

Rotary Club Meeting November 21, 2016

Attendance: Helen, Marlene, Sherry, Karen, Arlene, Erv, Paul, Judy, Joan, Hank, and Dustin

Guests: Todd Hunkler and Meagan Boyce

Pledge: Joan

Inspiration: Dustin

4-Way Test: Helen

Dinner: Marlene

Program: Habitat for Humanity/ National Affordable Housing Network Project in Whitehall

Fellowship topic: What we are thankful for this Thanksgiving

Business:

- Christmas Stroll will be \$30 this year for a table.
 - Helen, Erv, Arlene, Marlene, and Dustin have agreed to volunteer
 - Arlene will send out an internet signup sheet
- Paul will be collecting money for Rotary Christmas Party at Joan House

Guest Presentation:

- Habitat for Humanity/ National Affordable Housing of South West Montana
- Covers 5 counties, includes Silver Bow and Jefferson
- Is a mutual self-help program that works with families in getting financing and help building their homes
- The program helps with credit counseling and helps builds the home doing the majority of the complex building
 - Each house requires 1000 hours of sweat equity from the participating family
 - Empowers people to have affordable home ownership
- They started in Butte in 1994
 - They have a subdivision in Whitehall that has 17 lots.
 - 4 lots have finished homes on them
 - 3 houses are presently under construction
 - Allow mixed income in the subdivision, so anyone can buy a lot – unique for Whitehall
- They are always looking for volunteers
 - Go to their website :www.habitatswmt.org to sign up
 - They will send out an email when they are having an event and need volunteers
 - They are willing to teach you building skills
- Most of the houses built are super insulated and have solar panels to help keep the utilities affordable
- Credit counseling is a big part of the process and can take a number of years before a mortgage is approved
 - Mortgages are through USDA, which is more lenient as it deals with lower incomes

- Credit needs to be at least 620-640 to apply
 - The USDA bank supply 33-38 year mortgages and interest rates of 3.5% or lower based upon the income of the family
 - Mortgage payment usually comes out less than their present rent
 - Loan application can take 9 months to a year after credit is in line
- The average house mortgage comes out to anywhere from \$150-170K (for a 3bedroom, which includes the land)
 - They sign a family contract when building the home
 - They must hold the homes for 3 years before selling
 - Other people can donate their volunteer hours to the family

Please see attached documents for additional details



Can't afford it? **MAYBE YOU CAN**

Perhaps you feel that your household income just isn't enough to get you on the road to home ownership.

Well, you may be wrong.

Everyone who participates in the Mutual Self-Help Housing Program is provided with free credit counseling in order to put their financial house in order before the "sweat equity" starts.

The credit analysis experts at NAHN help families put together a workable household budget - even those with a modest income. The road to a better credit rating is clearly explained and it can save the average family thousands of dollars over time.

(The credit counseling is also available free to anyone regardless of income in Silver Bow, Beaverhead, Jefferson, Deer Lodge and Madison counties.)

How does it work? **TEAMWORK!**

The USDA Rural Development and mutual self-help program staff will review your application and give you feedback on eligibility. When your application is approved, you and other families will participate in a homebuyer education class and a construction education class. Before construction begins, you will choose colors and finish details for your new home, complete the paperwork, and start to work. Your household will commit to working a minimum of 32 hours a week for as long as nine months or until all the houses are completed, on the construction site. Expert construction staff will provide detailed high performance house plans and on-site technical assistance throughout the construction process, guiding families step-by-step, working as a team. You will learn home financing, construction methods, and many other skills. When construction is complete on ALL of the houses, each family will move at the same time.

FOR MORE INFORMATION ON THE WEB
www.nahn.com • www.imaginebutte.org

NATIONAL AFFORDABLE HOUSING NETWORK

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66 W. Park St.
Suite 211
Butte, MT 59701

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MUTUAL SELF-HELP HOUSING



a partnership of

NATIONAL AFFORDABLE HOUSING NETWORK
USDA RURAL DEVELOPMENT COMMUNITY FRAMEWORKS

IN COOPERATION WITH

Habitat for Humanity of Southwest Montana
Imagine Butte • Headwaters R C & D
Butte-Silver Bow • Montana Board of Housing
Local community lenders

(406) 782-8579 • WWW.NAHN.COM



Qualified owner-builders earn equity in new homes

by working with a group of other families to build their own homes. Their labor is called "sweat equity" and it can make homes affordable. Hard work is the centerpiece of the project, along with desire to work together to build our community and our new homes. The group commits to building their own homes, and embarks on a guided development that turns the dream into reality. Mutual Self-Help home projects build neighborhoods, friendships, pride and value for the families who qualify.



Making home ownership affordable

Applicant requirements

To qualify for a USDA Rural Development 502 Direct Loan, you must be a US citizen or legally admitted non-citizen who does not currently own an adequate dwelling unit.

Applicants must be legally able to enter into a loan agreement and be unable to obtain financing from other sources, including local lenders. The borrower must plan to personally occupy the home on a permanent basis.

What does it take to qualify?

A family's income can be no greater than 80 percent of area median income to qualify, per annual gross income guidelines.

Each applicant must have dependable income, and submit a copy of most recent tax return. A favorable or curable credit history is required and a credit report will be obtained for each applicant.



CREDIT COUNSELING

is one-on-one, and an essential part of preparing for home ownership.



In addition, the borrower is required to have low enough debt load to allow payment of mortgage, along with other current debts. Your monthly housing allowance (loan payment, interest, taxes and insurance) will be between 29 to 33 percent of monthly before-tax income, with total allowable debt, including house payment, car payments and other loan and regular loan payments not to exceed 41 percent of pre-tax income.

Families must earn *less than* their county's income limits to qualify. For example, the combined gross income of a family of 3 must be less than \$43,450 in Silver Bow County or \$56,550 in Jefferson County. For full details see nam.com

» HOW TO APPLY

Call toll-free (877) 782-8583 to request an application or for additional information.

All applicants must attend the Homebuyer Education courses offered by Headwaters R C & D by calling 782-7333 to sign up for the next available class, as well as other educational programs once selected for the program.

What is credit counseling?



Housing credit counseling is a no-cost and confidential educational service.

Credit counselors help prepare you for mortgage readiness.

The goals of credit counseling are to understand your:

- Credit report & score
- Financial situation
- Credit worthiness

About us

National Affordable Housing Network is a 501(c)3 nonprofit organization with headquarters in Butte, MT. Founded in 1994, our mission is to develop and utilize sustainable technology as a means to build affordable homes for those most in need.

NAHN also offers:

- Affordable homeownership opportunities
- Recycled material/ home supply store
- Net-zero plan sets
- Volunteer opportunities

66 W Park St
Suite 211

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www.nahn.com

facebook.com/NAHNetwork

Housing Credit Counseling



National Affordable Housing Network is a HUD-approved agency, certified to provide confidential, no-cost credit counseling in these personal finance areas:

- Pre-purchase
- First time homebuyers
- Delinquency avoidance
- Non-delinquency post-purchase
- Personal Budgeting



Building affordable housing through sustainable technology

To get started:

- Call (406) 782-8579 for an appointment
- Complete an intake form
- Pull one free credit report from annualcreditreport.com
- Bring your form & report to the appointment
- Create an action plan
- Follow up as needed
- Reach the dream of homeownership!



What to Expect

Sessions last about one hour and take place in a private office setting, with just you and the counselor. You will discuss your current financial situation and future goals, and together create an action plan. You then meet as needed with the counselor to receive continued guidance as you work toward your goal.



That's what we're here for

Call (406) 782-8579

Visit www.nahn.com

Sessions are by appointment only

What you pay for a house, car, insurance or even groceries will depend on three digits you may not even know.

Your credit score!

Our responsibility is to make you aware of your options and help empower you to make smart financial choices.



Build A Home

Keep the cost of a brand new home affordable by helping to build it

Work with a team of homebuyers, friends & volunteers. Customize your energy efficient home to fit your budget and needs, choosing from a wide range of sizes to meet your needs and budget. Each family must:

- Commit to build 65% of the home
- Agree to work as a team with other homebuilders, staff, & volunteers

All partner families qualify based on income (see grid below) and favorable or curable credit.

Buy A Home

Affordable homes for sale in Butte

Move-in ready homes for sale ranging from two to five bedrooms in Butte. Qualifications vary by home, but generally buyers must qualify based on income (see grid below) and favorable credit.

Buyers may qualify for special gap financing with loan forgiveness. See nahn.com/available-homes for details. All buyers must receive a minimum of one hour of no-cost credit counseling.

Credit Counseling

Open to all & offered at no-cost

Meet one-on-one with a HUD certified housing credit counselor to:

- Review & understand your finances, credit score and report
- Understand how your score and report relate to your creditworthiness
- Develop a workable budget
- Prepare for homeownership
- Develop a plan to reach your unique goals

Housing counseling is always free & confidential.

Family Size	1	2	3	4	5	6	7	8
Build A Home - Butte	\$33,800	\$38,800	\$43,450	\$48,250	\$52,150	\$56,000	\$59,850	\$63,700
Build A Home - Whitehall	\$44,000	\$50,250	\$56,550	\$62,800	\$67,850	\$72,850	\$77,900	\$82,900
Homes for Sale - Butte	\$50,650	\$57,900	\$65,100	\$72,350	\$78,150	\$83,950	\$89,750	\$95,500



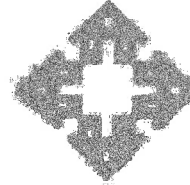
Habitat
for Humanity®
of Southwest Montana

www.habitatswmt.org

See instructions on back to get started.

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Equal housing opportunity



Midwest Affordable Housing Network
www.nahn.com

To determine your eligibility, please complete the following items:

- Complete the Client Intake Form, available online at www.nahn.com/program-application. Paper copies are also available in our office. Please complete it thoroughly, but do not worry if there is anything you're unsure about.
- Request one free credit report from www.annualcreditreport.com. Choose any one of the three agencies available (Experian, Equifax, or TransUnion). You can only do this once per year for each agency, so we recommend only requesting one of the three to start.
- When you have the first two steps completed then you may contact us to schedule a one-on-one appointment, where you will meet with a housing credit counselor. Together you'll go over your FAFSA and report, discuss your goals and our programs in detail, and together determine the next step.

For your first appointment it is helpful to have all of the following items: photo ID and social security card, income verification documents (three most recent paystubs, last three months of bank statements, last year's taxes and W-2s, benefit statements like SSI, SSDI, SNAP, etc).

We look forward to working with you. If you have any questions, please do not hesitate to contact us.

National
Affordable
Housing
Network

*Building affordable housing
through sustainable technology*



Date: _____

Time: _____

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