



LONG ISLAND HOUSING PARTNERSHIP, INC.

**COMMUNITY LAND TRUST (CLT)
AFFORDABLE HOUSING PROGRAM**

FORMAL APPLICATION GUIDELINES
Please Read Carefully

APPLICATIONS ARE REVIEWED ON A FIRST-COME FIRST-SERVED BASIS.

**IF YOU NEED ASSISTANCE, INCLUDING TRANSLATION AND/OR INTERPRETATION SERVICES, PLEASE
CALL LIHP AT 631-435-4710 OR EMAIL LIHP AT CLT@LIHP.ORG**

I. Program Description

The Long Island Housing Partnership, Inc. (LIHP) will be developing affordable single-family affordable housing units located in Nassau and Suffolk Counties, New York. LIHP, as developer, will be responsible for implementing and administering the Affordable Housing Program.

Under the Community Land Trust (CLT) Affordable Housing Program the homeowner will have ownership of the structure (home) and there will be a 99-year lease of the land.

An applicant who is determined to be eligible will be offered a home to purchase as they become available. The applicant must subsequently begin the home buying process. Should the applicant not move forward in purchasing the home, LIHP will move on to the next name on the lottery ranking list.

II. Program Eligibility

In order to be eligible to participate in the Program, an applicant must be a first-time homebuyer, must meet all program requirements as described in these Guidelines including income limits, homebuyer contribution requirements and must have an acceptable credit history as defined by the standards contained in these Guidelines. These standards reflect the objective that the housing being developed is affordable to and sustainable by the homeowner.

a) Income Guidelines

All homes will be available to income eligible households with income that do not exceed 80% of the area median income for Nassau / Suffolk Counties (AMI) as determined by the US Department of Housing and Urban Development (HUD):



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Maximum allowable income at 80% AMI:

Household Size	Maximum Total Annual Household Income ¹	Household Size	Maximum Total Annual Household Income ¹
1	\$ 86,200	5	\$132,950
2	\$ 98,500	6	\$142,800
3	\$ 110,800	7	\$152,650
4	\$ 123,100	8	\$162,500

Income limits may be adjusted annually based on the HUD established Nassau/Suffolk median household income.

¹ Includes all income – overtime, bonuses, pensions, social security, 401K distributions, tips, etc. Total household income minus allowable exclusions cannot exceed the maximum annual income listed above for your household size. The Long Island Housing Partnership (LIHP) must project the income that will be received for the upcoming 12-month period. Tax returns will be required for all household members whose earnings will be used as part of the income qualification.

b) Credit History Standards

The following credit history standards will be analyzed in conjunction with income limits to determine program eligibility:

- Applicants must have an overall good pattern of credit behavior including a history of timely payments for rent, automobile and installment loans, credit cards and revolving loans as described below. If a good payment pattern has been maintained, isolated cases of slow/late payments may not disqualify an applicant for program eligibility.
 - Applicant must not have been late on rental payments in the last 12 months.
 - Payments on automobiles and installment loans should reflect no late payments in recent 24 months.
 - Payments on revolving loans or credit cards should not have any late payments in recent 24 months.
- Applicants must have a satisfactory income, credit and employment history.
- At a minimum, a bankruptcy must have been discharged at least three years from date of application for assistance and credit re-established.
- At a minimum, a foreclosure sale or a transfer of title in a deed in lieu of foreclosure must be at least three to five years old from date of application for assistance.
- No outstanding collection accounts or judgments.
- As part of the credit history and mortgage ability review, LIHP will utilize the middle credit score of all borrowers from three national credit repositories. At a minimum this credit score must be at least 580. (Higher credit scores may be required by lenders).
- The credit standards listed above are to determine program eligibility and do not represent a mortgage approval. The applicant is responsible for securing a mortgage approval through a responsible lending institution.



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c) Home Buyer Contribution

Applicants, at time that the application is submitted to LIHP, must have a minimum of 3% of the subsidized sales price in savings and/or checking accounts (not a gift) or verifiable liquid assets from their own funds to apply towards the down payment. **The amount required for a 3% to 5% or more down payment must be shown in the most recent bank statements submitted with application.** The bank statements submitted must show the bank name, account holder's name and account number with a detailed list of transactions. At a minimum, the applicant should have 5-10% of the sales price for down payment and closing costs.

d) Citizenship

Each applicant must be a U.S. Citizen or a Qualified Alien, as defined at 8 USC 1641.

III. Gift Letter

LIHP will allow a gift letter from an immediate family member stating that the money provided is in the form of a gift and will not have to be repaid. This letter must be signed, notarized and submitted with the application. This gift contribution **cannot** be used towards meeting the required minimum 3% home buyer down payment contribution.

IV. First-Time Homebuyer Requirement

This program is limited to first-time homebuyers only as described below:

- A household that has not owned a home during the three-year period immediately prior to the date of application for assistance is considered a first-time homebuyer.
- Applicants may own vacant land or a vacation timeshare provided that they have not received the benefits of the mortgage interest deduction and/or property tax deduction during the prior three years from date of application for assistance.
- Applicants who do not hold title to a home but did receive the benefits of the mortgage interest deduction and/or property tax deduction during the prior three years from date of application are not considered first-time homebuyers.
- Please contact LIHP with any questions regarding this requirement.

V. Housing Type

The homes available through the Program are newly constructed single-family homes. The homes are currently planned in Nassau and Suffolk Counties. **Please note that the homes will be constructed in phases over multiple years.**



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VI. Purchase Price

The projected unsubsidized purchase price of the home will be based on the home being offered and selected. (All grants are subject to funding availability and final approval).

VII. Residency Requirement

Applicants must occupy the property as their Principle Residence.

VIII. Re-Sale Restrictions

There will be restrictions placed on the homes to maintain affordability upon future home re-sales.

IX. Pre-Purchase Mortgage Counseling

All income eligible applicants are required to attend homebuyer pre-purchase mortgage counseling. Certified counselors through the Long Island Housing Partnership (LIHP) will conduct the counseling. There is no charge for the counseling.

X. Mortgage Ability

Applicants must have adequate resources and credit to qualify for a home mortgage. LIHP can assist qualified applicants in securing a mortgage. However, it is the sole responsibility of the applicant to secure a mortgage. Applicants must submit to LIHP all standard documentation required for mortgage processing, including signed copies of the last three years of their Federal Income Tax Returns, W-2 forms, 1099 statements, four (4) most recent consecutive pay stubs, two (2) most recent, consecutive months bank statements (all pages) and investment accounts showing assets needed for down payment and closing costs. This documentation is required for all household members age 18 and over. Applicants should also have a good credit record and stable earnings history.

LIHP will conduct a mortgage ability analysis to assess an applicant's ability to obtain a mortgage and to sustain homeownership. Factors to be considered in this analysis include income, employment, down payment, credit history and adherence to program guidelines.

All loans to finance the purchase of the home will be reviewed to ensure that they meet program guidelines.



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XI. Affordability

To purchase the home, applicants must have:

- a) Sufficient income to pay the monthly mortgage payment, including loan principal, interest, property taxes, and insurance premiums. Applicants must also have sufficient funds for a down payment and closing costs estimated at 5-10% of the sales price; and
- b) The ratio of total monthly housing cost i.e. mortgage payments, property taxes, insurance premiums plus other debt (e.g. credit cards, car payments, school loans, etc.) to monthly household income may not exceed 45%.

Affordability will vary depending on income, sales price, insurance requirements, interest rates, property taxes, and buyer down payment.

XII. Restrictions

Mortgages must be with a recognized lending institution. The following types of mortgages are **not** permitted:

1. Private mortgages;
2. "No Doc" Loans, 100% financing, and 80/20 loans;
3. 203K loans;
4. Adjustable rate or interest only loans; and
5. Non-occupying Co-Borrowers are not permitted.

XIII. Asset Limitation Policy

After deducting down payment and estimated closing costs, any household with net liquid assets more than 25% of the unsubsidized sales price, will be referred to the specific program's committee. The committee will examine the applicant's full economic situation and other possible extenuating circumstances to determine if they would be able to purchase a home without the assistance. If it is determined that because of its assets, a household would be able to purchase a home without the assistance and if no relevant extenuating circumstances exist, the household will be deemed ineligible for the Long Island Housing Partnership program to which it applied.

XIV. FIRST-COME FIRST-SERVED APPLICATION PROCESS

To be considered for the Program, applicants must submit an **Application**, together with all required documentation, by the deadline. Applications will be reviewed on a first-come first-served basis in the order in which they are received until the waitlist is exhausted or a qualified buyer closes on the purchase of the properties whichever occurs first. Upon sale of all the Units subject to the Program, no further waitlist will be maintained.



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Applications are available and can be submitted on LIHP's website at <https://www.lihp.org/clt.html>

The Application and all required documentation must be submitted by the required timeframes to be considered for the purchase of a home. If the required documentation and fee is not submitted by such date, the applicant will be deemed ineligible for the Program.

Please note, only completed applications with required documentation and \$100 application fee that meet all program guidelines will be considered for this program.

APPEALS:

Applicants who are deemed ineligible may appeal the determination by submitting a request to LIHP. The appeal request must be in writing and must be **received** (together with all documentation) by LIHP within five (5) calendar days of the date of LIHP's notice to applicant of the determination of ineligibility. The appeal must state the basis of the appeal and contain documentation to support the appeal. Please note that, if the applicant was deemed ineligible due to failure to submit required documentation within the required time frame, then, no appeal will be granted unless the applicant submits the remaining required documentation with the appeal request within the timeframe required. The appeal will be promptly reviewed and the applicant advised of the final determination by email. Notice to LIHP of an appeal request can ONLY be submitted via a file-specific link that will be provided by LIHP.

FAIR HOUSING AND NON-DISCRIMINATION

LIHP is committed to promoting fair housing, equal opportunity, and non-discrimination in compliance with all federal, state and local laws, including, but not limited to, the Fair Housing Act, as amended by the Housing for Older Americans Act, the Americans with Disabilities Act, the Civil Rights Act, and the New York State Human Rights Law and all Fair Housing Laws will be followed. The LIHP staff is available to assist with the application, and answer questions about eligibility requirements. In furtherance of this policy, LIHP shall not discriminate on the basis of race, creed, color, national or ethnic origin, sex, sexual orientation, gender identity, familial status, source of income, religion, disability, veterans' status, age, or any other basis prohibited by law.

LIMITED ENGLISH PROFICIENCY AND ACCOMMODATIONS

LIHP will take reasonable steps to ensure that persons with Limited English Proficiency (LEP) and persons who are in need of assistance or who have a limited ability to speak, read, or write English, will have meaningful access and an equal opportunity to participate in the Program. Interpreters, translators and other aids needed to comply with this policy shall be provided as reasonably necessary. If you have any questions regarding the guidelines, or need assistance including translation and/or oral interpretation services, please call LIHP at 631-435-4710 or contact LIHP at clt@lihp.org.

Disclaimer: It is understood that this is not an offer and that terms and conditions may be changed at any time by the Long Island Housing Partnership, Inc., and Affiliates. It is further understood that notices by the Long Island Housing Partnership, Inc., and Affiliates may be made in such manner as Long Island Housing Partnership, Inc., and Affiliates may determine, including solely by advertisement. It is also understood that entry into the lottery is not a guarantee that you meet all program requirements to purchase a home.



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PLEASE RETAIN A COPY OF THESE GUIDELINES AS THEY CONTAIN IMPORTANT PROGRAM INFORMATION.