Homeownership Program Information Meeting

146 Morris Avenue, Summit, NJ

January 2022

Morris Habitat for Humanity®

We build ***strength***, ***stability*** and ***self-reliance*** through ***shelter***.

146 Morris Avenue, Summit, NJ

Morris Habitat for Humanity®

We build ***strength***, ***stability*** and ***self-reliance*** through ***shelter***.

Process

1. Attend Information Session
2. Application – complete with financial information
3. Household income eligibility
4. Selection based on
   - Applicant's **ability to pay**
   - **Need**
   - **Willingness to partner**
5. Financial Review, Personal Interview, **Random Selection**
6. Sweat Equity
7. Closing – Purchase Home

Typical Habitat Applicants

- US citizens or legal residents for all income verified on application.
- Total household income is typically $30,000 - $70,000
- Total household income is below 70% AMI (area median income)
- Income consistent – 2 years
- Credit Score of 600 and above
- Unable to save for a down payment
- Current rent is more than 30% of income
- Current housing is sub-standard – crowded, temporary, unsafe, shared
- Willing to partner with Habitat and complete all program requirements

what does it take to build a Habitat house?

Volunteers

Donations

ReStore

Government funds

Mortgage payments

Construction

- Materials – always new and often donated
- Homes mostly built by volunteer labor
- New stove, refrigerator, dishwasher and washer and dryer are provided
- Neutral paint color throughout
- Standard flooring – carpet, tile, laminate flooring

The Mortgage

- Morris Habitat provides an affordable mortgage
- Property taxes assessed on purchase price
  - –Over time the taxes may increase, and the assessed value may increase based on calculations by the State of NJ
- Sweat equity in lieu of large down payment
- Mortgage payments build more homes

Deed Restriction

- Must be sold through the Administrative Agent
- Can only be sold at an affordable price set by the state of New Jersey
- Can only be sold to an income eligible buyer
- Must be your primary residence you cannot rent it out
- Cannot refinance
- Build modest equity upon resale
- 30 Year deed restriction or until the municipality expires it

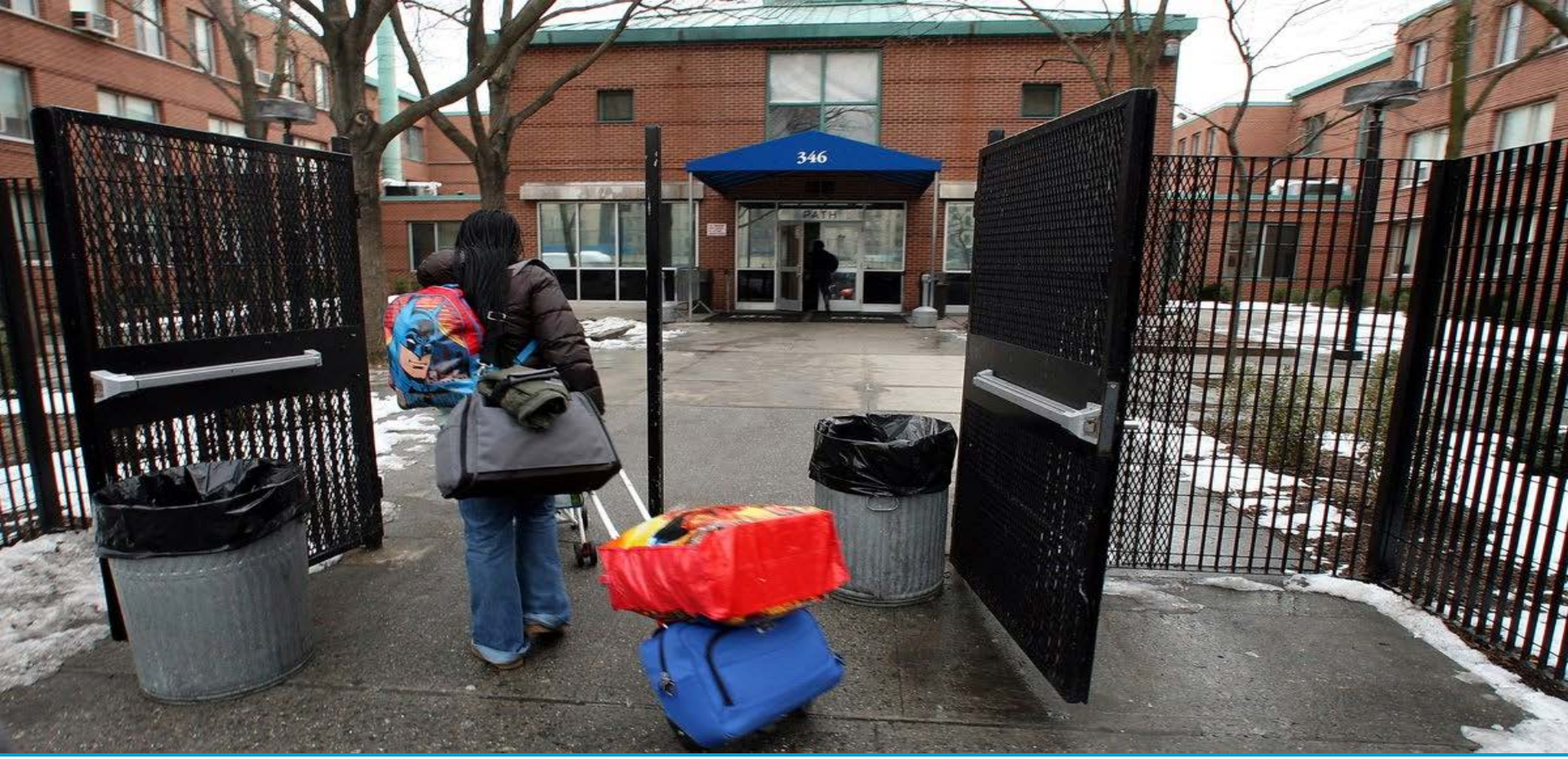
Equal Housing Opportunity

Non-Discrimination Statement: We are pledged to the letter and spirit of U.S. policy for the achievement of equal housing opportunity throughout the nation. We encourage and support an affirmative advertising and marketing program in which there are no barriers to obtaining housing because of race, color, religion, sex,handicap, familial status, or national origin.

Habitat for Humanity affiliates do not discriminate in the selection of potential homeowners on the basis of:

- Race
- Color
- Religion
- Sex
- Disability
- National Origin
- Familial Status
- or any other characteristic protected by law

PROGRAM ELIGIBILITY



1 - Need for Adequate Shelter

SELECTION CRITERIA

Personal Interview

- Overall condition of the home
- Is it safe?
- Is it in a safe neighborhood?
- Is there adequate space?
- Is it sustainable?
- Is it temporary?
- Is the rent more than 30% of income?
- May be done via video conference due to COVID-19

2 - Ability to Pay

SELECTION CRITERIA

Household Income Limits

***Union and Morris County - COAH Region 2 - 2021 ***

- Income from all sources and all household members is counted
- Income counted for everyone over 18
- Income is capped at $480 for full time students aged 18-24

People in Home	Maximum Income Limits **LOW**	Maximum Income Limits **MODERATE**
2	$43,046	$68,874
3	$48,427	$77,483
4	$53,808	$86,092
5	$58,112	$92,980
6	$62417	$99,897

Ability to Pay

- For this project, income of at least $30,000 and up – combined total income of the applicant and co-applicant and all who income is used to determine the ability to pay
- Credit scores of at least 600
- Steady and verifiable source of income – 3 years
- Bankruptcy must have discharged at least 24 months ago
- Cannot currently own a home
- Unable to obtain a conventional mortgage
- All collections, charge-offs and judgments must be cleared prior to random selection

Household Size Guidelines

- All applicants and co-applicants must be US citizens and/or legal resident
- At least 1 person per bedroom
- No more than 2 people per bedroom
- Couples share a bedroom
- Adults and children will not be asked to share a bedroom
- Boys and girls will not be asked to share a bedroom
- Children of the same gender will be asked to share a room if they are within 5 years of age of each other

- 2 bedrooms = at least 2 people but not more than 4
- 3 bedrooms = at least 3 people but not more than 6

We Verify Everything!

- Employment and salary
- Credit score and history
- Alimony, child support, social security Income
- Citizenship status – Applicants listed on the application must be legal residents of the US
- Marital status
- Educational status of children in the household

3 – Willingness to Partner

SELECTION CRITERIA

Willingness to Partner

- Make a down payment
- Work with your assigned mentor
- Share your story
- Be involved and attend Habitat events
- Be available for photos needed for various grants
- Complete all program requirements on time
- Complete sweat equity hours

Sweat Equity

A three prong concept:

- **Partnership** – you are an ambassador for Habitat, interacting with volunteers and donors
- **Pride in homeownership** – you'll be able to say "I built this house!"
  This is a great accomplishment
- **Skills and knowledge** – You will know the construction and operation of your home and will be able to perform basic maintenance and repairs

Sweat Equity Requirements

One adult

- 300 hours
- 125 by Family and Friends (non-household members)
- 100 at your own home build site
- 50 hours at ReStore

Two adults

- 400 hours
- 75 by Family and Friends (non-household members)
- 150 at your own home build site
- 50 hours at ReStore

- **Up to ~25 hours in workshops**
- **50 additional hours for household members over 16**
- **Monthly progress (16 hours minimum)**
- **Quarterly progress (75 hours minimum)**

Details

APPLICATION PROCESS

Steps

- Apply
- Financial review
  - Household income eligibility
  - Applicant ability to pay
- Personal Interview
- Random Selection
- Intake meeting
- Sweat equity at build site, ReStore, and events
- Ground Breaking & Dedication ceremonies
- Final walk through with site supervisor
- Closing
- Move in

The Application

- Paper application submitted
- Fill it out **completely** – income, housing cost including utilities, monthly expenses, debt, assets
- Be honest!
- Include **ALL** supporting documents

–**Sign and attach the e-sign act disclosure and agreement form**

–To order an official transcript of your tax return **- https://www.irs.gov/individuals/get-transcript**

- Include $25 processing fee per applicant – cash (only for walk in application) or money order made payable to Morris Habitat for Humanity
- **Completed and submit on or before February 11th, 2022 by 5:00PM (Hand Delivered and/or Mailed)**
  - **You can turn in your application at the Randolph location and/or Plainfield office.**
  - **Randolph – 274 S. Salem Street, Randolph, NJ 07869**
  - **-Plainfield – 2 Randolph Rd, Plainfield, NJ 07060**

Veteran's Preference

Evaluation

Potential homeowners are evaluated using three criteria:

- Financial review
  - Household income eligibility
  - Applicant ability to pay
- Need for adequate shelter
- Willingness to partner with Habitat

Random Selection

- All qualified applicants are assigned a number
- All qualified applicants will be notified in writing
- Attendance is not required
- House goes to the applicant holding the first number pulled
- ALL numbers are pulled and the order is recorded in case selected applicant withdraws from the program

After the Random Selection – If Selected

- Submit to a criminal background screening – everyone 16 and older
- Be assigned a family support mentor
- Attend in-take meeting and sign required documents
- Make a partial down payment
- Enroll in required workshops
- Start saving money
- Attend the groundbreaking ceremony
- Partner with Habitat and begin sweat equity

After the Random Selection –
During the Program

- Pay the balance of the down payment
- Participate in events
- Share your story
- Continue saving money
- Complete workshops
- Complete your sweat equity
- Attend home dedication ceremony

Start to Finish – 12 – 18 months

- Gives time to
  - Complete sweat equity hours
  - Complete workshops
  - Save $3500 (or more) towards closing costs
- Attend groundbreaking and dedication ceremonies and events
- Purchase the home
- Move into your home!

Details of Properties

146 MORRIS AVENUE, SUMMIT, NJ

146 Morris Ave, Summit NJ

Project Address: 146 Morris Avenue, Summit

Build plan: to be completed in 2023

Type:

- 12-plex
- New construction (Panel Build)
- 3 bedrooms in 6 homes; 2 bedrooms in 6 homes

146 Morris Avenue, Summit, NJ

Families:
The family selection process will begin in early 2022.

Household size must be from 2 to 6 persons. The homes will be sold to eligible low- and moderate-income applicants. Affordable 30-year mortgages will be provided by Morris Habitat.
The homes will have a 30-year deed restriction that allows modest equity upon resale, but mandates that they be sold at an affordable price to other income-eligible families. Prospective homeowners will contribute a minimum of 300 hours of sweat equity.

146 Morris Avenue, Summit, NJ

An L-shaped building with 12 condos will be built on Morris Avenue in Summit in Union County.

The first sponsor is the Summit Civic Foundation.

Pro bono and reduced-fee professional services have been contributed by architect Seth A. Leeb Architect, AIA; attorneys Schenck, Price, Smith, & King, LLP; environmental consultant Eikon Planning and Design, LLC; Stewart Surveying & Engineering, LLC; engineering consultant Bowman Consulting; and real estate appraiser Property Research Associates.

The project is planned to be completed in fall 2023.

146 Morris Avenue, Summit NJ

Home Sale Prices*

3—2 Bedroom **(Low)** - $100,000

3—2 Bedroom **(Mod)** - $145,000

3—3 Bedroom **(Low)** - $120,000

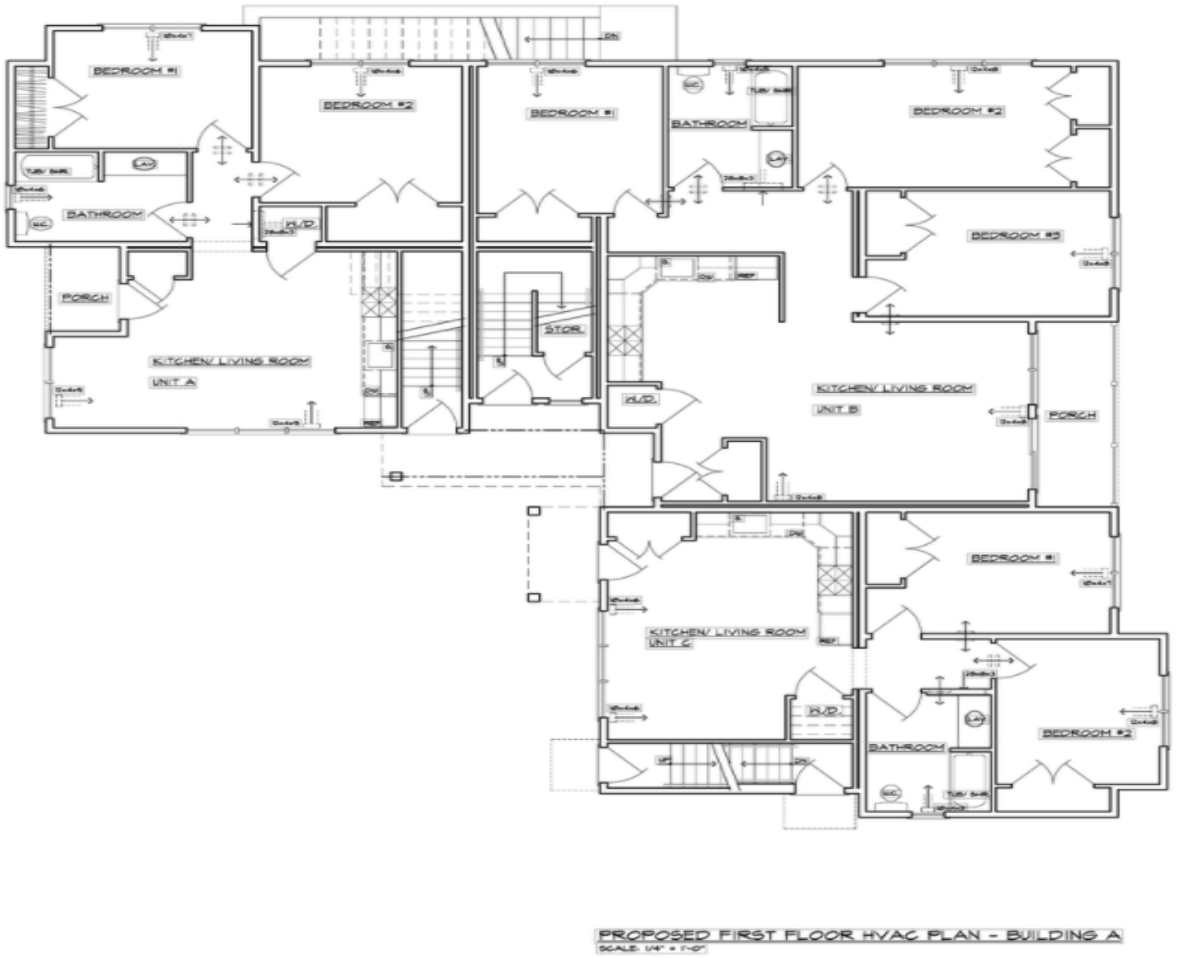
1—3 Bedroom **(Mod)** - $184,000

2—3 Bedroom **(Mod)** - $200,000

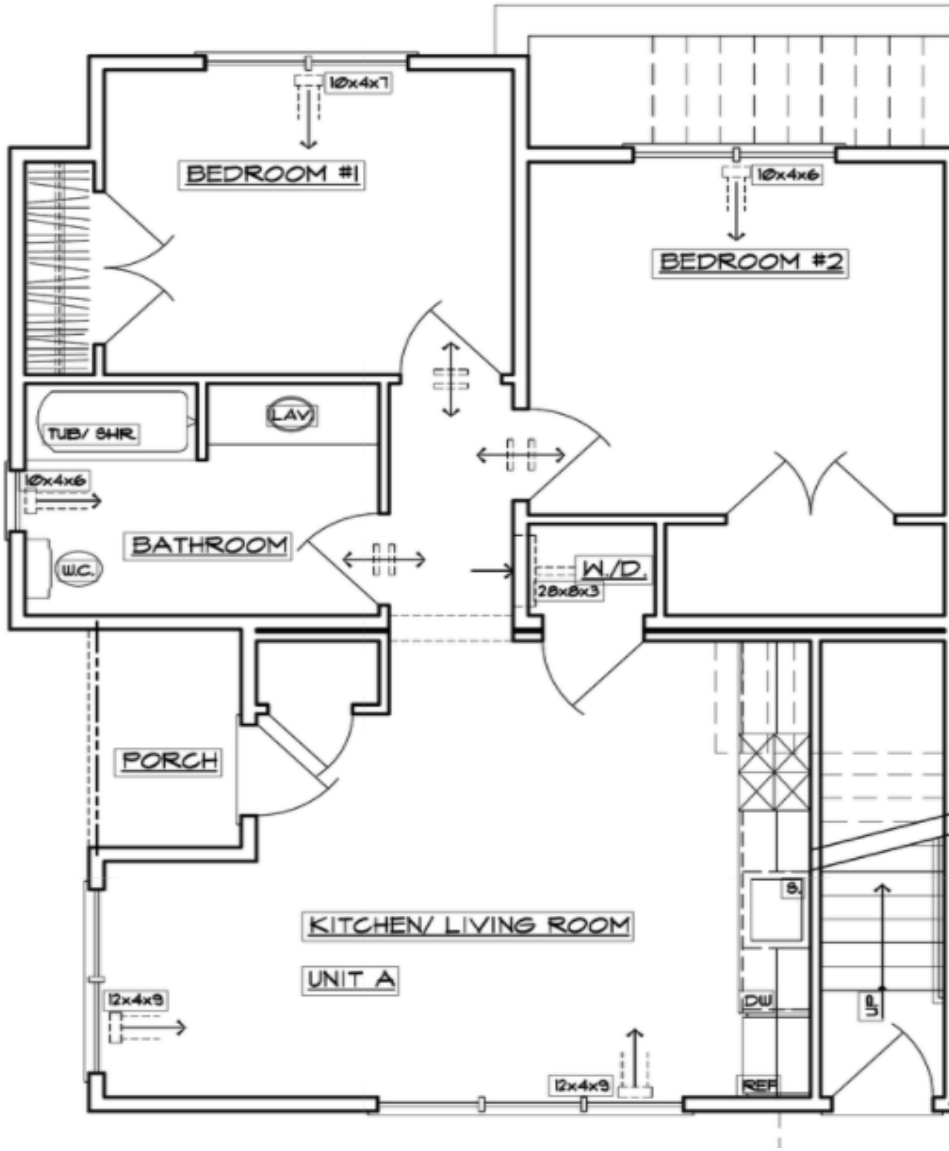
146 Morris Avenue, Summit, NJ

People in Home	Maximum Income **LOW**	Maximum Income **MODERATE**
1	$ 37,665	$ 60,265
2	$ 43,046	$ 68,874
3	$ 48,427	$ 77,483
4	$ 53,808	$ 86,092
5	$ 58,112	$ 92,980
6	$ 62,417	$ 99,867

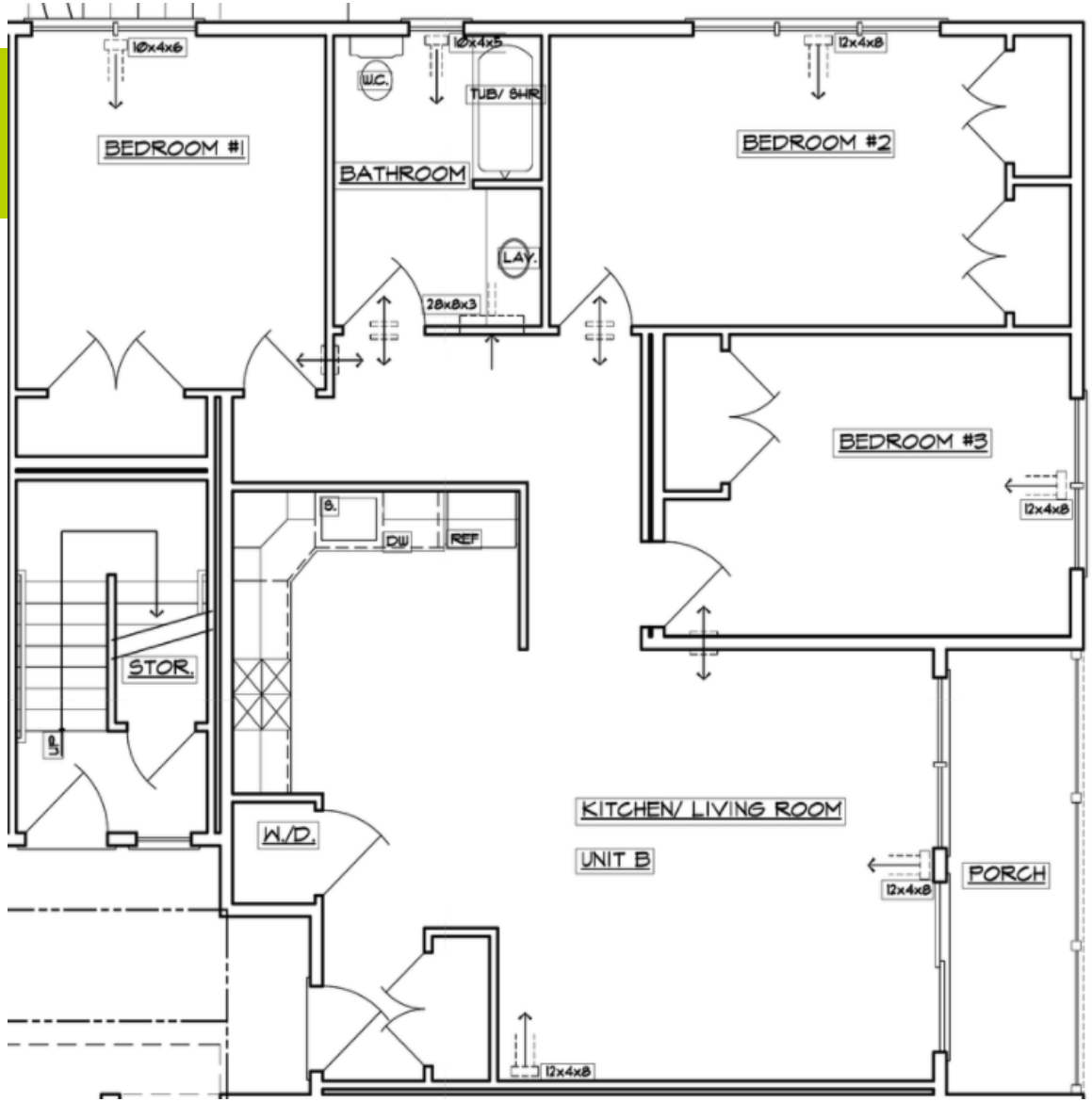
1st Floor – Building A



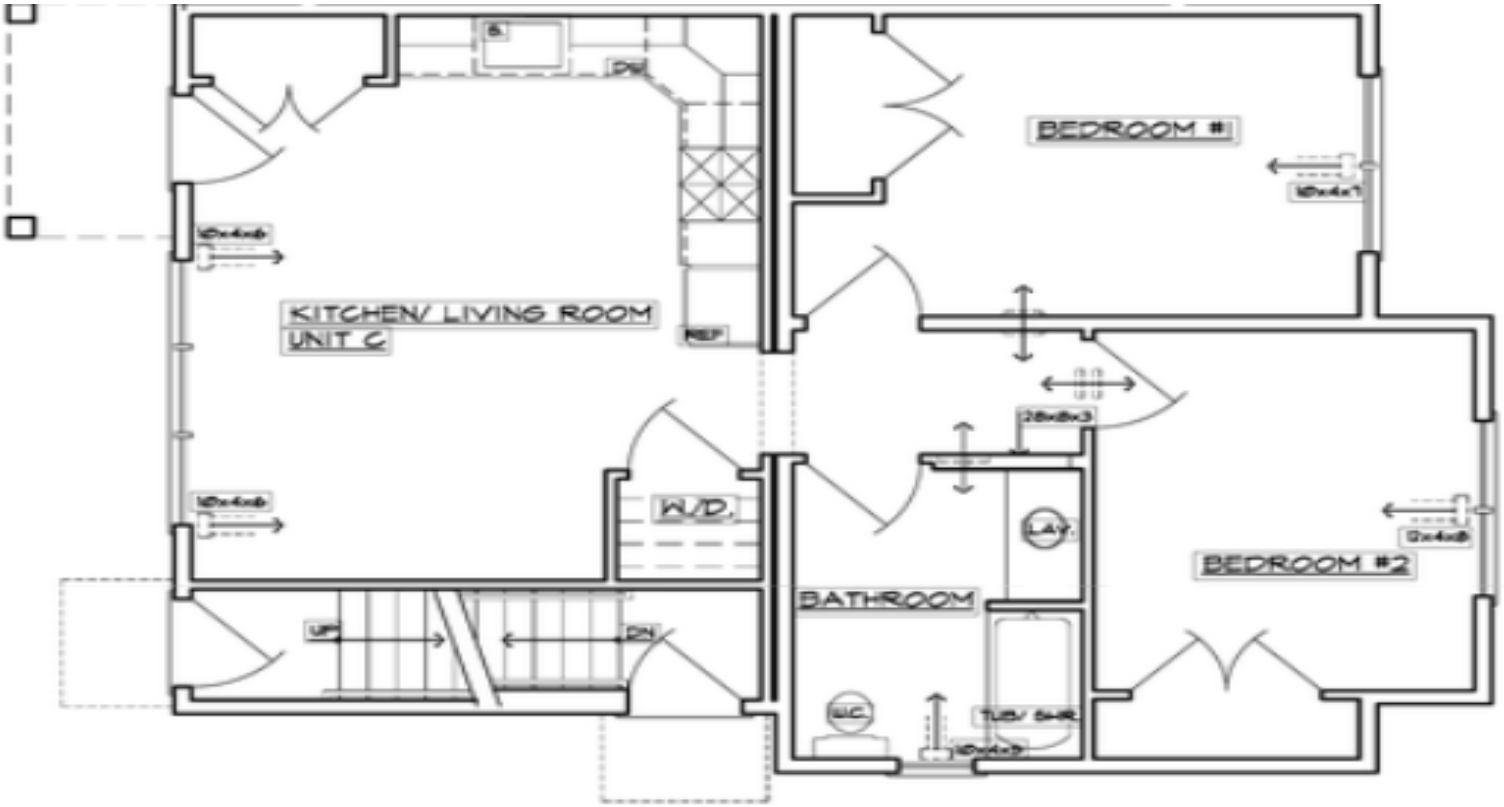
2 Bedroom


10x4x7
BEDROOM #1
10x4x6
BEDROOM #2
TUB/ SHR
LAV
10x4x6
BATHROOM
W.C.
W/D
28x8x3
PORCH
KITCHEN/ LIVING ROOM
UNIT A
12x4x9
12x4x9
DW
REF

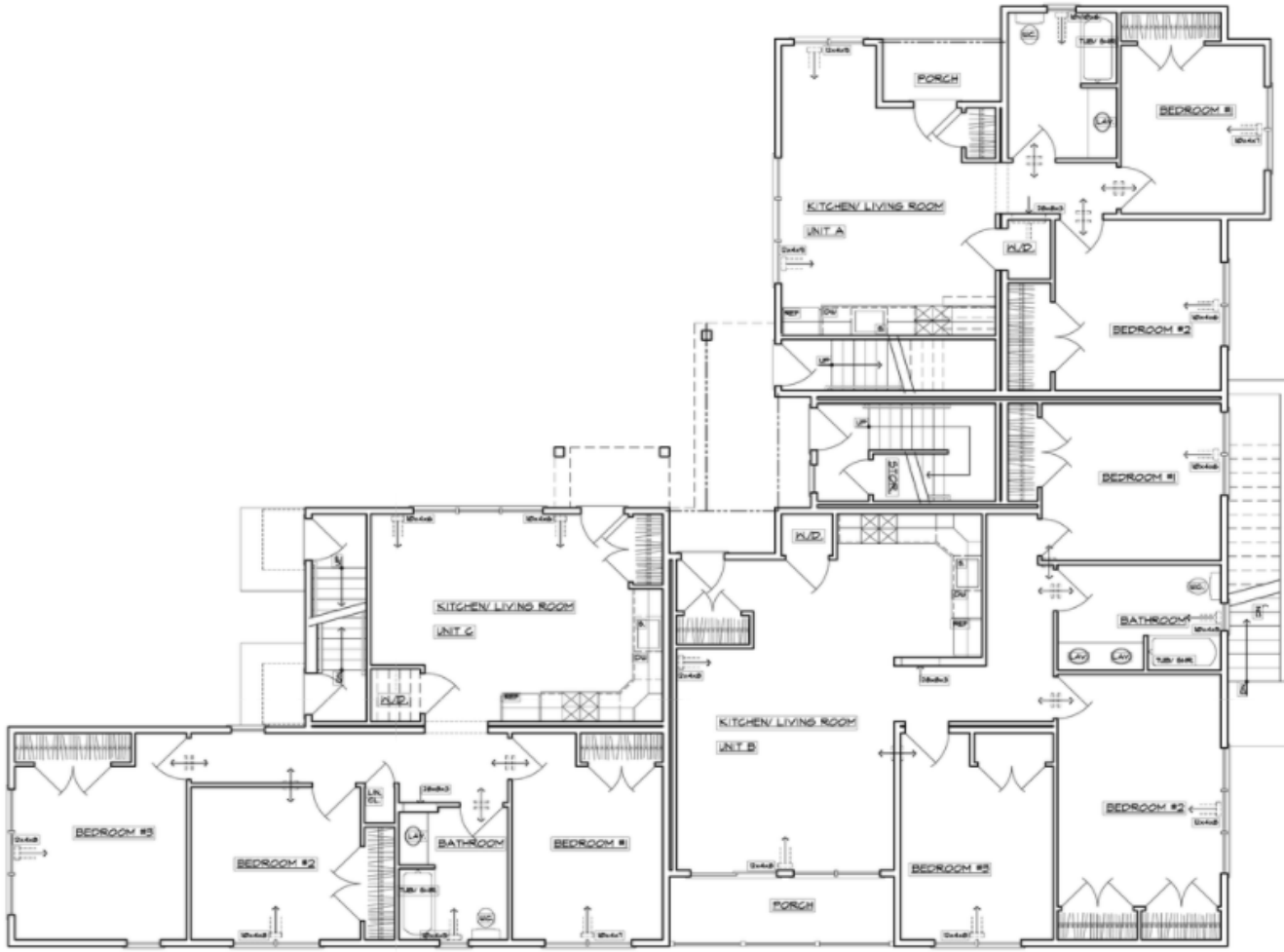
3 Bedroom


10x4x6
BEDROOM #1
W.C.
10x4x5
TUB/ SHR.
BATHROOM
LAY.
28x8x3
12x4x8
BEDROOM #2
BEDROOM #3
12x4x8
S.
DW
REF
STOR.
W./D.
KITCHEN/ LIVING ROOM
UNIT B
PORCH
12x4x8
12x4x8

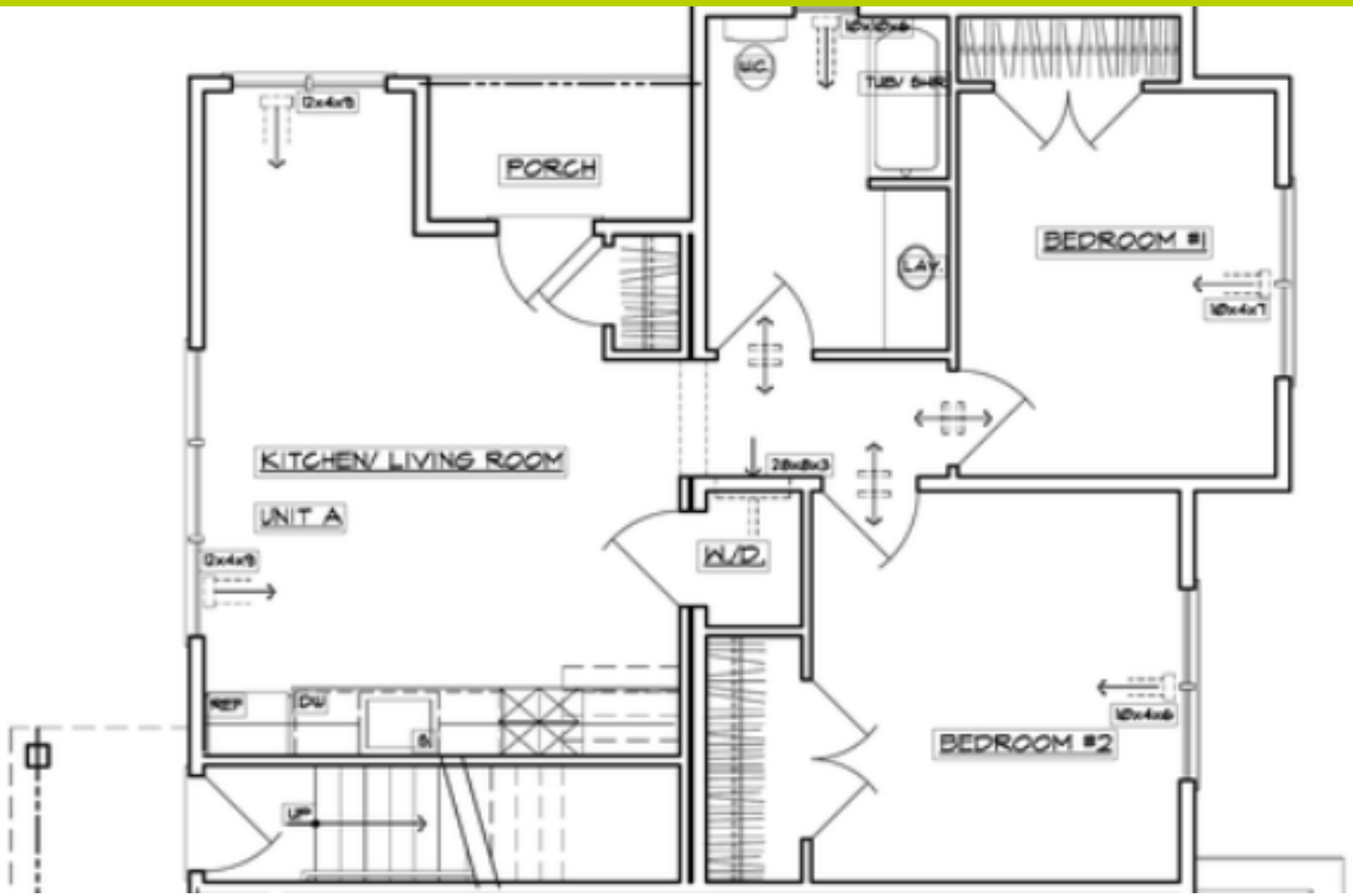
2 Bedroom -1st floor



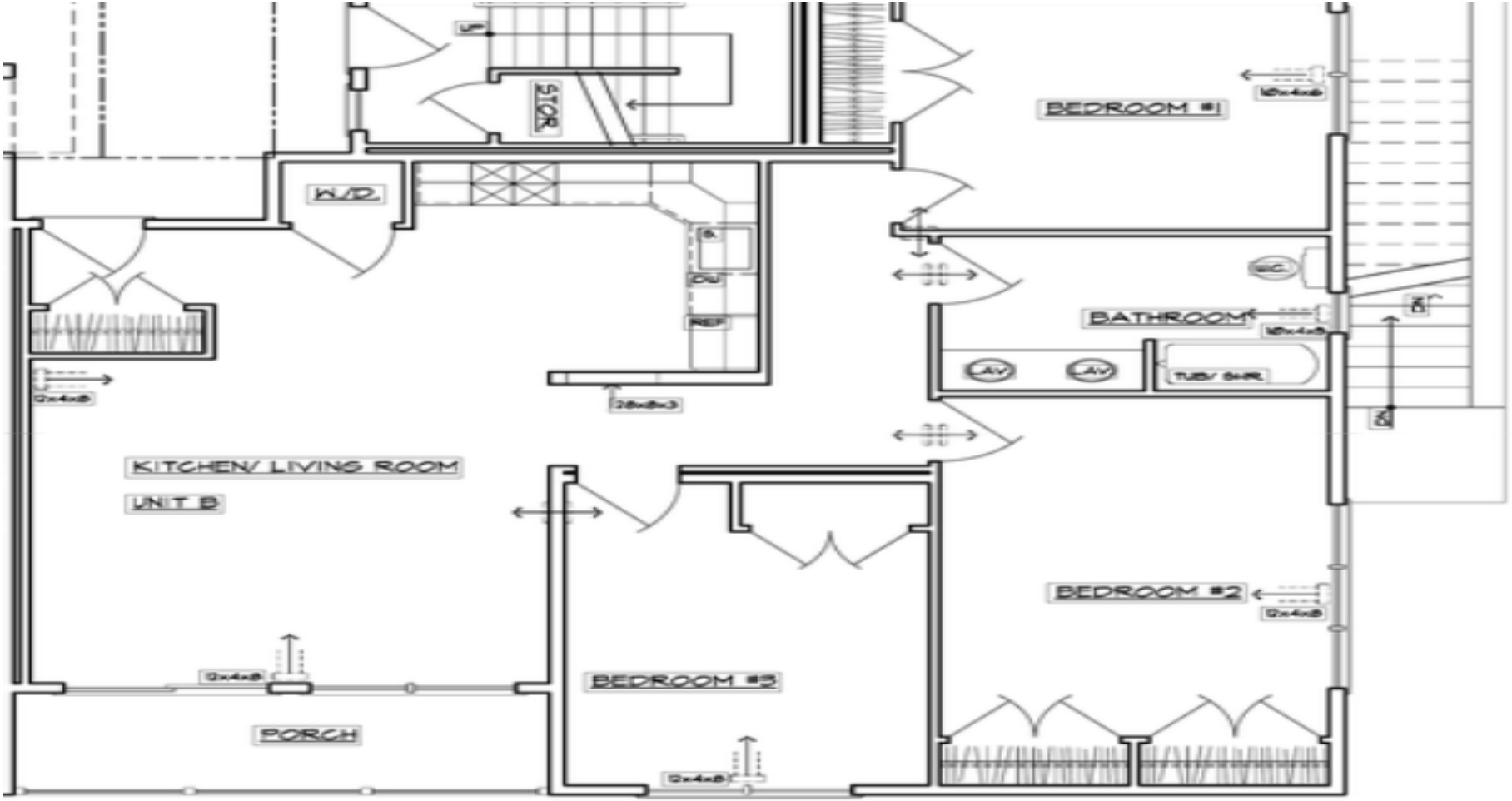
Bldg. B


PORCH
BEDROOM #1
KITCHEN/ LIVING ROOM
UNIT A
H/D
BEDROOM #2
BEDROOM #1
KITCHEN/ LIVING ROOM
UNIT C
H/D
H/D
BATHROOM
KITCHEN/ LIVING ROOM
UNIT B
BEDROOM #3
BEDROOM #2
BATHROOM
BEDROOM #1
BEDROOM #2
BEDROOM #3
PORCH

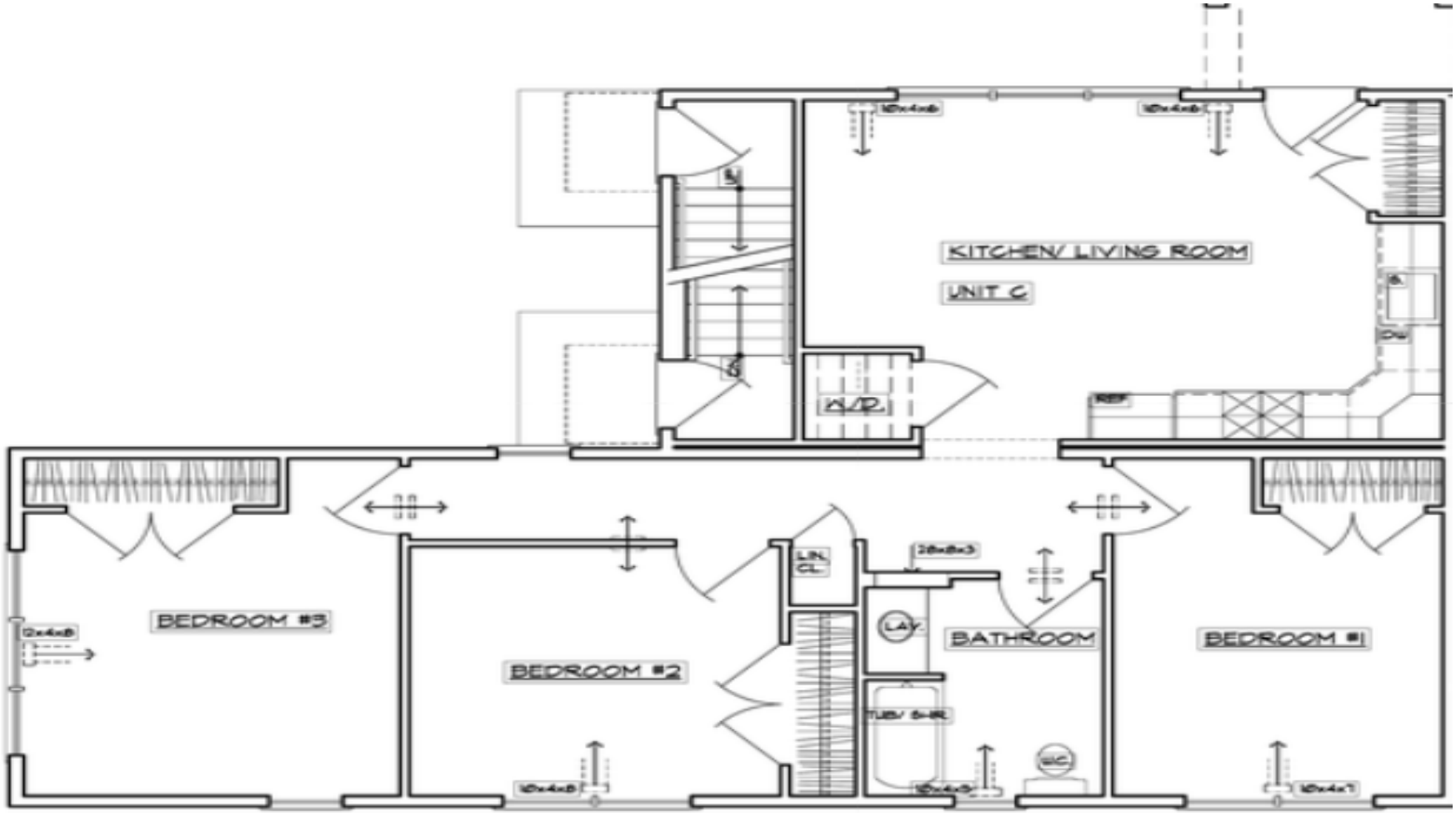
2 Bedroom


PORCH
KITCHEN/ LIVING ROOM
UNIT A
W/D
BEDROOM #1
BEDROOM #2
LAV.
UP

Three Bedroom



Three Bedroom



Recap

ALMOST FINISHED

Casi Terminado

In a Nutshell

You GET…

- A support team
- An affordable home - built to ENERGYSTAR requirements
- An affordable mortgage
- Low property taxes
- Safe, stable and decent housing that belongs to YOU!

In a Nutshell

You GIVE…

- A complete and truthful application
- Allow us to have a personal interview
- A minimum of 300 or 400 hours of sweat equity
- $ down-payment
- Attendance in the required workshops and have a savings plan
- Attend events

What Happens Next…

- **Application deadline on or before February 11th 2022 by 5:00PM** ($25 per applicant)
- Financial reviews will be completed by end of February
- Personal Interviews scheduled in February - March
- Random Selection is tentatively scheduled for March
- Construction to begin Spring 2022

You will be notified of the results at every step!

Español

For assistance with paperwork:

Para asistencia con papeleo

Morris County Organization for Hispanic Affairs

Call for an appointment

Llame para una cita

95-97 Bassett Highway

Dover

973-366-4770

45 Clyde Potts Ct

Morristown

973-644-4884

Questions??

¿ Preguntas ?

Thank you!

Loretta Rivers

Email:

Loretta.Rivers@MorrisHabitat.org

Phone:

973-891-1934 ext. 154

Morris Habitat for Humanity®

We build ***strength***, ***stability*** and ***self-reliance*** through ***shelter***.