



LONG ISLAND HOUSING PARTNERSHIP, INC
NASSAU COUNTY LAND BANK CORPORATION
FIRST-TIME HOME BUYER AFFORDABLE HOUSING PROGRAM

PROGRAM GUIDELINES

Please read carefully and retain these guidelines as they contain important program information.

**FIRST-COME FIRST-SERVED APPLICATIONS ARE BEING ACCEPTED COMMENCING 9:00 AM ON
 NOVEMBER 3, 2023 AND ENDING AT 5:00 PM ON JANUARY 2, 2024**

The Long Island Housing Partnership (LIHP), in cooperation with the Nassau County Land Bank Corporation (Developer), is pleased to announce that it is accepting Applications, on a first-come first-served basis, for two newly constructed homes in the Village of Hempstead. Set forth herein are the Program Guidelines with respect to eligibility for the units.

LIHP is responsible for implementing and administering the application and qualification process for the unit on behalf of the Developer. LIHP strictly complies with these Program Guidelines and applicants are urged to read them thoroughly. Applications will be reviewed for compliance and completeness. LIHP staff is available to assist with the application, answer questions or provide any assistance regarding eligibility. We also provide free mortgage counseling. If you have any questions regarding any of the Program Guidelines, or need assistance including translation and/or oral interpretation services, please call LIHP at 631-435-4710 or email LIHP at Homeowner3@lihp.org before applying. Submission of required documentation or determination of income eligibility does not guarantee the purchase of a home. PLEASE BE ADVISED THAT THE PROGRAM GUIDELINES ARE SUBJECT TO CHANGE IN THE EVENT NEW REQUIREMENTS ARE ADOPTED BY THE NASSAU COUNTY LAND BANK.

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

NO APPLICATIONS WILL BE ACCEPTED BEFORE NOVEMBER 3, 2023

APPLICATIONS ARE ONLY AVAILABLE ONLINE.

IF YOU NEED ASSISTANCE, INCLUDING TRANSLATION AND/OR INTERPRETATION SERVICES,

PLEASE CALL LIHP AT 631-435-4710 OR EMAIL LIHP AT HOMEOWNER3@LIHP.ORG

Program Description

The Developer will construct two single family detached homes located at:

147 Harvard Street, Hempstead, New York 11550

40 Cruikshank Avenue, Hempstead, New York 11550



Each unit is approximately 1347 square feet with central air conditioning and an unfinished basement. Each home contains three bedrooms and two baths.

Each home will be available to income eligible first-time home buyers with incomes that do not exceed 80% of the Area Median Income (AMI) for Nassau/Suffolk County, adjusted for household size, as determined by the U.S Department of Housing and Urban Development (HUD). Income is verified at the time a Contract of Purchase is signed. Additional eligibility requirements apply as set forth herein.

THIS IS A FIRST-COME FIRST-SERVED PROCESS AND APPLICANTS ARE NOT GUARANTEED THE SELECTION OF ANY PARTICULAR HOUSE AS PART OF THE PROCESS.

Purchase Price

The unsubsidized purchase price of each home is estimated to be \$315,000. The subsidized purchase price is estimated to be \$290,000 after factoring in a \$25,000 subsidy through the Nassau County Office of Community Development, HOME Investment Partnerships Program (“Nassau County”). Additional subsidies may be available from New York State. All subsidies are subject to funding availability and program requirements. LIHP does not administer the subsidy programs. Nassau County Land Bank will process applications for the subsidy once an applicant is deemed eligible for the Program by LIHP.

Taxes

Annual taxes are estimated to be approximately \$15,000. Please note that these are estimates as provided by the Developer only, is not a guarantee of the required taxes, and the applicant shall independently confirm same with Developer and/or the applicable municipality.

PROGRAM ELIGIBILITY

In order to be eligible to participate in the Program, a homebuyer must meet all eligibility requirements including income limits, homebuyer contribution requirements and 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.

Income Guidelines

The maximum permitted total annual **household** income for purchasers in the Program shall not exceed 80% of AMI as determined by HUD at the time of execution of a Contract to Purchase.

Maximum allowable income at 80% AMI*:

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



8	\$162,500
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*Based on 2023 HUD median uncapped income guidelines. Income limits may change annually based on HUD established Nassau/Suffolk median guidelines and for purposes of rounding adjustments.

**Income 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. 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.

Asset Limitation Policy

The mission of LIHP is to provide affordable housing opportunities to those who, through the ordinary, unaided operation of the marketplace, would be unable to secure decent and safe homes. Therefore, there is an established limit on the amount of assets a household may have to be eligible for this program. After deducting the purchaser’s cash investment and estimated closing costs, **any household with net liquid assets of more than 25% of the unsubsidized purchase price will be deemed ineligible for this program.** Equity in real property IS INCLUDED in the asset calculation. 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 their 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 program.

First Time Home Buyer 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 to be 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.

Home Buyer Contribution

Applicants, at time that the application is submitted to LIHP, must have a minimum of 3% of the purchase 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% down payment must be shown in the most recent bank statements.** 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 expect to need sufficient funds of 5-10% of the sales price for down payment and closing costs.

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 referenced above.

Principal Residence Requirement and Annual Certification

Applicants must occupy the property as their Principle Residence. Occupants who purchase a home will be required to certify to the Developer on an annual basis that they are occupying the home as their principal residence.

Affordability/Re-Sale & Recapture Restrictions

As per Developer requirements, the home must remain affordable for a period of thirty (30) years from the date of closing. There will be restrictions placed on the home in order to maintain affordability upon future home re-sales pursuant to the Resale Restrictions attached hereto as Exhibit A. These Resale Restrictions will be documented and recorded against the home. If Nassau County or New York State funds are utilized, the buyer will be required to execute such documentation as Nassau County and New York State may require which may include a Note and Mortgage and/or Covenants & Restrictions restricting the use of the property and the resale price and subjecting the funds to recapture if the program requirements are not met. Such restrictions will be recorded as a lien against the property.

Citizenship

Each person who will be residing in the home must be a U.S. Citizen or a Qualified Resident Alien. For the purposes of this program, a qualified resident alien is an alien who is lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

Pre-Purchase Home Ownership Counseling

Eligible applicants are required to attend homebuyer pre-purchase home ownership counseling with LIHP. Certified counselors through LIHP will conduct the counseling. There is no charge for the counseling. **Please do not make an appointment for counseling until you receive a formal letter from LIHP that you are eligible for the program.**

Mortgage Ability

Applicants must have adequate resources and credit to qualify for a home mortgage, if applicable. 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.

Mortgage Restrictions

First mortgages must be with a recognized lending institution. Non-occupying Co-Borrowers are not permitted. The following types of mortgages are **not** permitted:



1. Private mortgages;
2. "No Doc" Loans, 100% financing, and 80/20 loans;
3. 203K loans; and
4. Adjustable rate or interest only loans.

Affordability

Affordability of the unit will vary depending on income, sales price, insurance requirements, interest rates, property taxes, and buyer down payment. To purchase the home, applicants must have:

- Sufficient income to pay the monthly mortgage payment, including property taxes, common charges, 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
- 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%.

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 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.
- 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.

FIRST-COME FIRST-SERVED APPLICATION PROCESS

To be considered for the Program, applicants must submit an **Application**, together with all required documentation, **and a \$25.00 non-refundable application fee**, 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.



Applications are available and can be submitted on LIHP's website at <https://www.lihp.org/developments.html> (Click on the Nassau County Land Bank tab).

The Application, the fee, 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.

The Application and required documentation can ONLY be submitted online at <https://www.lihp.org/developments.html> (please click on the tab for Nassau County Land Bank)

The application fee of **\$25.00** will be paid through the secure payment service. Upon completing the online form, applicants will be directed to the payment section and be required to follow the payment instructions to make payment by debit or credit card. Upon payment, the applicant will be sent an email confirming payment and a receipt.

REVIEW PROCESS

As an applicant's name is reached on the waitlist, LIHP will review the file to determine if all required documentation was submitted. If not, then LIHP will send notice to the applicant, by email indicating what documentation is missing with a link for the missing documents to be upload to. The missing documentation must be received by LIHP by the date shown on the email notification (10 calendar days). If the documentation is not received within such 10-day period, the applicant will be deemed ineligible and LIHP will move on to the next person on the waitlist. Should applicants be deemed ineligible, LIHP notify applicants by email and will move on to the next name on the Waitlist.

Documentation shall be deemed received by LIHP on the date of successful transmission and receipt by LIHP.

If all documentation is received within the timeframe, LIHP will then conduct an eligibility review to determine if the applicant meets all Program Guidelines. A letter from LIHP detailing eligibility will be sent to the applicant after a full review of the **Application** has been completed. An applicant who is determined to be eligible will be offered the home to purchase. The applicant must, subsequently, begin the home buying process with the Developer. Should the applicant be deemed ineligible or, if eligible, elect not move forward in purchasing the home, LIHP will move on to the next name on the waitlist.

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



Applications and Program Guidelines are available in English and Spanish and will be made available in other languages as requested. 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 Homeowner3@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 Developer. 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 or email. It is also understood that entry into the program is not a guarantee that you meet all program requirements to purchase a home.



EXHIBIT A to Program Guidelines

RESALE RESTRICTIONS

The following restrictions will be placed on the homes to maintain affordability upon future home re-sales:

- a) Notification of Intention to Sell Unit - Homeowners wishing to sell their home must complete a "Notice of Intention to Sell" and return it to LIHP at the following address:

Long Island Housing Partnership
180 Oser Avenue, Suite 800
Hauppauge, NY 11788

b) Resale Price – Sale Price may be set by the current owner, however, the sale price cannot exceed the original sale price adjusted by the Consumer Price Index (CPI) from the Time of the Original Sale Price up until the Time of Resale plus capital improvements to a maximum of \$20,000, or such other amount as may be agreed to, in writing, by the Nassau County Land Bank prior to closing. All other program requirements must be met by new purchaser(s) such as the purchaser(s) cannot earn more than 80% of median income based upon household size.

- i. CPI Inflation Calculator - Once the "Notice of Intention to Sell" is received, LIHP on behalf of the Nassau County Land Bank will calculate the resale price by using the Federal Bureau of Labor and Statistics CPI inflation calculator located at <https://data.bls.gov/cgi-bin/cpicalc.pl>
- ii. Maximum Resale Price - The price calculated above is the MAXIMUM resale price for the Home by the Seller (hereinafter referred to as "Seller"). Notwithstanding the same, the maximum price per Home may be increased by an amount not to exceed 100% of the documented capital improvements made by the seller as approved by LIHP up to a maximum of \$20,000, or such other amount as may be agreed to, in writing, by the Nassau County Land Bank.
- iii. Time of Original Sale Price - The "time of original sale price" will be the Homeowner/Seller's original closing date.
- iv. Time of Resale -The "time of resale" is the date that the LIHP receives the "Notice of Intention to Sell".
- v. Notification of Maximum Resale Price - LIHP will notify a Seller in writing of the maximum resale price.



- vi. Resale Price Negotiation - Sellers and a purchaser of Seller's Home (hereinafter referred to as "Buyer") may negotiate the price, but it cannot exceed the Maximum set by LIHP.

- c) Finding a Buyer –Sellers can find a buyer on their own. All buyers, regardless of how they are found, must complete a formal program application with LIHP and comply with the Program Guidelines.
 - i. The Seller May Find His or Her Own Buyer - The Seller is responsible for providing LIHP with the buyer's contact information. The buyer will be required to qualify according to all program guidelines. LIHP will only accept and review one potential buyer at a time. LIHP is not a realtor and is not responsible for marketing a seller's unit or finding a Buyer.
 - ii. Use of a Real Estate Agent - Sellers who choose to use a real estate agent shall not rely on the real estate agent to provide the correct resale restrictions and program guidelines to the buyer. Real estate agents are required to follow resale procedures and program requirements.
 - iii. Buyer Approval - Buyers will be notified of their eligibility status once all steps of the screening process have been completed. Applicant screening is a confidential process. LIHP is not allowed to discuss the status of a potential buyer's application with the Seller or anyone who is not the buyer(s).

- d) Formal Program Application & Fee to Buyer - Once a potential buyer is identified, they will be sent a formal program application to be completed and returned to LIHP
 - i. Mandatory Mortgage Counseling for Buyers - All applicants will be required to attend program and mortgage counseling at the LIHP. The program is conducted free of charge. Homeownership counseling is mandatory for all applicants applying through a home ownership program administered by LIHP. Once an applicant is qualified to purchase a unit, LIHP will send an email to the applicant advising them they have 5 days to schedule the counseling and make an appointment. The counseling must be completed prior to the applicant being able to close on the home. If the applicant does not attend mortgage counseling, does not complete mortgage counseling within the designated time frame or is declined for mortgage ability by LIHP counselors, the applicant will be declined the ability to purchase a home.



- ii Processing/Screening Fee to LIHP - A fee of 1.0% of the Resale Purchase Price/Contract Price will be paid by the Seller at closing for services rendered by LIHP in screening applicants for program eligibility.
- e) Contract & Closing - The seller is responsible for providing the following documentation to LIHP and should provide a copy of these resale procedures to their attorney to ensure compliance:
 - i. Contract of Sale - The seller is responsible for providing LIHP with a copy of the fully executed Contract of Sale. The Contract of Sale must include a rider that states:
"This sale is contingent on seller's payment at closing to LIHP of a fee equal to 1.0% of the Purchase Price/Contract Price."
 - ii. Copy of Contract & Notification of Closing Date - The seller is responsible for notifying LIHP of the closing date, place and time. A representative of LIHP may attend the closing.
 - iii. Copy of Deed- The seller is responsible for providing LIHP with a copy of the executed deed containing the resale covenants and restrictions.

The foregoing procedures are subject to change in the event new requirements are adopted by the Nassau County Land Bank or New York State if subsidies are applied