



# Home of your Own Program

“A self-help home ownership opportunity”

## What’s this?

The Home of your Own Program (HOYOP) is a self-help home ownership opportunity in Lowell. HOYOP pairs the energy and enthusiasm of the homebuyer with the expertise of a professional builder. Homebuyers receive homeownership training and assistance with the USDA loan. HOYOP is a cooperative program of St. Vincent de Paul, Oregon Construction Guys, the USDA and the Neighborhood Economic Development Corporation (NEDCO).

Participant homebuyer-builders will perform select tasks to gain some “sweat equity” to reduce the cost of the home, obtain low interest loans with payments tailored to fit your budget and St. Vincent de Paul will fund a subsidy loan to help further reduce the USDA loan. All of this and with the help of a home builder with years of self-help affordable housing expertise; make this a hard to beat opportunity.

## What’s required?

- Minimum estimated annual gross income needed is \$28,500.
- Adjusted annual household income must not exceed 80% of Lane County Median Income per household size. Example: For a household with 4 persons, the adjusted income cannot exceed \$47,200 per year. (See the chart below)
- Homebuyer Training Course Completion Certificate
- The Applicant/Homebuyer must be able to qualify for the primary home loan to purchase the lot and for the construction of the home.
- Participants provide a minimum of 50 hours of ‘sweat equity’ labor for one person on title or a minimum of 100 hours for two or more persons on title and must utilize some volunteer help. Accommodations for persons with disabilities can be made, such as selecting tasks that the participant is able to do or a volunteer can perform the tasks on your behalf.

Household/Family Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Income	\$33,050	\$37,800	\$42,500	\$47,200	\$51,000	\$54,800	\$58,550	\$62,350



## **What should I do now?**

- Request loan application from the USDA for 502 Direct loan call (866) 923-5626. Or go to <http://www.rd.usda.gov/programs-services/single-family-housing-direct-home-loans/or> you need the 502 Direct Loan application form.
- Pick up, complete and return HOYOP Application to St. Vincent de Paul. Applications are available at our Administrative Office located at 2890 Chad Drive, Eugene, OR 97408
- Submit completed USDA loan application along with the St. Vincent de Paul/HOYOP Participation Letter that we will provide to you once we have reviewed your application and determine that you may be eligible.
- If you have not completed the Homebuyer Training Course, then right away, register for Homebuyer Training & Counseling Call NEDCO (541) 345-7106. (Classes: Threshold & Financial Foundations) The class Completion Certificate must be no older than 12 months when/if a USDA loan is closed, so some people who have completed the class may need to take a refresher. In those cases, and some others, the ABC's of Home Buying, a one day class, may be substituted.
- Any Questions? Call St. Vincent de Paul (541) 687-5820 Ask for Andy Clay

## **Next Steps**

- Upon receiving your HOYOP Application and documents to support your stated income, your application materials will be reviewed to determine if you should be put on our waiting list to be served. The selection will depend upon your ability, demonstrated by the application materials, to qualify for the USDA loan in an amount that is sufficient to cover most of the anticipated cost of the lot and home construction.
- If you are selected for the waiting list, you will be contacted to submit a formal full application to the USDA along with a Leveraging or Participation Letter from St. Vincent de Paul
- The USDA will process your completed application and respond with either a decline or a Certificate of Eligibility (COE). COE's received to our office will be considered on a first come first served basis and your ability to pay for the particular plan and lot, this is based on your combined funds available (USDA + SVdP Loans). Therefore, those with the combined funds available that are most able to pay for that lot and that plan will be given higher consideration when COE's are received at the same time.



- The COE is the document that qualifies you for the St. Vincent de Paul funded loan. The St. Vincent de Paul loan may cover up to 15% (w/Leverage Letter.) of the total cost of the construction and the lot purchase, not to exceed the value of the lot, but no less than \$15,000. The St. Vincent de Paul loan amount is based on need to cover the gap of what you can qualify for with the USDA and the actual total cost.
- The builder, Oregon Construction Guys (OCG), plans to build 2 homes at a time and so as the COE's are delivered to our office and as OCG provides the costs to build the most suitable plan on the available lot we will be able to determine if there are sufficient combined funds available for you to purchase that lot and build that plan. OCG's construction cost will be plan and lot specific, and will vary due to site conditions, plan size and other variables. The total cost is the cost of construction plus the purchase cost of the lot. Our goal is to be able to complete construction on at least 5 and hopefully 7 of the 9 remaining lots.
- You will then need to enter into a Contract with the builder for the home construction and a Purchase Agreement for the lot from St. Vincent de Paul and a Labor Participation Agreement with St. Vincent de Paul. These documents will be delivered to the USDA and they will order an Appraisal. When the Appraisal comes back showing sufficient value to support the combined loans, we move toward closing the loans, completing the lot purchase and beginning construction.
- There is more to be covered, which will be done prior to beginning your new home.

### **HOYOP Benefits**

- Affordable Monthly Payment to fit your budget
- No down payment required & 100% financing possible
- St. Vincent de Paul will fund a deferred payment subsidy loan of at least \$15,000.
- USDA funded loan with as Low as 1% interest rate with subsidy provision.
- Sweat equity Labor to help reduce the cost of your Home
- Own your own Home!