EMPLOYER ASSISTED HOUSING PROGRAM (EAHP)

NASSAU COUNTY EDITION
2018
PROGRAM GUIDELINES

PLEASE "RETAIN" A COPY OF THESE PROGRAM GUIDELINES AFTER YOU SEND IN THE APPLICATION AS IT CONTAINS IMPORTANT PROGRAM INFORMATION

LIHP

Long Island Housing Partnership, Inc.
As agent for NCOCD
180 Oser Avenue Suite 800
Hauppauge, N.Y. 11788
631-435-4710

Revised 12-2017

EMPLOYER ASSISTED HOUSING PROGRAM
(EAHP)
NASSAU COUNTY EDITION

PROGRAM GUIDELINES

Mortgage Counseling Requirements and Home Buyer Education

Applicants must have adequate financial resources and credit to qualify for a mortgage. Fixed rate full document loans are also required for this program. Therefore, in order to help you understand the home buying process it is mandatory that all applicants attend an individual mortgage counseling session and a group rehab session at the Long Island Housing Partnership (LIHP) located at 180 Oser Avenue Suite 800 Hauppauge, NY 11788 before you look for a home.

Buying a home can be a stressful experience and there is no fee for the counseling. LIHP has a great deal of knowledge in this field and can advise you on many aspects of purchasing a home and securing a mortgage.
Upon approval of an applicant's EAHP Application, two (2) counseling sessions with the applicant and a representative from LIHP will be scheduled at that time. At the consultations, the applicant will receive the necessary guidance regarding the housing rehabilitation and mortgage application process.

Applicants should not enter into a contract to purchase a house prior to completing the required individual mortgage counseling session and the group rehab session.

If an applicant enters into contract "before" the required counseling sessions it may result in loss of grant funds.

Failure to attend mortgage counseling will disqualify you from receiving assistance through the EAHP Program.

GOAL:

The purpose of the EAHP is to assist Long Island employers with recruiting and retaining a skilled and qualified workforce to ensure economic stability by providing financial assistance and housing counseling to eligible employees.

GRANT ASSISTANCE:

Nassau County EAHP funds are essentially a zero-interest deferred loan. The grant assistance will be in the amount up to $12,000 granted to eligible applicants to assist with the down payment toward the purchase of an owner occupied, single family residence. **PLEASE NOTE ALL GRANT FUNDS ARE SUBJECT TO FUNDING AVAILABILITY.**

ELIGIBILITY CRITERIA:

An applicant must:

1) Be a household that is purchasing a home within Nassau County.

2) Provide Tax returns for the last three (3) years and four (4) current consecutive pay stubs evidencing year-to-date gross earnings for applicant(s). If year-to-date earnings are "not" included on most recent pay stub submitted, a letter from your employer on company letterhead is required. Letter must state your title/position, annual salary and or rate of pay, with number of weekly hours worked.

3) Be a Family or Individual that will occupy the property as their Principal Residence.

4) The EAHP requires the applicant to put $3,000 of their own funds into the transaction.

5) Applicants must **"NOT"** have entered into a contract to purchase a home prior to the company's participation in the EAHP Program.

6) Applicants must have an annual income meeting the income guidelines as stated not exceeding the area median income as determined by the U.S. Department of Housing and Urban Development (HUD).

7) Attend an individual mortgage counseling session and group rehab session at the LIHP located at 180 Oser Avenue Suite 800 Hauppauge, NY 11788 before you look for a home.

8) Have adequate financial resources and credit to qualify for a mortgage from a recognized lending institution.

9) Applicant may not be an owner or have ownership interest in the business. Immediate family members of an owner are not eligible to receive assistance.

10) Meet all other Program Guidelines as defined by each appropriate funding source.

All household members who will be occupying the house to be purchased must be U.S. Citizens or Qualified Resident Aliens.

FUNDING AVAILABLE ON A FIRST COME FIRST SERVED BASIS

CATEGORY I (80%)

Household Size	*Maximum Allowable Income
1	$ 62,100
2	$ 70,950
3	$ 79,800
4	$ 88,650
5	$ 95,750
6	$ 102,850
7	$ 109,950
8 or more	$ 117,050

2017/2018-INCOME GUIDELINES: The maximum permitted annual household income for applicants purchasing in Nassau County for the EAHP shall not exceed 80% of the area median annual household income as determined by HUD. *Please note the maximum allowable income includes all income such as overtime, bonuses, pensions, social security, 401-K distributions, tips, etc. Your gross income cannot exceed the maximum annual income for your household size. The Long Island Housing Partnership must project the income that will be received for the upcoming 12-month period.

Eligible Applicants who fall within Category I (80%) will be provided with an amount up to $12,000 in grant assistance from Nassau County. In addition, applicants will also receive NYS AHC Funds from LIHP based on either OPTION A or OPTION B stated below. Please see the following:

OPTION A:
Pre-existing single-family residences located within Nassau County occupied as a principal residence, including Condominiums, Co-ops or Manufactured homes. Residences cannot contain any rental units. The purchase price of the property to be purchased must not exceed: **$390,000. And must appraise at that price or higher. If the property appraises lower than the purchase price, no grant funds can be used.**

1) Applicants may receive up to $26,000 in down payment assistance and $24,000 for repairs.

OPTION B:
Newly constructed single-family residences located within Nassau County occupied as a principal residence, including Condominiums, Co-ops or Manufactured homes. Residences cannot contain any rental units. The purchase price of the property to be purchased must not exceed: **$390,000. And must appraise at that price or higher. If the property appraises lower than the purchase price, no grant funds can be used.**

1) Applicants may receive up to $12,000 in down payment assistance.

PLEASE BE ADVISED IF YOU ARE DEEMED INELIGIBLE FOR CATEGORY I (80%) YOU WILL NOT RECEIVE THE $12,000 GRANT ASSISTANCE FROM NASSAU COUNTY. APPLICANTS ARE STILL ENCOURAGED TO SUBMIT THEIR APPLICATION AS YOU MAY STILL BE ELIGIBLE FOR THE EAHP PROGRAM UNDER CATEGORY II (120%) IF APPLICABLE AND RECEIVE NYS AHC FUNDS FROM LIHP. PLEASE SEE THE FOLLOWING:

CATEGORY II (120%)

Household Size	*Maximum Allowable Income
1	$ 93,050
2	$ 106,350
3	$ 119,650
4	$ 132,950
5	$ 143,600
6	$ 154,250
7	$ 164,850
8 or more	$ 175,500

2017/2018-INCOME GUIDELINES: The maximum permitted annual household income for applicants purchasing in Nassau County for the EAHP shall not exceed 120% of the area median annual household income as determined by HUD. *Please note the maximum allowable income includes all income such as overtime, bonuses, pensions, social security, 401-K distributions, tips, etc. Your gross income cannot exceed the maximum annual income for your household size. The LIHP must project the income that will be received for the upcoming 12-month period.

Eligible Applicants who fall within Category II (120%) will be provided with grant assistance from the LIHP. Please see the following:

Pre-existing single-family residences located within Nassau County occupied as a principal residence, which are single-family dwellings, including Condominiums or Manufactured homes. Residences cannot contain any rental units. The purchase price of the property to be purchased must not exceed: **$410,000. And must appraise at that price or higher. If the property appraises lower than the purchase price, no grant funds can be used.**

1) Up to $9,000 in down payment assistance and $14,000 for repairs.

OTHER PROGRAM GUIDELINES

HOME OWNERSHIP/CURRENT HOME OWNED:
If you currently own a home, you must provide a Closing Disclosure statement or proof that the home has been sold before you can receive any grant funding for your purchase.

HOME INSPECTION REQUIREMENT

The residential property to be purchased **must** pass a Housing Quality Standards Inspection as a pre-requisite for receiving any grant funds. This inspection is provided by Nassau County and is solely for the purpose of ensuring that the home meets a minimum standard of quality pursuant to the U.S. Department of Housing and Urban Development regulations (HUD). Without exception, this program will not fund homes that **fail** the Federal Housing Quality Standards Inspection. Nassau County strongly recommends that the recipient not enter into any binding agreements until the potential home has passed the Federal Housing Quality Standards Inspection.

Any contract for the purchase of a home under this program should contain language that such contract is conditioned upon said home passing the Nassau County Housing Quality Standards Inspection and receiving written approval that said house is eligible to receive grant funds.

Nassau County is not responsible to any person, party, entity, Applicant, buyer, seller, etc., for the loss of any deposit and/or down payment on a home which has not passed a Federal Housing Quality Inspection.

INCOME STATUS
If anything changes with your income or status on your application, prior to the time you enter into contract, you must notify us immediately as this may affect your ability to qualify for a home in this program. The Nassau County Office of Community Development LIHP have the right to re-verify your program status for the EAHP as your income eligibility must be maintained from the point of application to the awarding of all grant assistance at the closing.

ASSET TEST :
The asset test consists of not having more than 25% of the median price home on Long Island in liquid assets (not including pension or retirement accounts) remaining after the down payment by applicants.

RESTRICTIONS:

1) Immediately prior to contract, purchased homes must be one of the following: 1) occupied by the seller, 2) have been unoccupied, or 3) occupied by the buyer as a tenant. The purchase of the home cannot displace an existing tenant. Purchaser and Seller will be required to sign a HUD PRE-CONTRACT AGREEMENT to verify this restriction is not being violated.

2) Private Mortgages, 203K Loans, 2nd Mortgages and Sellers Concessions are not permitted. **SHORT SALES, FORECLOSURES, REO AND BANK OWNED PROPERTIES ARE NOT PERMITTED.**

OBTAINING THE GRANT ASSISTANCE:

Upon an accepted offer or entering into a Contract of Sale to purchase a home, applicants are required to submit to the Nassau County Office of Community Development and LIHP the following documents as soon as they are available:

1) Fully executed HUD Pre-Contract Agreement.

2) Fully executed Contract of Sale.

3) Visual Inspection Report from an EPA "Certified" Lead Based Paint Inspector. This report must be completed by an EPA "Certified" Lead Based Paint Inspector or submit proof that the house was built after 1978.
(THIS DOCUMENT IS ONLY REQUIRED FOR CATEGORY I) AND MUST BE COMPLETED BEFORE EXECUTING A CONTRACT OF SALE.

4) Mortgage Application (1003).
5) Loan Estimate
6) Appraisal of the Subject Property.
7) Mortgage Commitment.
8) Closing Disclosure or proof that applicants current home has been sold (if applicable).

In order to receive the assistance, eligible applicants will be required at closing to sign a Nassau County Payment Voucher and a Note and Mortgage to secure the terms of the $12,000 grant. Please note those applicants purchasing a co-op will be required to sign a Note & Security Agreement and Nassau County will file a UCC-1 statement in order to secure the $12,000 in grant assistance.

PROPERTY CLOSING:

When applicants have submitted all required documents to the LIHP, only at that time can we begin the procedure of obtaining the EAHP Nassau County Grant Assistance on your behalf. During this period a minimum of four (4) to six (6) weeks should be allotted between the time when all the signed documents are received in the LIHP Office and the date of your closing. All EAHP Grant Assistance will be provided to the applicant by Nassau County and LIHP at closing. A representative of the Nassau County Office of Community Development and LIHP will attend the closing and provide the checks.

Please keep in mind Nassau County and LIHP are not responsible to any party for the loss of a down payment or any other damages which may arise as a result of the applicant's failure to adhere to the terms of the Employer Assisted Housing Program Guidelines and Application as stated in this document.

NOTES AND MORTGAGES:

Nassau County HOME Note & Mortgage is subordinate to the prime lender (institution providing the primary mortgage) and is for a period of five (5) years from the date of the closing. Funds are essentially a deferred payment non-interest bearing loan to assist the buyer in a home purchase which are to be repaid if the home is sold or transferred within the five (5) year period stated above or if the home is not occupied as a principal residence. If the home is not sold or transferred within the five (5) year time period and has been occupied as a principal residence, the loan is forgiven and no payments are ever made. The HOME funds are for homebuyer down payments and a lien of $12,000 will be placed on the property to secure the HOME funds.

The New York State AHC Note and Mortgage is subordinate only to the prime lender and is for a period of ten (10) years. The assistance provided is a deferred payment loan. If the homeowner occupies the home for fewer than five (5) years the full amount of the assistance recorded in the Note must be repaid. If the homebuyer occupies the home for at least five (5) years but fewer than ten (10) years then the homeowner must repay a portion of the assistance provided. The amount to be repaid will be reduced by 20 percent for each year that the homeowner occupies the home as a principal residence beyond five (5) years and fewer than ten (10) years.

If the home is not sold or transferred within the ten (10) year time period and has been occupied as a principal residence, the loan is forgiven and no payments are ever made. A satisfaction must be requested.

The total amount of the AHC Note and Mortgage is $40,000 for Category I households and $25,000 for Category II households. A lien will be placed on the property to secure the AHC funds. AHC funds will be allocated as follows:

	Category I	Category II
Homebuyer Down Payment Assistance	$14,000	$9,000
Homebuyer Rehabilitation	$24,000	$14,000
LIHP Program Delivery Costs	$ 2,000	$ 2,000
Total AHC Lien	$40,000	$25,000

Category I, Option A
Applicants will be required to sign a NYS Affordable Housing Corporation Note and Mortgage and a Nassau County Note and Mortgage.

Category I, Option B
Applicants will be required to sign a Nassau County Note and Mortgage.

Category II
Applicants will be required to sign a NYS State Affordable Housing Corporation Note and Mortgage.

Fees

The following fees will be paid at closing by the applicant to LIHP:

Long Term Monitoring Fee	$1,000
LIHP Attorney Fee	$ 500
Rehab/Architect Inspection Fee	$ 700

APPLICATION PROCEDURE:

All applications will be evaluated on a first come first served basis. Applications for the EAHP will be made available through the Long Island Housing Partnership, Inc. office. Upon a signed written request from an authorized representative of the participating employer, applications will be sent to the employee.

APPLICATION INTAKE AND QUALIFICATION:

Applications from employees purchasing a home in Nassau County must be fully completed and returned to the following address:

Long Island Housing Partnership, Inc.
Attention: Employer Assisted Housing Program
180 Oser Avenue, Suite 800
Hauppauge, N.Y. 11788

Applicants shall be notified of their eligibility status after submittal and upon review of their application and required supporting documentation from the LIHP. Qualified applicants shall receive an eligibility letter which will also indicate the next steps and required documents needed to continue the EAHP process for grant assistance.

Upon approval of an applicant's application, two (2) counseling sessions with the applicant and a representative from the Long Island Housing Partnership will be scheduled. At the consultations, the applicant will receive the necessary guidance regarding the housing rehabilitation and mortgage application process. **Applicants should not enter into a contract to purchase a house prior to being approved for the EAHP program and completing the required mortgage counseling session. If an applicant enters into contract "before" the required counseling session it may result in loss of grant funds.**