

TOWN OF ISLIP
COMMUNITY DEVELOPMENT AGENCY

AFFORDABLE HOUSING PROGRAM
FALL 2009
BROCHURE AND APPLICATION



15 Shore Lane
P.O. Box 5587
Bay Shore, NY 11706
(631) 665-1185

**SUPERVISOR
PHIL NOLAN**

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TOWN OF ISLIP COMMUNITY DEVELOPMENT AGENCY



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September 25, 2009

Dear Home Seekers:

Thank you for inquiring about the Town of Islip Community Development Agency's Affordable Housing Programs. Enclosed you will find the Agency's Affordable Housing Program application, guidelines and procedures. Please review the requirements carefully to determine if you qualify.

Since 1976, the CDA has implemented many programs targeted toward first-time home buyers. Under these programs, we have successfully rehabilitated or constructed over 1100 homes. Our most ambitious effort, College Woods in Central Islip, is one of the largest affordable housing projects in the country and received two national awards.

At least ten new and beautifully renovated houses are expected to be available within the next year on scattered sites throughout Bay Shore, Brentwood and Central Islip, including six within College Woods. We will assist eligible buyers in obtaining low interest rate financing with low down payments. Houses will be available for **direct sales or rent with the option-to-buy**. Subsidies that lower the purchase price may also be available. These incentives make buying a home more affordable. Don't miss this opportunity to own a home.

Please read the guidelines and procedures carefully to determine if you qualify before you submit the application. The program eligibility requirements will be strictly enforced. There is a **\$50.00 non-refundable application fee** that defrays the costs of processing.

If you think you meet the minimum qualifying requirements, kindly complete the enclosed application in full, sign it and return the application together with copies of all the required documentation (do not send originals) and a \$50.00 check or money order made payable to the Town of Islip CDA **postmarked no later than the deadline of Friday, November 20, 2009. The \$50.00 application fee will be waived if your application is received by November 6, 2009.**

Your application will be reviewed during the pre-screening process to determine participation in the program and entry into the lottery. **Incomplete, illegible, or late applications will be rejected.** Please make sure to send all required documentation along with the application. You will be notified by us as to your eligibility status and upcoming housing lottery.

If you have any questions regarding the program or application requirements, please call our Affordable Housing Support Staff, at (631) 665-1185.

Yours sincerely,

A handwritten signature in black ink that reads "Paul Fink".

Paul Fink
Executive Director

Enclosures

TOWN OF ISLIP
COMMUNITY DEVELOPMENT AGENCY
AFFORDABLE HOUSING PROGRAM
GUIDELINES AND PROCEDURES

(As of: September 25, 2009)

Eligibility Criteria:

In order to determine eligibility to our program, the applicant and co-applicant (if any) must meet the following guidelines established by the U.S. Department of HUD and standard underwriting criteria:

1. Be a first-time home buyer or not have owned a home or any other type of property or deducted interest payments on your income tax returns for a mortgage loan in the past 3 years.
2. Be a United States citizen, by birth or naturalization or have permanent resident status and have a valid Social Security Number.
3. Applicant must meet the modest underwriting measures to order to qualify for a mortgage that will be offered by the CDA, the requirements are:
 - A. Have acceptable credit rating and no derogatory or adverse credit information
 - B. Have minimal outstanding credit card debt and/or installment loans)
 - C. No outstanding judgments(s) or judgments that have been satisfied in the last 3 years
 - D. No bankruptcy within the past 5 years
4. Have savings of less than \$50,000 (exclusive of retirement funds)
5. Have a stable employment work history of at least 2 years, within same profession
6. Applicants must meet the **minimum** income requirement of \$47,500 and not exceed the **maximum** gross family income limits. Income includes all sources of verifiable wages, salaries and other income such as overtime, bonuses, commissions, tips, reoccurring fees, deferred compensation, etc.

Minimum - Maximum		Minimum - Maximum	
<u>Family Size</u>	<u>Income Limit</u>	<u>Family Size</u>	<u>Income Limit</u>
1	\$47,500 to \$ 57,000	5	\$47,500 to \$ 87,950
2	\$47,500 to \$ 65,150	6	\$47,500 to \$ 94,450
3	\$47,500 to \$ 73,300	7	\$47,500 to \$101,000
4	\$47,500 to \$ 81,450	8	\$47,500 to \$107,500

YOU MUST MEET ALL OF THE ELIGIBILITY CRITERIA TO BE ENTERED INTO THE LOTTERY

CHECKLIST OF REQUIRED DOCUMENTATION

In order to verify your eligibility for the program, we will need to obtain copies of supporting documentation and information from both the applicant and co-applicant. Do not send any original personal documentation to us. We will only accept copies.

The application and any documentation or information provided to us (including a credit report which will be ordered by the CDA) will be considered property of and for the sole use of the Town of Islip Community Development Agency to determine eligibility to Islip Town's Affordable Housing Program. **Please be aware, that your application will be rejected and returned to you if you cannot provide us with the necessary documentation.**

The application requires you to provide us with a significant amount of documentation. All the information requested is crucial for us to review, analyze and evaluate each application to determine eligibility and compliance requirements to the program.

The documents listed below must accompany the enclosed four page housing application and must be received by the CDA or postmarked no later than Friday, November 20, 2009.

1. Fully completed and signed Affordable Housing Application
2. Federal and State Income Tax returns with W-2 forms, for the past 3 years
3. Verification of employment and/or other sources of income (Secondary or part-time employment, alimony, child support, etc.)
4. Last four (4) pay stubs from your employer
5. Most recent bank statement(s) for all accounts (Savings, Checking, Money Market, etc.)
6. Most recent credit card and loan statements for open account(s). Including: Order to pay Alimony, Child Support, etc. (if applicable).
7. Satisfaction of any debts or judgments that may appear on your credit report
8. A notarized monetary gift letter from the specified donor and dollar amount (if applicable)
9. Lease agreement (if available) and rent receipts for the past 6 months
10. Personal identification such as a birth certificate, driver's license or passport
11. Divorce decree or separation agreement (if applicable)
12. Three (3) letters of personal reference
13. You should also be prepared to provide us with names, addresses and telephone numbers of persons to contact to verify your employment, savings and rental status (for the past 2 years).
14. Proof of enrollment for students over 18 years of age attending school/college.
15. \$50.00 Check made payable to Town of Islip CDA. (Waived for early submission!)

YOU MUST MEET ALL OF THE ELIGIBILITY CRITERIA TO APPLY

Applicant(s) must submit a complete application which includes copies of information that we need (please see the above "Checklist of Required Documentation") along with the required fifty dollar (\$50.00) non-refundable application-processing fee. The \$50 fee will be WAIVED if the entire application with the supporting documents is received before Friday, November 6, 2009.

Please note that the check should be made payable to the Town of Islip Community Development Agency. Also, if the check does not clear, your application will not be processed and will be returned to you.

The cost for the CDA to review, analyze and process each individual application is considerably more than fifty dollars. **So please, if you do not meet the eligibility requirements or conform to the guidelines, do not apply.**

THE PRE-SCREENING PROCESS

As application packages are received, reviewed and evaluated, an applicant database will be established. All applicants that submit applications will be notified by mail of their status.

After the application is submitted to the CDA, any changes to an application must be requested in writing and must be approved by the CDA's loan committee.

Please note that:

1. Any applications received or postmarked after **Friday, November 20, 2009** will be returned.
2. Only one application is allowed per household. Applicants who submit more than one application will be disqualified.
3. Applications that do not meet the established guidelines and eligibility criteria will be disqualified.
4. Incomplete or illegible applications will be rejected.
5. Those who do not meet the requirements or are unable to provide us with the necessary information will be informed of the reason(s) for their ineligibility.
6. All applicants who meet the eligibility criteria according to the information provided to us with the preliminary application will be informed of the date, time, and place of the lottery.

Please be advised that, if you do not meet the program guidelines or are ineligible for the Fall, 2009 Lottery, you are encouraged to apply again when conditions change to our future lotteries.

The CDA affordable housing program staff will be available to assist with the application, answer questions or provide any assistance regarding eligibility. If you have any questions, please call the Town of Islip Community Development Agency at (631) 665-1185 extension 10.

THE LOTTERY

The next lottery for Islip's Affordable Housing Program is expected to be held this at the end of this year.

Although the lottery is open to all, some preference will be given to families where the applicant or co-applicant lives or works in the Town of Islip. This will be accomplished by drawing a fixed number of the names from Islip only. All other names will then be included for the remainder of the drawing. All names included in the lottery will be drawn that day.

After the lottery list has been created, we will call in the applicants with the lowest lottery numbers first, and offer them the first available homes. Please note there will be an attempt to match larger families to larger homes, and higher income families with higher cost homes. As a result, every family may not be offered every available home.

Please note that single individuals who apply to the program will be limited to homes with no more than two bedrooms or small three bedroom homes.

Type of home purchase options available

At least 10 homes will be offered through the Fall, 2009 Lottery. The homes will be completely renovated and sold at appraised value, but are made affordable to eligible families.

The purchase price and annual real estate property taxes of each home vary based upon location, square footage and other features of the home.

The CDA provides the financing towards the purchase of the home. As a result, the home buyer benefits by:

- * Having low interest financing, currently at 5% with no points
- * No CDA closing costs. (Buyers are responsible for the closing fees, such as: title, attorney fees, establishment of a tax escrow account and home owners insurance.)
- * Exemption from NYS mortgage tax
- * No PMI (Private mortgage insurance) up front and no monthly premium fees.
- * Being offered a rent with option to purchase agreement for buyers that lack the down payment and closing fees.

DIRECT SALES

The Agency may offer you the opportunity to purchase a home and will assist you with the financing. The terms may include a secured mortgage subsidy that will lower the net purchase price. The result is a lower net price, on which we will require a down payment of at least five (5%) per cent. In addition, we may hold a 30 year mortgage at a low interest rate. The mortgage loan has no points or private mortgage insurance. All families who are offered a home will be required to complete a Homeownership course. When the Agency underwrites the indebtedness; the closing costs will be much less than if obtaining conventional financing.

To qualify, you must have:

1. At least \$10,000 - \$15,000 of your own funds (some of which can be in the form of a monetary gift) available to cover the down payment.
2. An additional \$8,500 - \$9,500 for closing fees. These funds can be in form of a monetary gift.

RENT WITH THE OPTION TO BUY

If you are unable to participate in the direct sales program because you lack the necessary funds for the down payment and closing costs, the Agency may offer you the rent with option to buy alternative. This program consists of a 30 month rental period. A portion of each month's rent will be held in an escrow account for the down payment and closing costs. At the end of the 30th month, you will have sufficient funds to provide an acceptable down payment and all anticipated closing costs. You will then be able to purchase the home as described above, providing that you have complied with the lease-purchase option agreement, including having made timely payments, completed home buying counseling and properly maintained the home.



Town of Islip Community Development Agency

Fall 2009 Affordable Housing Application



<u>APPLICANT:</u>		<u>CO-APPLICANT:</u>	
Name:		Name:	
Social Security No.		Social Security No.	
Home Address:		Home Address:	
Length of Time at this Address:	yrs. mos.	Length of Time at this Address:	yrs. mos.
Previous Address if less than 2 yrs.		Previous Address if less than 2 yrs.	
Name of Employer:		Name of Employer:	
Employer Address:		Employer Address:	
Occupation:		Occupation:	
Length of Time in this Position:	yrs. mos.	Length of Time in this Position:	yrs. mos.
Years in profession:	yrs. mos.	Years in profession:	yrs. mos.
Home Phone Number:		Home Phone Number:	
Business and/or Cell No.:		Business and/or Cell No.:	

Names of dependants or individuals planning to live in the home <u>excluding</u> applicant and co-applicant.			
<u>Name</u>	<u>Relationship to Applicant/Co-Applicant</u>	<u>Age</u>	<u>Monthly Income</u>

IF A "YES" ANSWER IS GIVEN TO A QUESTION BELOW, PLEASE EXPLAIN ON SEPARATE SHEET OF PAPER AND SUBMIT IT WITH THIS APPLICATION.	Applicant Yes or No	Co-Applicant Yes or No
1. Have you had any outstanding judgments in the last 3 years?		
2. Have you declared bankruptcy in the last 5 years?		
3. Have you had property foreclosed upon or given title or deed in lieu thereof?		
4. Are you a co-maker or endorser on a note?		
5. Are you a party in a law suit?		
6. Are you obligated to pay alimony, child support, or separate maintenance?		
7. Are you a U.S. Citizen?		
8. If "no" are you a resident alien?		
9. Have you ever owned a home in the past three (3) years?		
10. Are there any special architectural requirements necessary to accommodate you or your family? (Note: This question does not effect eligibility)		

ASSETS

Indicate Total Amount and Source(s) of Cash Available of all applicants to cover down payment and closing costs. Also, please provide the most recent bank statement for each account (as required in item number 5 of the Check List of Required Documents).

Total:	\$	Source:	
Total:	\$	Source:	Monetary Gift available to you, if applicable

OTHER ASSETS

Stocks and Bonds	
Retirement Funds	
Automobile(s) (Make and Year)	
Furniture and Personal Property	

LIABILITIES AND/OR DEBTS INFORMATION

Type of Debt: Credit Card(s), Loans, Alimony, Child Support or Other	Name Each Person/Co. To Whom You Owe \$:	Balance Owed	Minimum Required Monthly Payment:

Gross Monthly Income

Current Combined Housing Expenses

Items	Applicant	Co-Applicant	Items	Present
Base Salary	\$	\$	Rent	\$
Overtime			Utilities	
Commission			Utilities	
Dividends/Interest			Insurance	
Other			Other	
(Before completing, see notice under Describe Other Income below)				
Total	\$	\$	Total	\$

- To determine gross monthly income:
- Step 1. Find the gross base salary (before taxes) on your pay check stub(s), then
 - Step 2. Multiply it by the number of pay checks per year (52 or 26 for pay checks every 2 weeks), then
 - Step 3. Divide it by 12 (the number of months in a year). This is your gross monthly income.

DESCRIBE OTHER INCOME

NOTICE: Alimony, child support or separate maintenance income need not be revealed if the Applicant or Co-Applicant does not choose to have it considered as a basis for repaying this loan.	Monthly Amount
	\$
	\$
	\$

IF EMPLOYED IN CURRENT POSITION FOR LESS THAN TWO YEARS, COMPLETE THE FOLLOWING

Previous Employer/School	City / State	Type of Business	Position	From / To	Monthly Income
					\$
					\$
					\$
					\$

CHECKLIST OF REQUIRED DOCUMENTATION

In order to verify your eligibility for the program, we will need to obtain copies of supporting documentation and information from both the applicant and co-applicant. **Do not** send any original personal documentation to us. **We will only accept copies.**

The application and any documentation provided to us (including a credit report, which will be ordered by the CDA) will be considered property of and for the sole use of the Town of Islip Community Development Agency to determine eligibility to Islip's Town's Affordable Housing Program. **Please be aware, that your application will not be processed and will be returned to you if you cannot provide us with the necessary documentation.**

The documents listed below must accompany the housing application (use separate sheet of paper to explain any particular item). **All questions must be completed, answered and returned together with the required documentation, and be postmarked NO LATER than Friday, November 20, 2009.**

	Yes	No	N/A
1. Fully completed and signed Affordable Housing Application			
2. Federal and State Income Tax returns with W-2 forms, for the past 3 years			
3. Last four (4) pay stubs from your employer (Include both applicant and co-applicant)			
4. Verification of Other Sources of Income (if applicable) i.e. Alimony, Child Support, Pensions, Social Security, Disability			
5. Most recent bank statement(s) for all accounts (Savings, Checking and CD's and retirement funds)			
6. Satisfaction of any debts or judgments that may appear on your credit report (except installment loans)			
7. Copy of <u>Order to pay Alimony, Child Support, etc.</u> (if applicable)			
8. A notarized monetary gift letter from the specified donor and the dollar amount (if applicable)			
9. Lease agreement (if applicable) and rent receipts for the past 6 months			
10. Personal identification such as a birth certificate, drivers license or passport and proof of legal residential status			
11. Divorce decree or separation agreement (if applicable)			
12. Three (3) letters of personal reference by non-related individuals. Character reference letters must include name, address and telephone number of respondents.			
13. Names, addresses and telephone numbers of employer, and landlord			
14. School transcripts for family members over 18 years (if all applicable)			
15. Personal check or money order in the amount \$50.00 made payable to the Town of Islip CDA. (If application is received after November 6, 2009)			

How did you hear about the Town of Islip CDA's Affordable Housing Program?

Website/Internet Home Buying Seminar/Expo Neighbor/Friend
 Newsday PennySaver Nueva America The Bilingual
 NAACP Other (please indicate) _____

**DISCLAIMER, CREDIT STATEMENT AGREEMENT
and GENERAL RELEASE FORM**

I, _____ and I, _____
(Print Name) (Print Name)

Currently residing at:

(Print Address, City, State and Zip Code)

hereby authorize the Town of Islip Community Development Agency or its designated Agents, hereinafter referred to as the CDA, to obtain and receive all financial information, documentation and records pertaining to participation and eligibility for its Affordable Housing Program.

This authorization hereby gives the CDA the right to request all information including employment, residency, income, (including Federal and New York State income tax returns and W-2's), credit report(s) and banking information from all persons, companies, or firms holding or having access to such information that we can or could obtain from any persons, company or firm on any matter referred to above.

To the best of my knowledge, the information provided herein is correct. I understand that the providing of false information may disqualify me for consideration in the CDA's Affordable Housing Program. If any of this information changes prior to a signed contract, it is my responsibility to notify the CDA so that an updated determination can be made on my status in its sole discretion.

I understand that this is not an offer and that the terms and conditions of the lottery may be changed at any time by the CDA. I further understand that notices by the CDA may be made in such manner as CDA may determine, including solely by advertisements.

I (we) agree to have no claim for defamation, violation of privacy, or otherwise against any person or firm or corporation by reason of any statement or information released by them to the Town of Islip Community Development Agency for the purpose of this program. The term of authorization shall commence on the date of signature and be in force for a period of three (3) years, dated this _____ day of _____, 2009.

INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the Federal Government if this loan is related to a dwelling, in order to monitor the lender's compliance with equal credit opportunity and fair housing laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may neither discriminate on the basis of this information, nor on whether you choose to furnish it. However, if you choose not to furnish it, under Federal regulations this lender is required to note race and sex on the basis of visual observance or surname. If you do not wish to furnish the above information, please initial below.

BY LAW, YOU ARE NOT REQUIRED TO PROVIDE INFORMATION AS TO ETHNICITY AND RACE. IF YOU DO NOT WISH TO PROVIDE THIS INFORMATION, PLEASE INITIAL THIS BOX

Hispanic (check one) Yes No

White	<input type="checkbox"/>	American Indian/Alaskan & White	<input type="checkbox"/>
Black	<input type="checkbox"/>	Asian & White	<input type="checkbox"/>
Asian	<input type="checkbox"/>	Black/African American & White	<input type="checkbox"/>
American Indian/Alaska Native	<input type="checkbox"/>	Amer. Indian/Alaskan Native & Black/African American	<input type="checkbox"/>
Native Hawaiian/Other Pacific Islander	<input type="checkbox"/>	Other	<input type="checkbox"/>

APPLICANT SIGNATURE

SOCIAL SECURITY NUMBER

DATE

CO-APPLICANT SIGNATURE

SOCIAL SECURITY NUMBER

DATE

INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED.
Applications must be postmarked no later than, Friday, November 20, 2009.

Send Completed Applications To:
Town of Islip Community Development Agency
15 Shore Lane - P.O. Box 5587, Bay Shore, New York 11706
Attention: Robert M. Kuri, Affordable Housing Program Director