecod.org)

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## Habitat for Humanity of Cape Cod, Inc. Privacy Statement and Notice

At Habitat for Humanity of Cape Cod, we are committed to keeping your information private. We recognize the importance applicants, program families, tenants, and homeowners place on the privacy and confidentiality of their information. While new technologies allow us to more efficiently serve our customers, we are committed to maintaining privacy standards that are synonymous with our established and trusted name.

When collecting, storing, and retrieving applicant, program family, tenant, and homeowner data – such as tax returns, pay stubs, credit reports, employment verifications and payment history – internal controls are maintained throughout the process to ensure security and confidentiality.

We collect non-public personal information about you from the following sources:

- Information we receive from you on applications or other forms;
- Information about your transactions with us, our affiliates, or others; and
- Information we receive from a consumer reporting agency. Credit reports are not used to screen out applicants.

We may disclose the following kinds of non-public personal information about you:

- Information we receive from you on applications or other forms, such as your name, address, social security number, income and assets, and sources of income
- Information about your transactions with us such as your loan balance and payment history
- Information we receive from a consumer reporting agency such as your credit worthiness and credit history.

Habitat for Humanity of Cape Cod employees and volunteers are subject to a written policy regarding confidentiality and access to applicant data is restricted to staff and volunteers on an as-needed basis. Information is used for lawful business purposes and is never shared with third parties without your consent, except as permitted by law.

As permitted by law, we may disclose non-public personal information about you to the following types of third parties:

- Financial service providers, such as mortgage servicing agents- United States Dept. of Agriculture (USDA), Eastern Bank.
- Nonprofit organizations or governments; and related entities authorized to oversee grant compliance- Federal Home Loan Bank of Boston (FHLBB)
- Consumer Reporting Agencies

Please note that if Habitat for Humanity of Cape Cod would be disclosing your non-public personal information to *non-affiliated third parties* – other than those permitted by law listed above – you would be given the opportunity to “opt out” of these disclosures by calling our office at 508-362- 3559. **However, we do not disclose your information.**





## Applicant Checklist and Guide to Answering Questions:



**Applicant Name** \_\_\_\_\_

The following materials are needed to complete your application for a Habitat home. Please complete this checklist, keep it, and return a copy with your application.

### **PRESENT HOUSING CONDITIONS:**

- All landlord contact info is provided on page 1 of application (information for the past two years).
- Housing Need Statement/Letter: Why do you need a Habitat home? Describe any circumstance about your current housing that relates to your serious need for an affordable home: poor condition of current residence, over-crowded living conditions, high rent compared to income, being homeless or at high risk of being homeless, or other. Be specific. Include eviction notices, notice of possible sale of property you are renting or other information to support your statement. Describe efforts to find other, more suitable housing. Document whatever the interviewers will not be able to see during a home visit.

### **LOCAL PREFERENCE:**

There is local preference for 4 of the 6 homes, for households who currently live, or are employed in the Town of Harwich and/or persons with a bona fide job offer in the Town, or whose children attend public school in the Town of Harwich. If that applies to you, please provide documentation. In all instances, applicants who live or work in our 15 town service area (Barnstable County) have preference over those from outside the service area.

### **ASSETS & DEBT:**

See the "Required Protected Information" sheet (Page 5) of application. This must be filled out completely. Attach additional sheets, if needed to list all assets for all household members, as well as listing all debt for Applicant #1 and #2.

Debt means any money that you owe to someone else: credit card charges, retail store credit charges, car loan, personal loan, student loan, charge-offs.

### **INCOME INFORMATION & DOCUMENTATION:**

- All income of all adults 18 or older, who will be members of the household in the Habitat home, (even if they are temporarily away) must be reported on Pg. 2 of the application. Add an extra page if needed.
- Documentation of full-time student status for dependent household members between the ages of 18 and 25. Up-to-date receipts of payment of registration or a letter provided by the high school or college are examples.
- Provide all employer contact information (for all jobs, for all adult household members) on Pg.2 of the application. If additional employer information needs to be provided, because you worked at your present position less than 3 years, include that employer contact information (name, mailing address, phone #) on a separate sheet as well.  
Include the mailing address we should use to mail a Verification of Employment Form on that form for each employer and return it with your application.

You do not send the verification form- It is required that we send it to your employer.

- Pay stubs for the **most recent 8 consecutive weeks** of each job for each working adult (18+) in household. Continue to save your paystubs, as new ones may be requested later in the process.
- Explanation of seasonal/part-time/part year employment, if applicable (so reviewers will understand duration and earnings from each job during a full year).
- Complete documentation of any self-employment income and expenses.
- Child Support, Social Security, Disability Income, Unemployment, other compensation sources. Provide the most recent *official* documentation (i.e. court orders, award letter, not bank statement) for all non-employment sources of income (this should correspond to those checked on the income page of the application).

If benefits or compensation are temporary, please indicate the date the income will stop. If expected child support is not being received, provide official documentation of what you are actually receiving. We also need official documentation of custody arrangements if children living in the home have parents living elsewhere.

- Bank Statements –Complete statements for the most recent **6 months** for ALL checking and savings accounts, for all adults and children (or copy of passbook for passbook savings account).
- Investment and Retirement Accounts- Complete statements for the most recent 3 months
- 2017 Signed copy of Federal Tax Return with W-2s and 1099s
- 2018 Signed copy of Federal Tax Return with W-2s and 1099s
- 2019 Signed copy of Federal Tax Return with W-2s and 1099s

Note: Federal IRS returns only – NOT your MA or other state returns

**Even though you signed the tax return when it was filed, you need to sign it again on the copies.**

If you do not have copies of your tax returns, you should immediately take steps to request them. We need a copy of the actual tax return. To receive official IRS printouts of Income Tax Returns: Call 1-800-829-1040.

Or

There is an IRS Office located at 75 Perseverance Way, Hyannis, at the intersection of Attucks Lane and Independence Drive. Call 508-775-0029 for hours they are open before going there.

Be sure to submit your application with all the documentation you have by the deadline.

If you are still waiting for a copy, enclose a note stating the returns you have requested of the IRS and on what date you made your request.

- If you did NOT file an IRS return for any of these years, enclose a signed letter explaining why you did not have a legal obligation to file a tax return for that year.*

**EXPENSES AND DEBT:**

Please list all **debts** and monthly payments on debts on the Required Protected Information sheet (Application Pg. 5).

Copies of most recent billing statements:

- Electric
  
- Gas and/or Oil  
(We need to be able to estimate average heating costs for the year (whether electric, oil or gas). Most companies supply a graph of your usage for each of the months of the year. If yours does not, please call and ask them to give you information about your use for the year and include that with your application. If heat is included in your rent, this is not necessary.)
  
- Food. Leave this blank. We will use the United States Department of Agriculture estimates for calculating your food costs.

Bill showing most recent payment:

- Car and/or student and/or other loans (if applicable)
- All Phones
- Cable TV
- Loans, including the statement showing current status of any student loan
- Credit Cards (all)
- Car or other insurance bills
- Other monthly/quarterly bills
- Other debt obligations (paid by your household – child support, alimony, payment plans, any other. Please explain)
  
- If you answered yes to any items A – E on page 3 of the application, attach an explanation.

**CITIZENSHIP or U.S. PERMANENT RESIDENCY STATUS:**

- Submit a copy of one of the following: U.S. birth certificate, OR U.S. certification of birth abroad, or US passport, OR certificate of naturalization, OR permanent resident.

***Applicants must be U.S. citizens OR have secured their permanent residency status and provide documentation at the time of submitting the application.***

**AUTHORIZATION TO RELEASE INFORMATION:**

- Return the signed form. All household members, age 18 and over, must sign a Release. Do not fill in the top (To/From)- leave it blank. We use this form if your employer requests it.



### **CLOSING COSTS:**

- Explanation of source of closing costs and insurance. Where will you be getting the money to pay the closing costs? The closing costs are estimated to be about \$4,900. It is important to describe the plan you will develop for meeting this obligation. You will need to have it when you actually purchase the home.

If any part of the closing costs is a gift, provide a signed and dated statement from the individual donor, stating that it is a gift.

### **WILLINGNESS TO PARTNER—SWEAT EQUITY FORM:**

- Signed statement about Sweat Equity: Answer the questions and sign it--- use the back or attach another paper if necessary.
- If you, or a household member, needs specialized care from others in the household, for medical or safety reasons, please provide documentation of the disability from the physician.
- Complete the "Information for Government Monitoring Purposes Form"**
- APPLICATION IS SIGNED AND DATED BY APPLICANT AND CO-APPLICANT.  
Don't forget to do this step!**

### **CREDIT INFORMATION (for you)**

Habitat for Humanity strongly encourages all applicants to request a copy of their credit report to be able to review and be aware of the same information that we will use to make our determination.

- Every consumer may request and receive one free credit report per year, from each of these: Experian, TransUnion, Equifax. \*

\* Free – do not be tricked by commercials or internet advertisements that charge for this service!

Call CENTRAL SOURCE: 1-877-322-8228

or at

**[www.annualcreditreport.com](http://www.annualcreditreport.com)**

Often credit reports contain errors that need to be corrected by the consumer. ***If you have recently resolved a debt or credit problem, or corrected a mistake on your report, please include an explanation of these recent changes, along with any documentation available, with your application. Depending on how recently you have resolved a problem, it is very possible this updated information would not appear on your credit report.***

If you discover past debts on your credit report that you have not paid and are not now paying, please make arrangements to address them, and include with your application, the documents of your efforts to do that.

Habitat will obtain its own copy of your credit report. Do NOT supply a credit report with your application. The contact info above is for your information and use.

**After you submit your application packet, keep saving all new documents: paystubs, income statements, bills, bank/credit/store account statements.**