PENSACOLA
FLORIDA'S FIRST & FUTURE

AFFORDABLE HOUSING TASK FORCE
June 23, 2020
City of Pensacola City Hall
222 W. Main Street
Council Chambers, 1st Floor of City Hall
3:30 – 5:30 p.m.

*Members of the public may attend and participate only via live stream or phone cityofpensacola.com/428/Live-Meeting-Video
*Citizens may submit an online form here https://www.cityofpensacola.com/AHTFinput
BEGINNING AT 1 PM

1. Call to Order and Welcome
2. Roll Call
3. Proof of Publication
4. Approval of Minutes from February 20, 2020 meeting
5. Data Report: What & Where is the Need?
6. Defining Affordable Housing
7. Budget Analysis
    - City Budget Review
    - Production for past three years
    - Identifying Land for Housing
8. How does COVID impact the Task Force's goal?
9. Public Comment
10. Announcement / Written Communication
11. Adjournment

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www.cityofpensacola.com

MINUTES OF THE AFFORDABLE HOUSING TASK FORCE
THURSDAY, FEBRUARY 20, 2020, 5:30 P.M.

Members Present: George Ed Brown, Jr., Rick Byars, Timothy Evans, Laura Gilmore, Percy Goodman, Carolyn Grawi, Shirley Henderson, Patricia Lott, John Rickmon, Paul Ritz, Renee' Wilhoit, Frederick Gant(arrived 6:00p.m.) Douglas Brown,(arrive 6:25p.m.)

Members Absent: None

Elected Officials Present: Mayor Grover Robinson, City Council President Jewel Cannada-Wynn

Staff Present: Kerrith Fiddler, Assistant City Administrator, Marcie Whitaker, Housing Administrator, Lawrence Powell, Neighborhood Administrator, Mike Ziarnek, Complete Streets Planner, Don Kraher, Council Executive, Sonja Gaines, Council Assistant

Others Present: See attached sign-in sheet

1. **WELCOME AND INTRODUCTIONS-**Meeting called to order. Jewel Cannada-Wynn, City Council President welcomed and thanked the Task Force members for their services and provided an overview and mission of the Affordable Housing Task Force. Ms. Cannada-Wynn thanked the Florida Housing Coalition for agreeing to facilitate the meetings, and Mayor Robinson for his support of the vison of 500 affordable homes in five (5) years. Mayor Robinson thanked Jewel Cannada-Wynn for her leadership role in helping to move initiative forward as well as the group for their expertise and willingness to serve.

   Members present introduced themselves and the organization they represent.

2. **FLORIDA HOUSING COALITION INTRODUCTIONS-**Michael Chaney, Technical Advisor, Blaise Denton, Research Manager, Kody Glazer, Legal Director, introduced themselves and gave brief summary of their background and experience.

3. **ELECTION OF A CHAIRPERSON AND VICE CHAIRPERSON-**Shirley Henderson made a motion to nominate Percy Goodman to serve as Chair, John Rickmon seconded. The motion carried unanimously. Laura Gilmore made a motion to nominate Patricia Lott to serve as Vice Chair, Paul Ritz seconded. The motion carried unanimously.

4. **OVERVIEW OF SUNSHINE LAW AND PUBLIC RECORDS-** Vanessa Moore, Assistant City Attorney**,** presented the Government & Sunshine Manuel to members and informed them of where they could obtain copies of the manual. Ms. Moore explained the three basic requirements for meetings, 1. Reasonable notice to the public. 2. Minutes of the meeting must be taken. 3. Meetings must be open to the public.

   Ms. Moore informed the Task Force that the communication device used doesn't matter when creating a public record, the content matters, any information you receive concerning issues before the board, it is best to put it on record. Personal notes aren't public records, but any information shared with the board is. Ms. Moore advised members to forward any public records request to Marcie Whitaker.

5. **Review Task Force Orientation Webinar Polling Results-**Florida Housing Coalition shared responses of Rounds 1,2,3, and 4.

   a. Group discussed identifying land and potential homeowners. How to meet housing needs, financing and development, education and outreach, accessibility, transportation and proximity to schools and healthcare, workforce data to determine home ownership, subsidy assistance (SHIP), other funding sources, homeownership vs. rental, homebuying counseling, builder partnerships, housing for retired adults, homelessness, adaptive reuse.

6. **Establish Meeting Schedule-**The meeting schedule for the Task Force is:

   March 26, 3:30 p.m.
   April 23, 3:30 p.m.
   June 4, 3:30 p.m.

7. **Future Topics for Discussion-**Information and data, defining affordability, budget, resource, and code analysis, bringing in other stakeholders

8. **Public Comment-** Matt Staver, Out of the Box Design, James Gulley, resident

9. **Other**

10. **Adjournment-**There being no further business or discussion, the meeting was adjourned at 7:30p.m.

Pensacola Affordable Housing Task Force



Second Meeting

THE FLORIDA HOUSING COALITION

The Task Force’s Goal:
500 Homes in 5 years



Task Force members

Douglas Brown, Community Action Program Committee
George Ed Brown, United Bank
Rick Byars, Gulf Power Company
Frederick Gant, Attorney
Laura Gilmore, Fairway Independent Mortgage Corporation
Percy Goodman, Community Enterprise Investment
Carolyn Grawi, Center for Independent Living of Northwest FL
Shirley Henderson, Area Housing Commission
Patricia Lott, Escambia County Housing Finance Authority
John Rickmon, Real Estate Broker
Paul Ritz, Chairman of the AHAC and City Planning Board
Renee' Wilhoit, Synovus Mortgage Corporation

Meeting Agenda

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7. Budget Analysis
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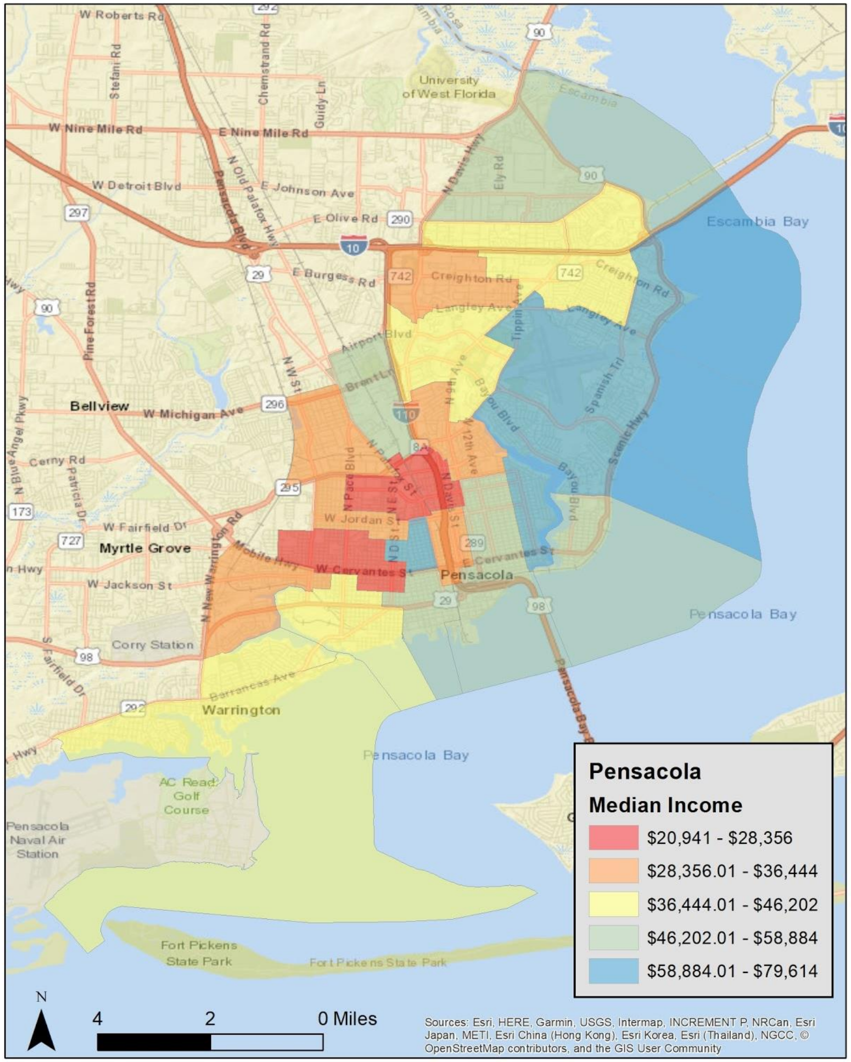
Data Report
What & Where is the Need?

Key Data Points

- Median Income
- Housing Type
- Race
- COVID Affected Workers
- Cost Burden
- Wages and Housing
- Subsidized Housing
- Homelessness
- Disability
- Vacancy Rates
- Housing Gaps

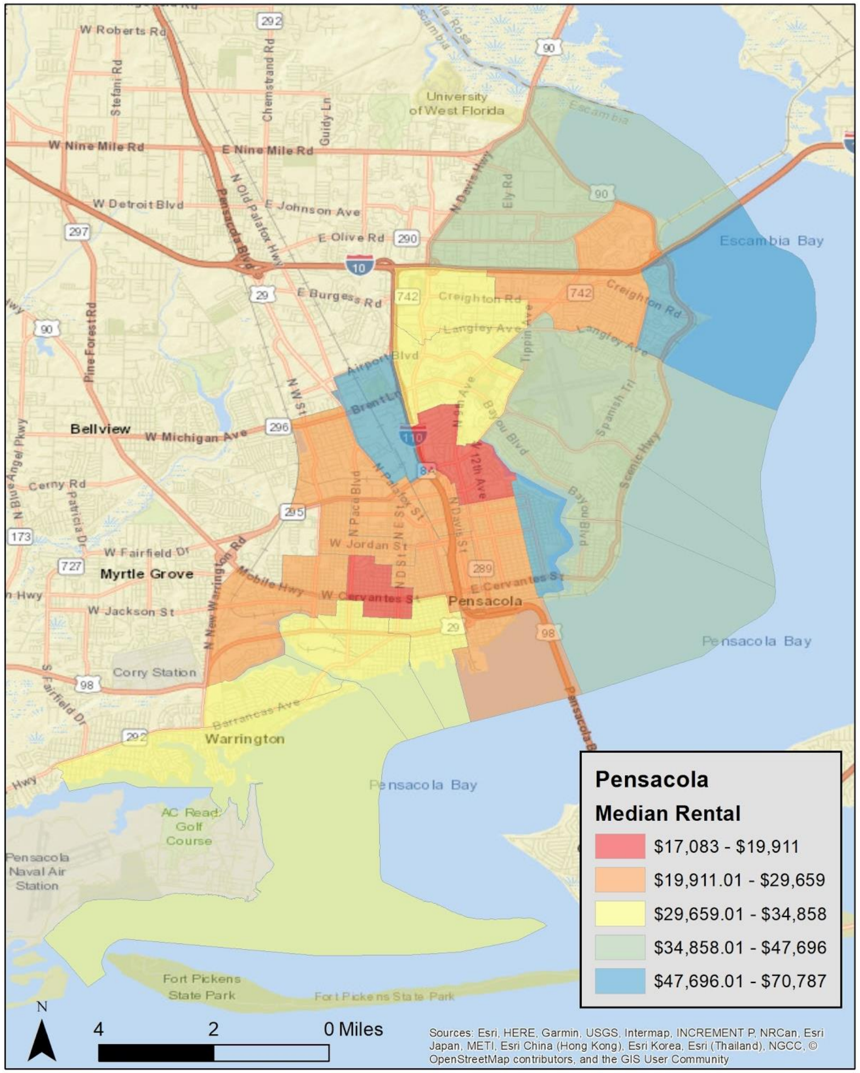
Median household income in the past 12 months	
All Households	$48,686
Owner Households	$65,329
Renter Households	$32,004

Median Income by Tract

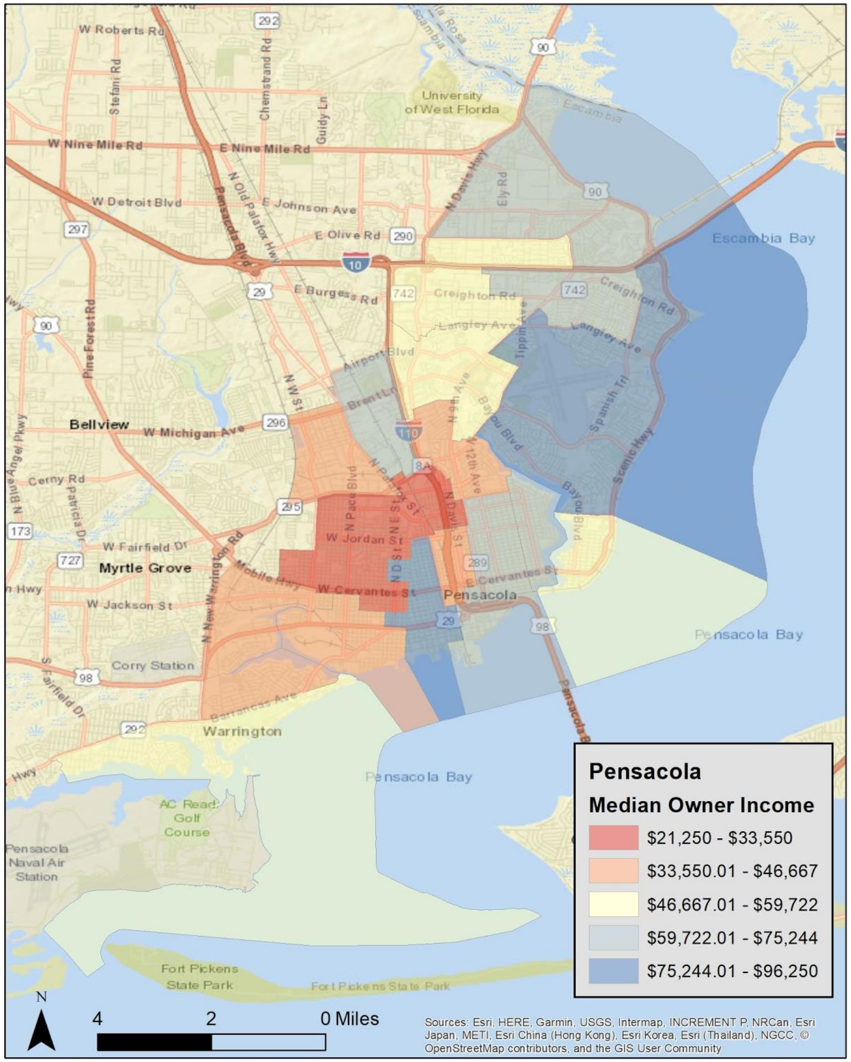


THE FLORIDA HOUSING COALITION

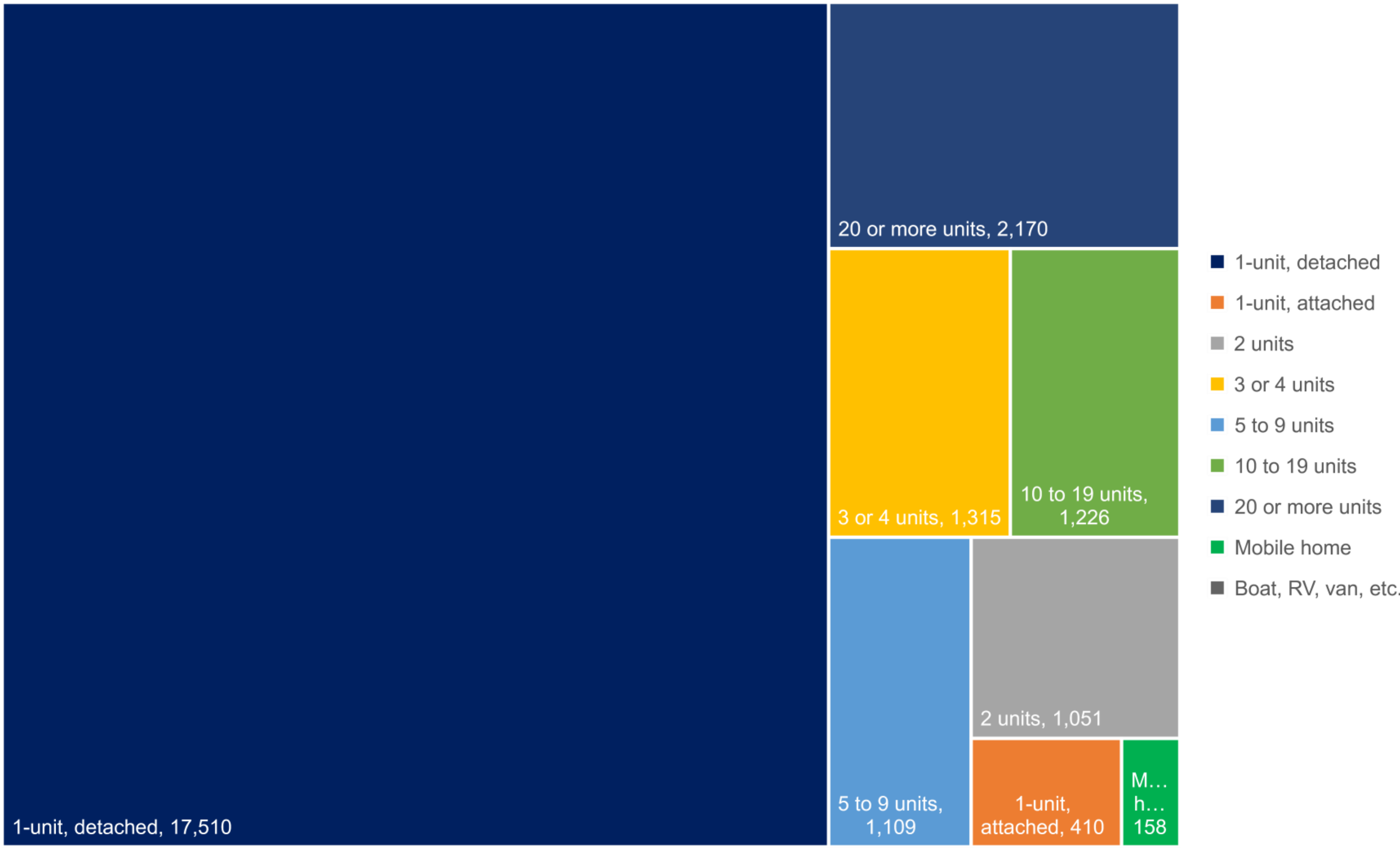
Median Renter Income by Tract



Median Owner Income by Tract

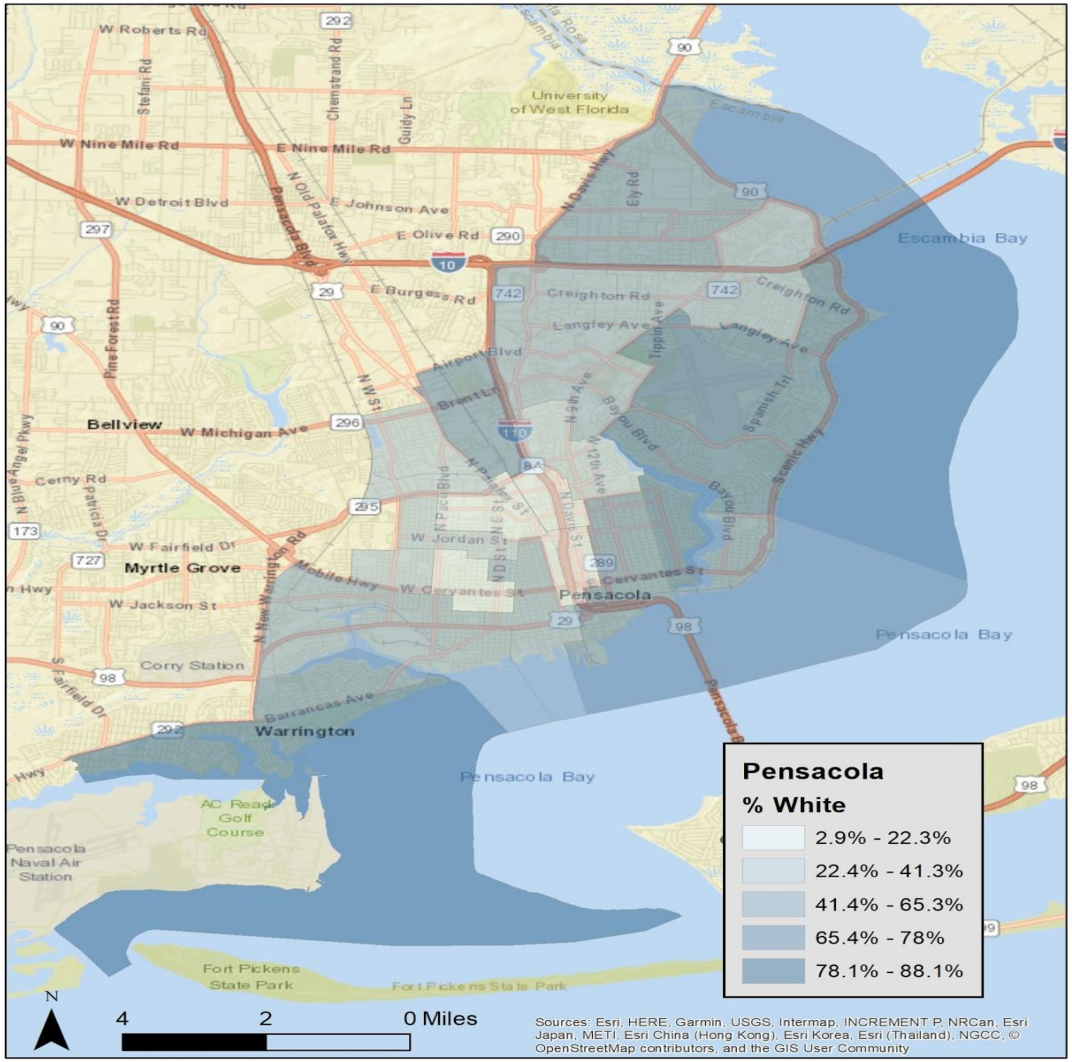


Types of Housing in Pensacola

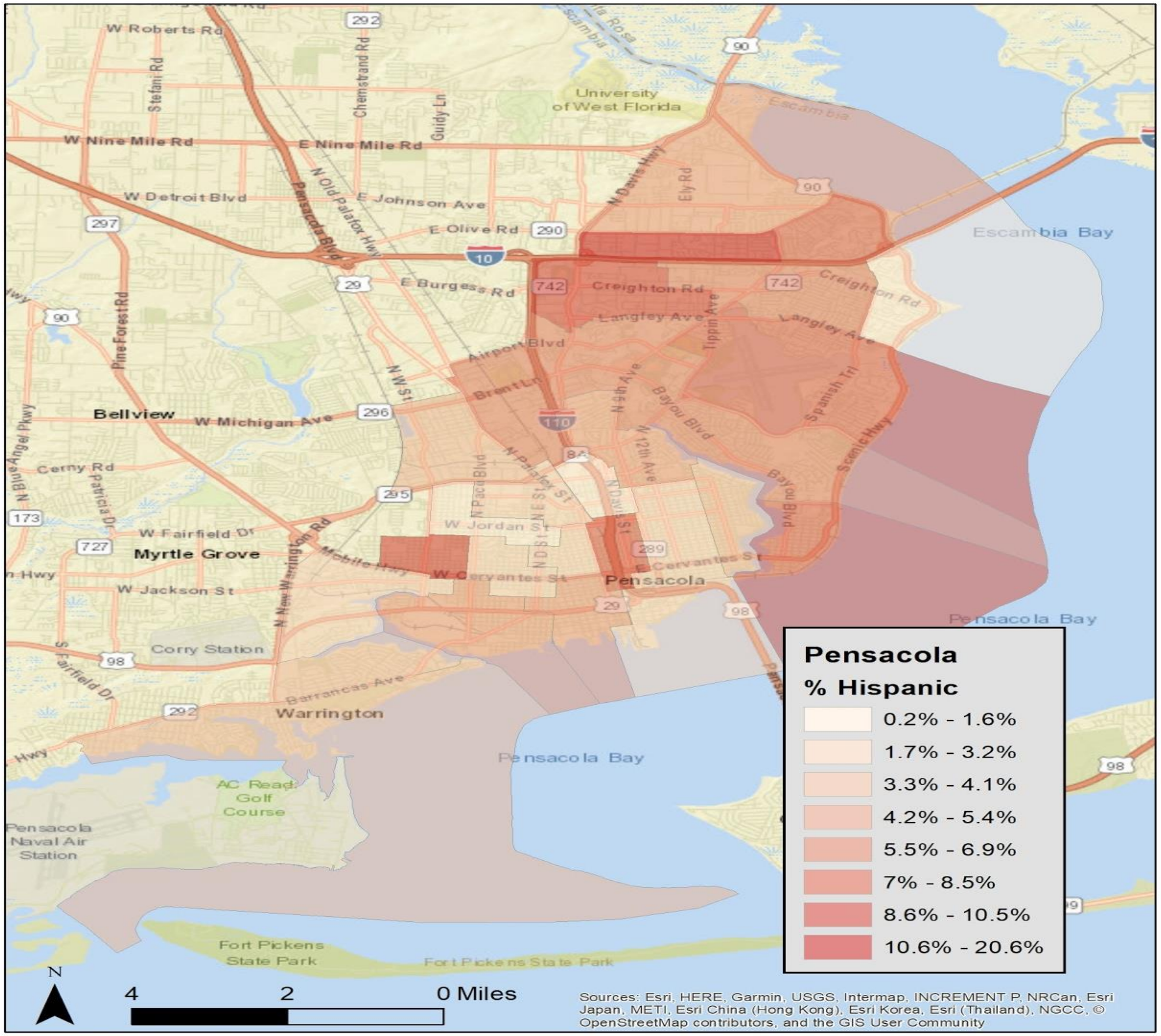


	Race and Poverty in Pensacola			
	Population	%	People in Poverty (% of race)	%
Total population	52,562	-	10,002 (19.0%)	
Hispanic or Latino (of any race)	2,802	5.30%	746 (27.0%)	.07%
White	30,621	58.30%	3,198 (9.9%)	31.9%
Black	15,161	28.80%	5,279 (34.9%)	52.7%
American Indian and Alaska Native	150	0.30%	15 (10.0%)	10.0%
Asian	985	1.90%	40 (4.1%)	.001%
Other race	65	0.10%	103 (26.5%)	.01%
Two or more races	2,778	5.30%	621 (19.8%)	.06%

White Residents by Tract



Hispanic Residents by Tract



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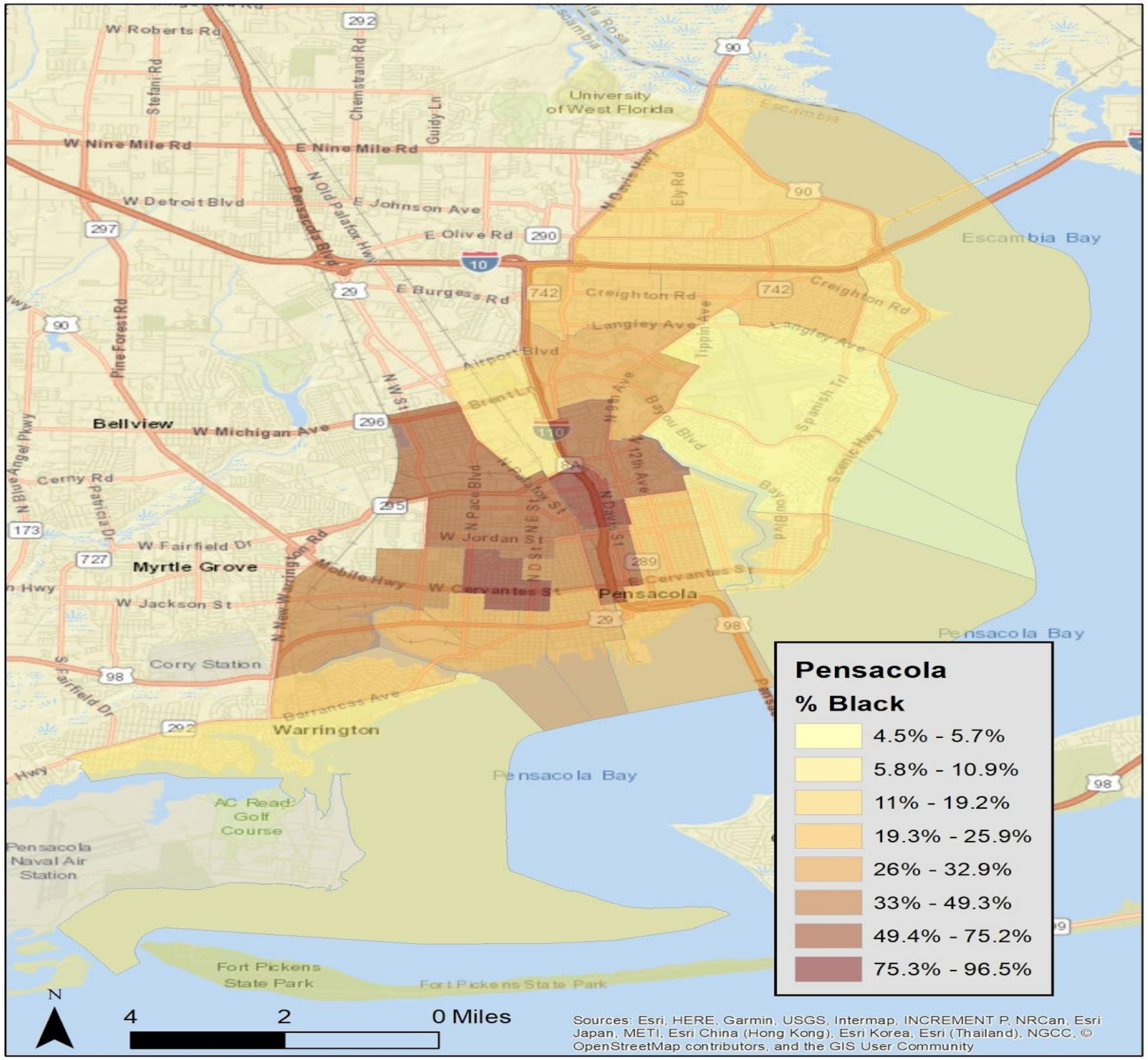
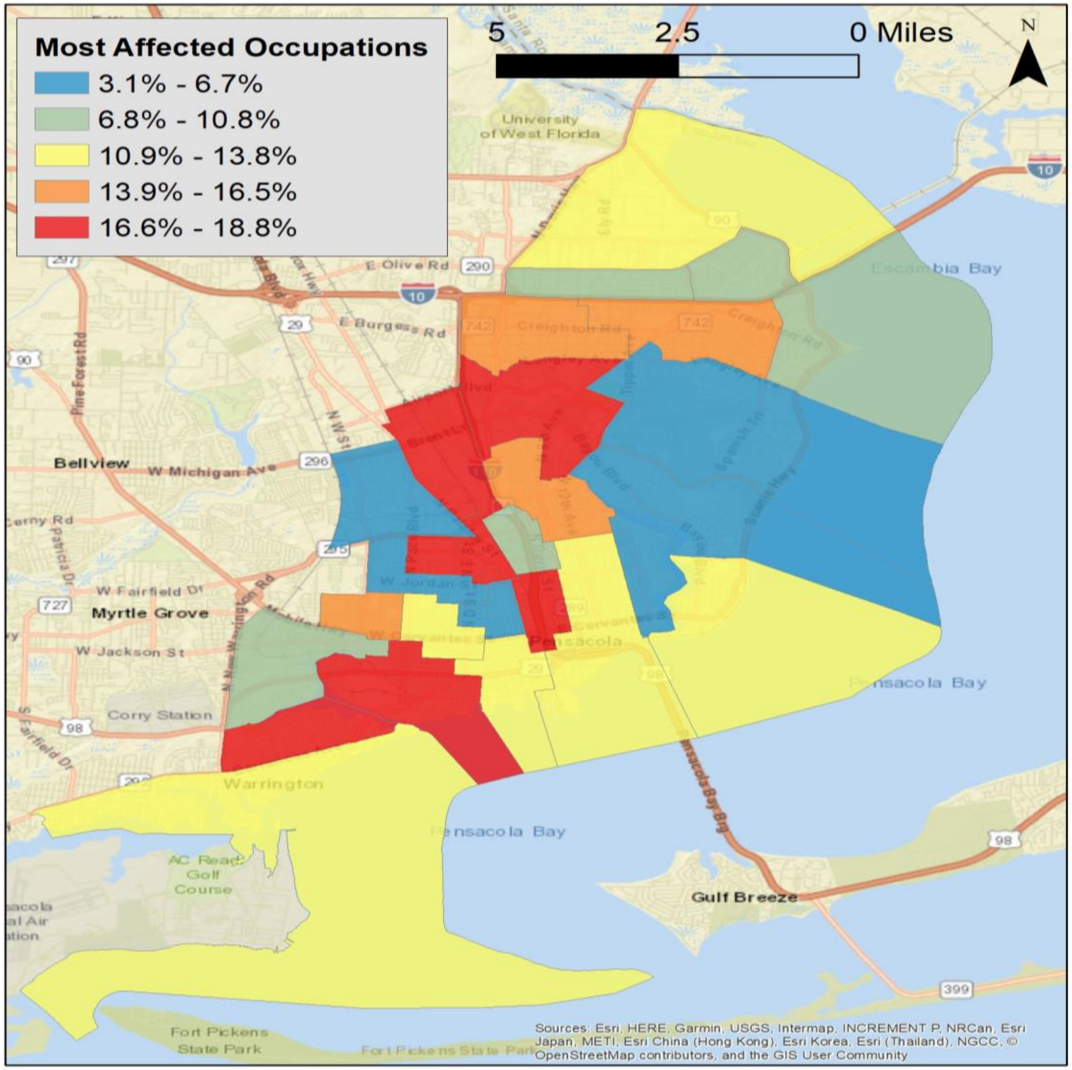
Black Residents by Tract



But what about COVID-19?

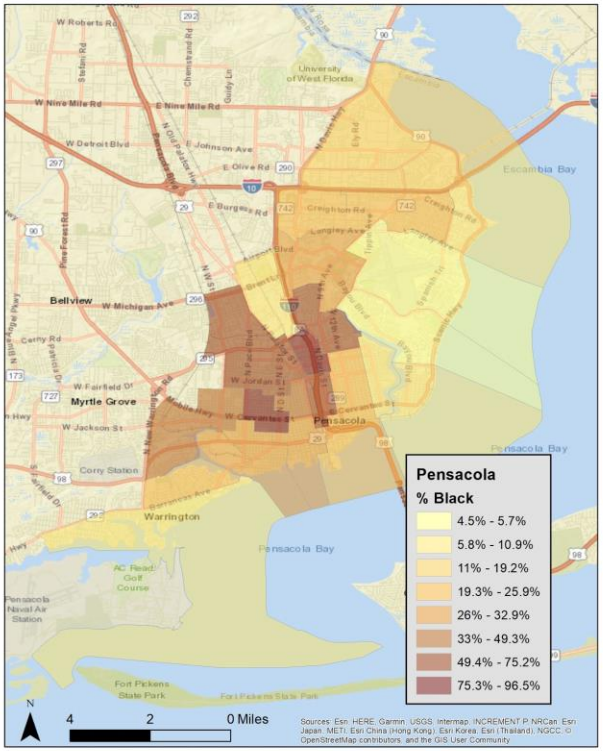
Occupations in Pensacola Most Affected by COVID-19

Arts, Entertainment, Media, Sports, and Food Service and Preparation

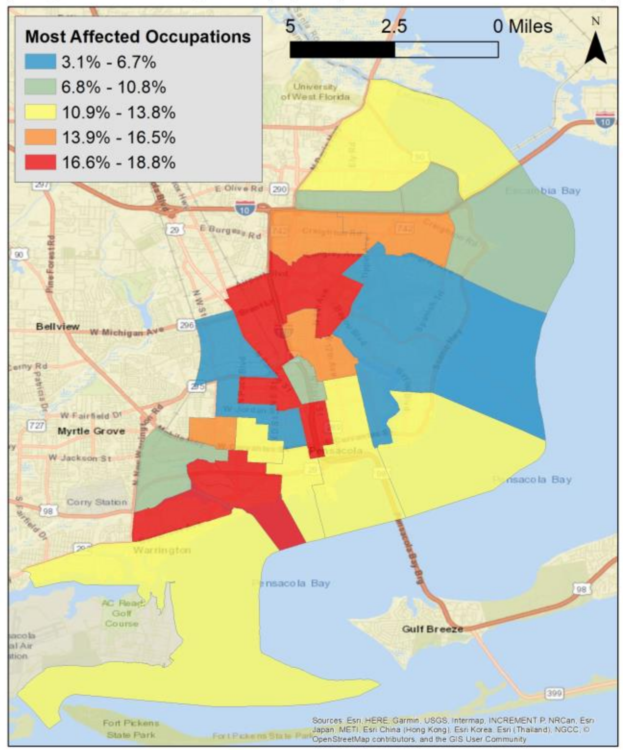


THE FLORIDA HOUSING COALITION

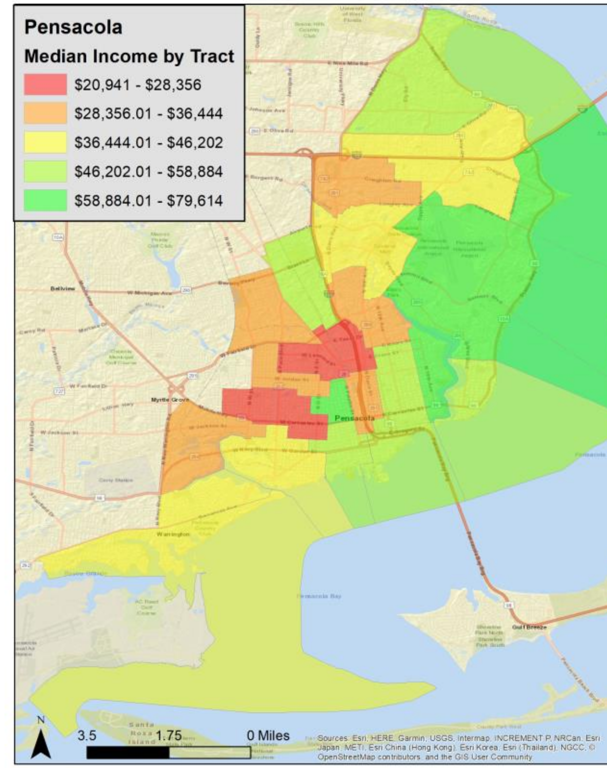
Pensacola Percent Black by Tract

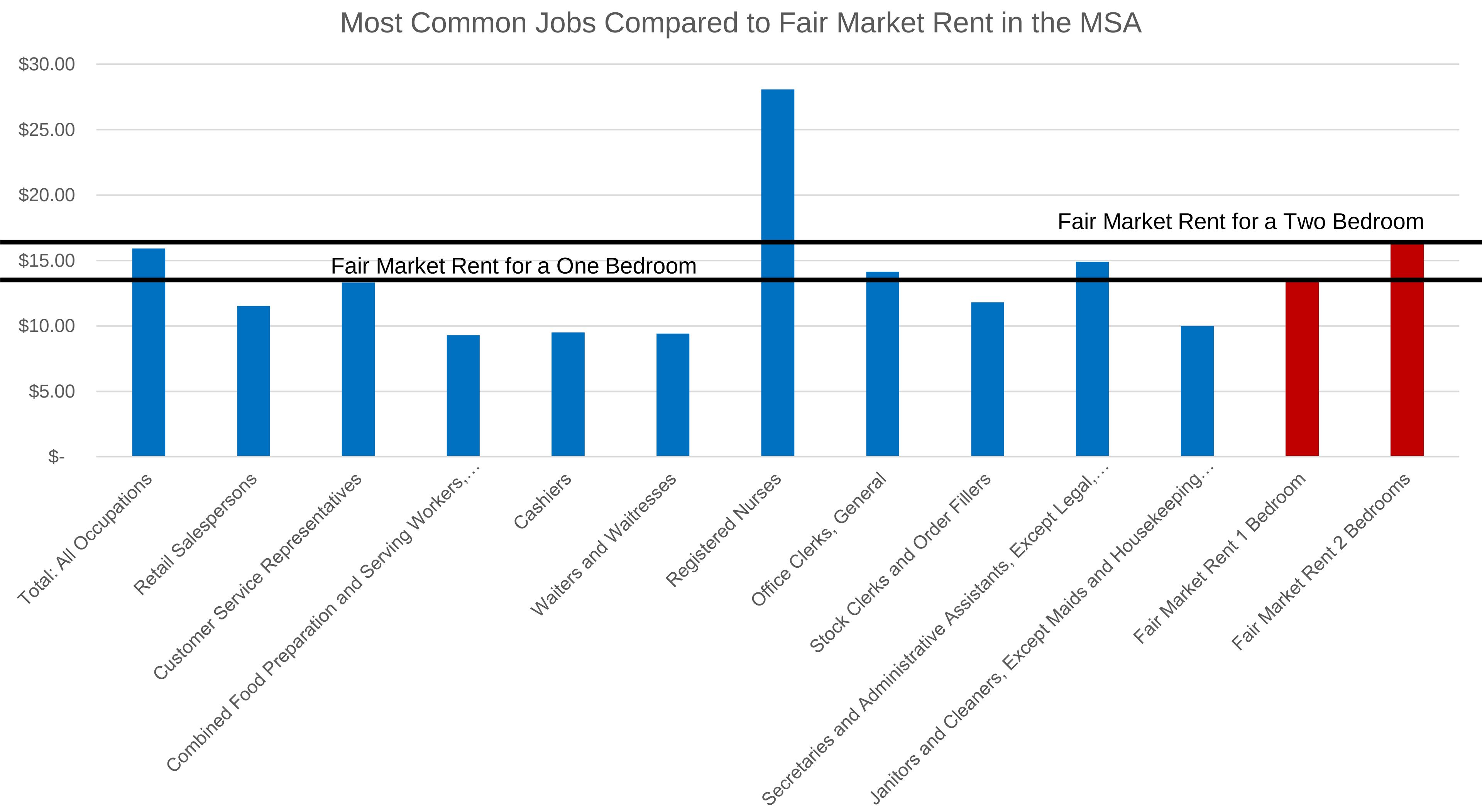


Pensacola and Occupations Most Affected by COVID-19
(Arts, Entertainment, Media, Sports, and Food Service and Prep)

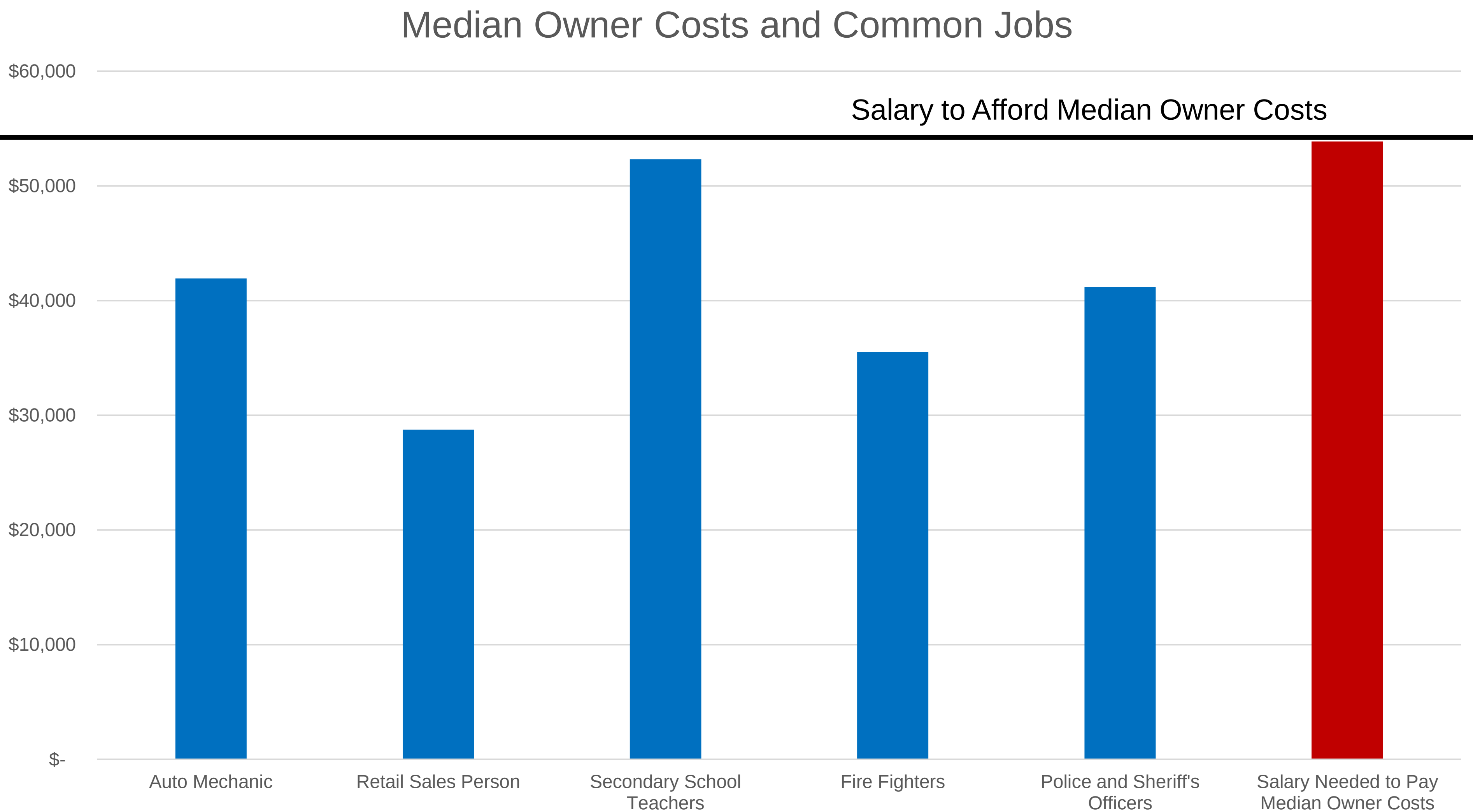


Pensacola Median Income by Tract



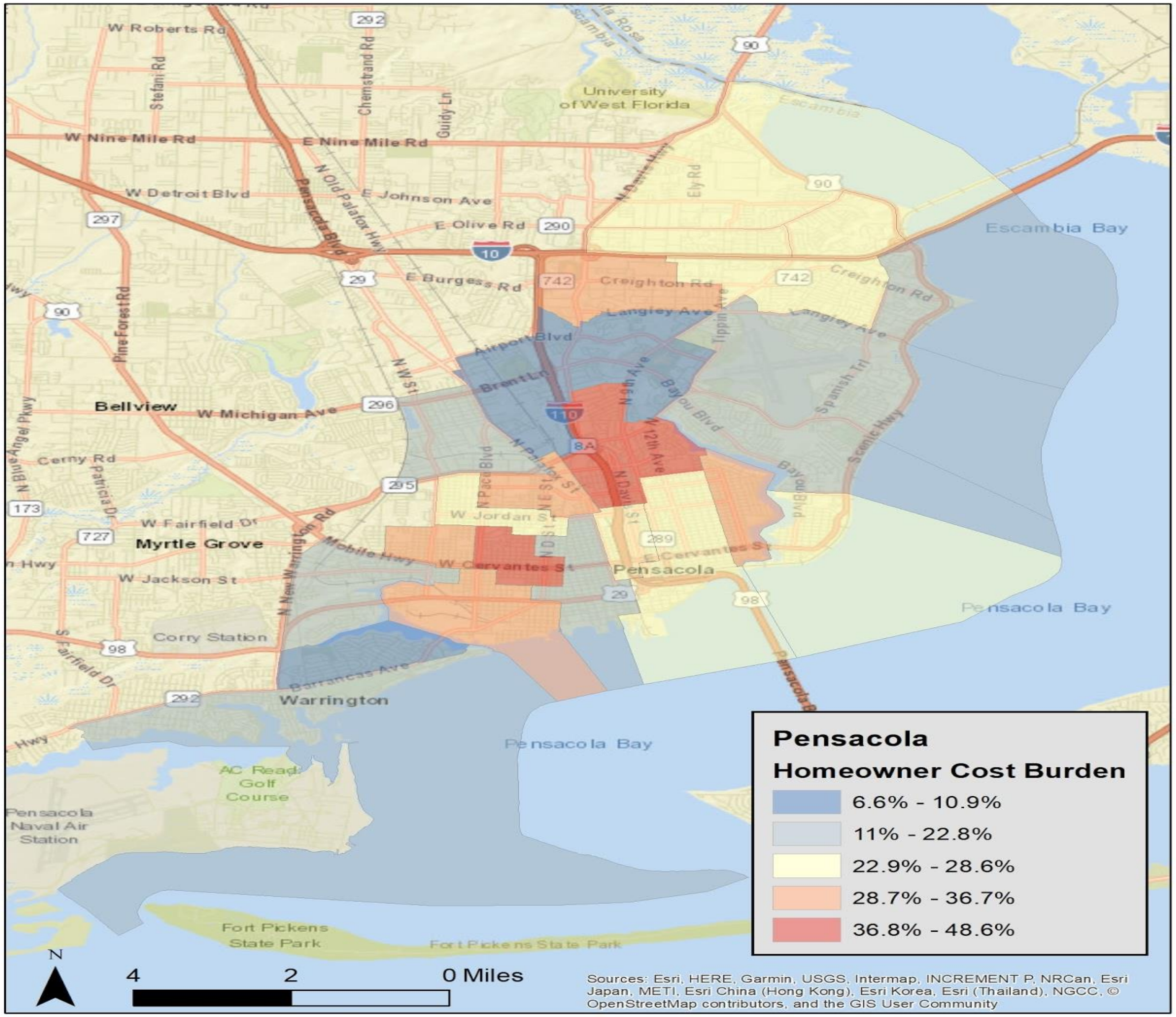


Most Common Jobs Compared to Fair Market Rent in the MSA
$30.00
$25.00
$20.00
$15.00
$10.00
$5.00
$-
Fair Market Rent for a Two Bedroom
Fair Market Rent for a One Bedroom
Total: All Occupations
Retail Salespersons
Customer Service Representatives
Combined Food Preparation and Serving Workers,…
Cashiers
Waiters and Waitresses
Registered Nurses
Office Clerks, General
Stock Clerks and Order Fillers
Secretaries and Administrative Assistants, Except Legal,…
Janitors and Cleaners, Except Maids and Housekeeping…
Fair Market Rent 1 Bedroom
Fair Market Rent 2 Bedrooms

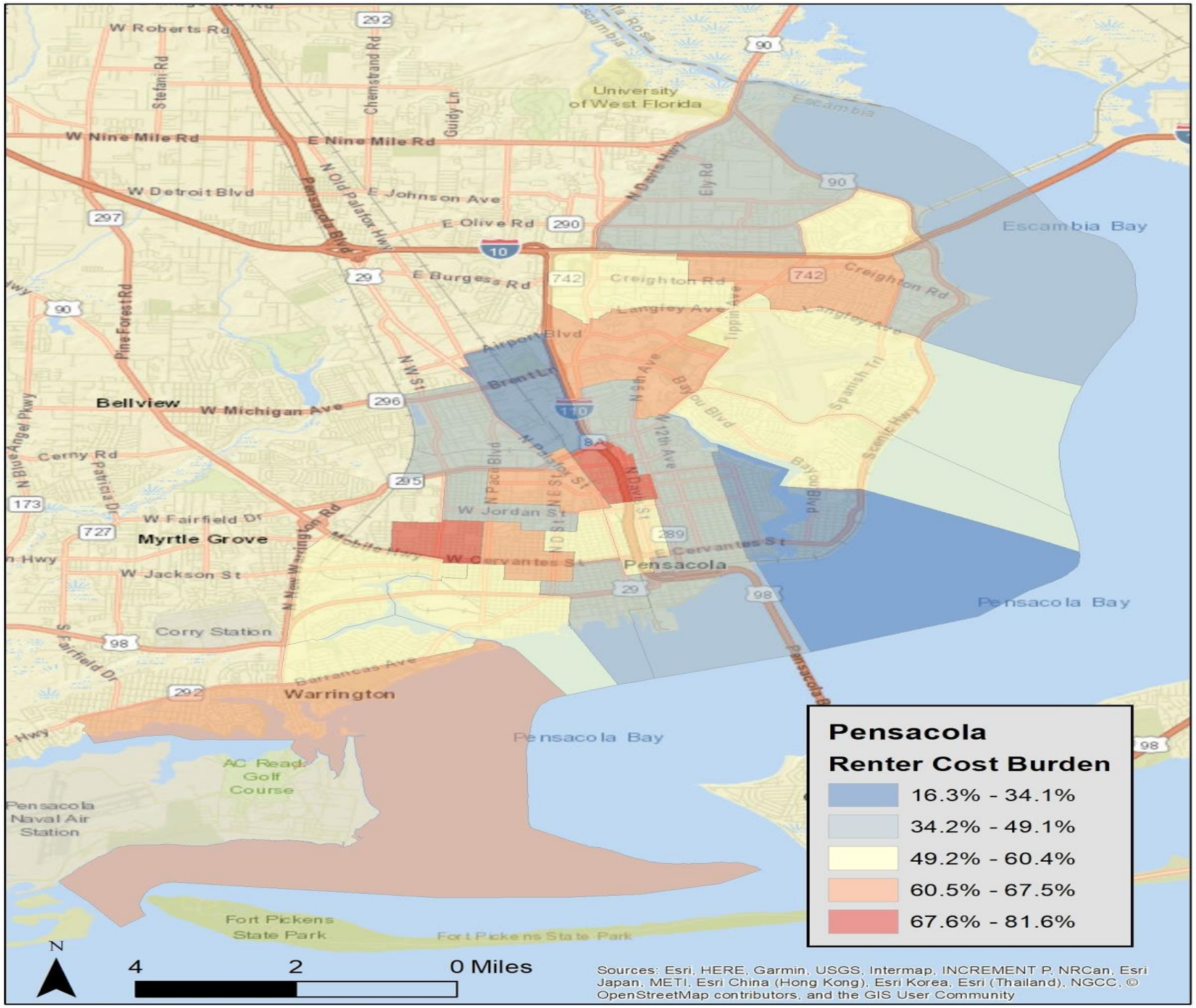


THE FLORIDA HOUSING COALITION

Homeowner Cost Burden

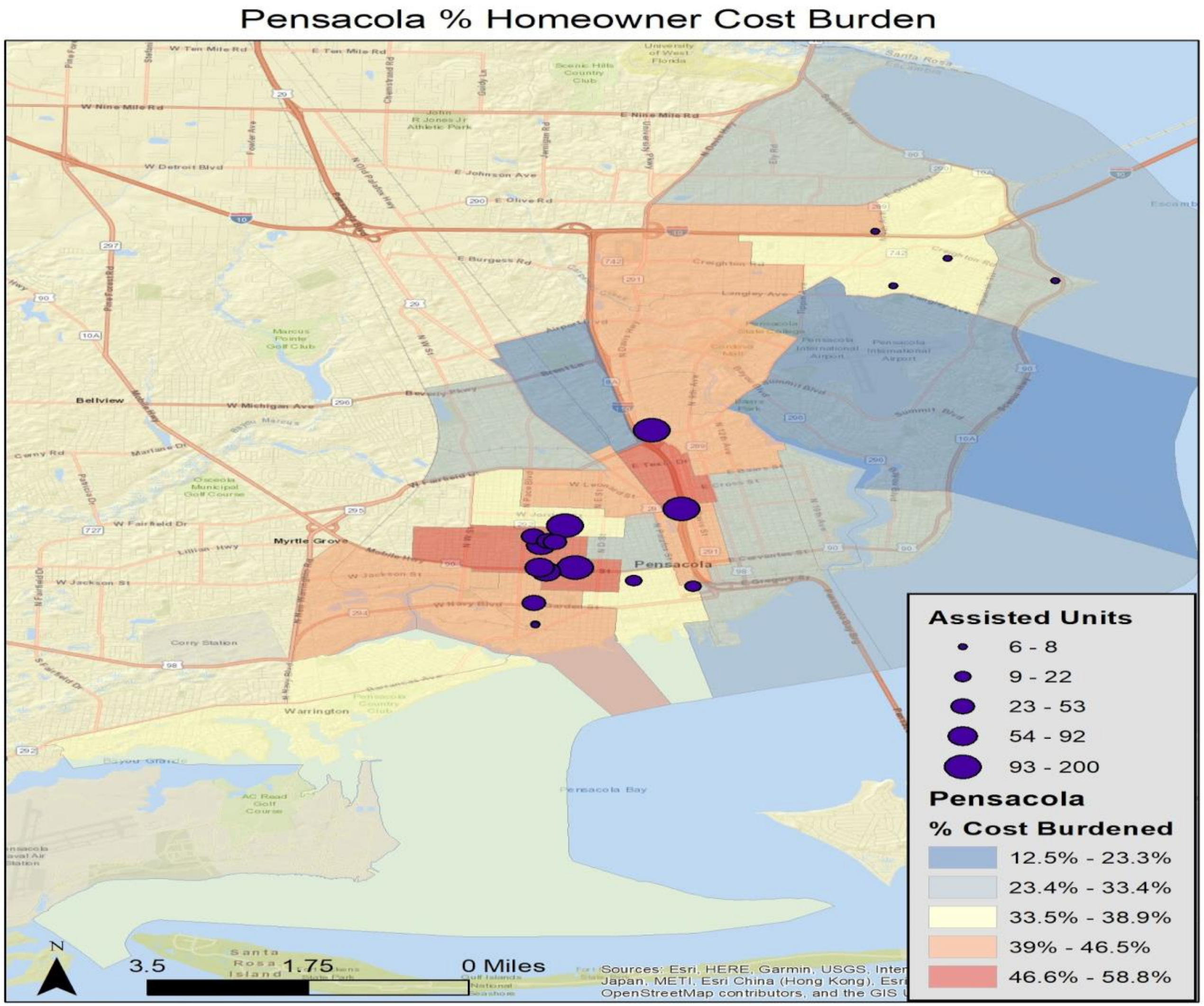


Renter Cost Burden



THE FLORIDA HOUSING COALITION

Cost Burden and Subsidized Housing

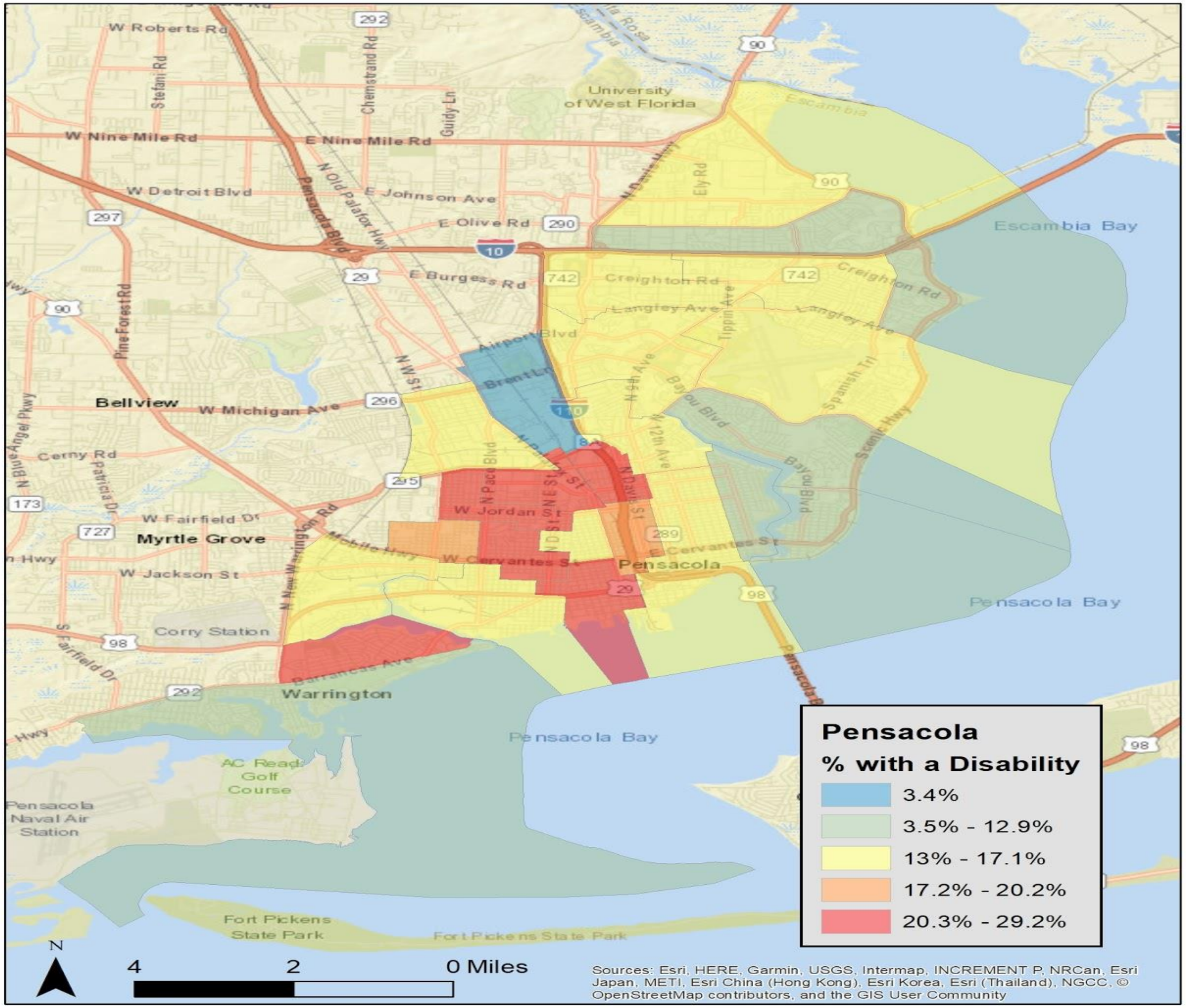


Change in People Experiencing Homelessness

People Experiencing Homelessness Overtime	2007	2019	% Change
Total	629	518	-18%
People in Families	261	45	-83%
People Experiencing Chronic Homelessness	36	52	44%
Veterans	29	64	121%

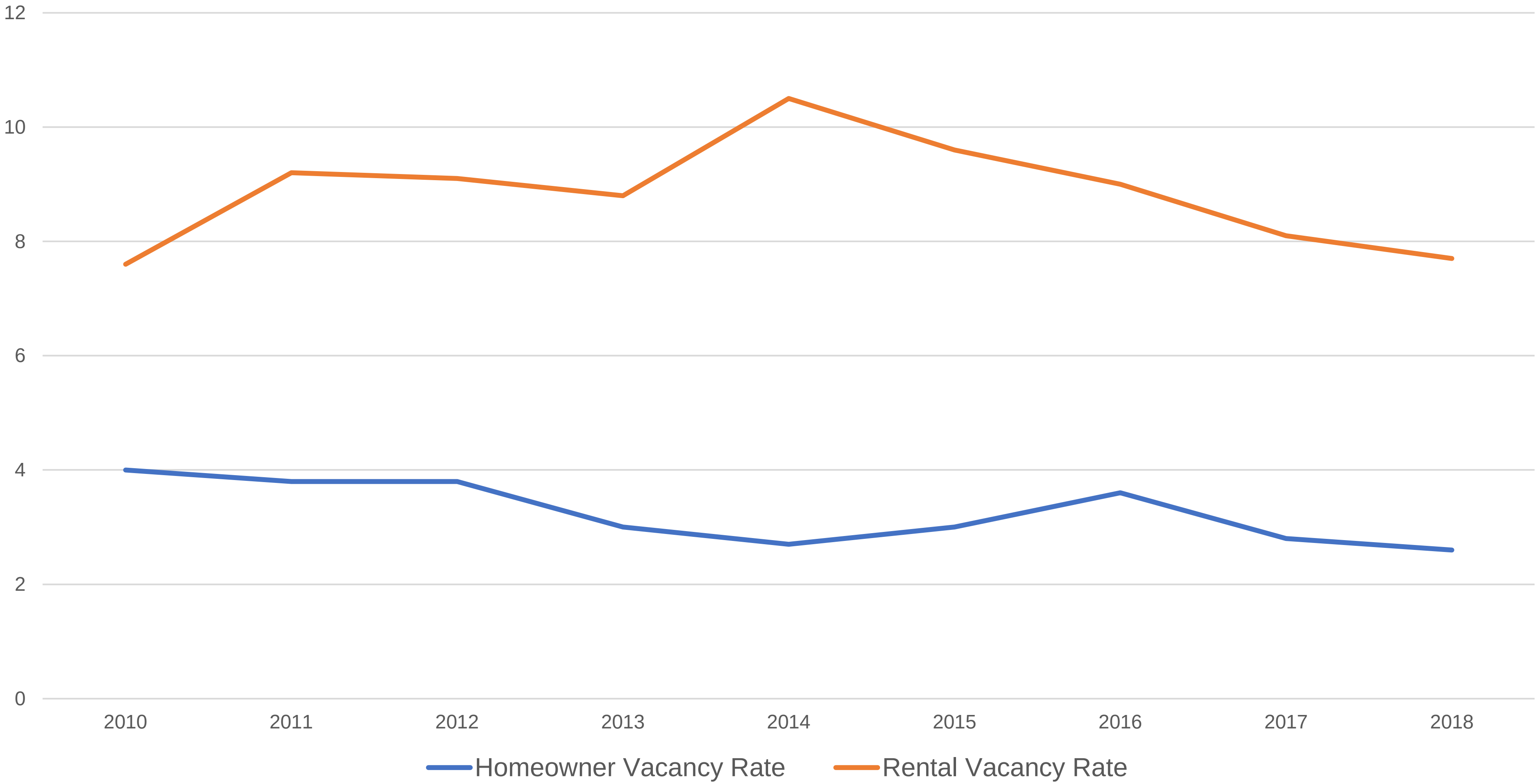
Disability in Pensacola		
	#	%
Total civilian noninstitutionalized population	8,086	15.6%
White alone	4,565	14.2%
Black or African American alone	3,063	20.2%
American Indian and Alaska Native alone	31	20.7%
Asian alone	77	7.8%
Native Hawaiian and Other Pacific Islander alone	25	100.0%
Some other race alone	80	20.6%
Two or more races	245	7.8%
White alone, not Hispanic or Latino	4,474	14.8%
Hispanic or Latino (of any race)	197	7.2%

Disability Rate by Tract

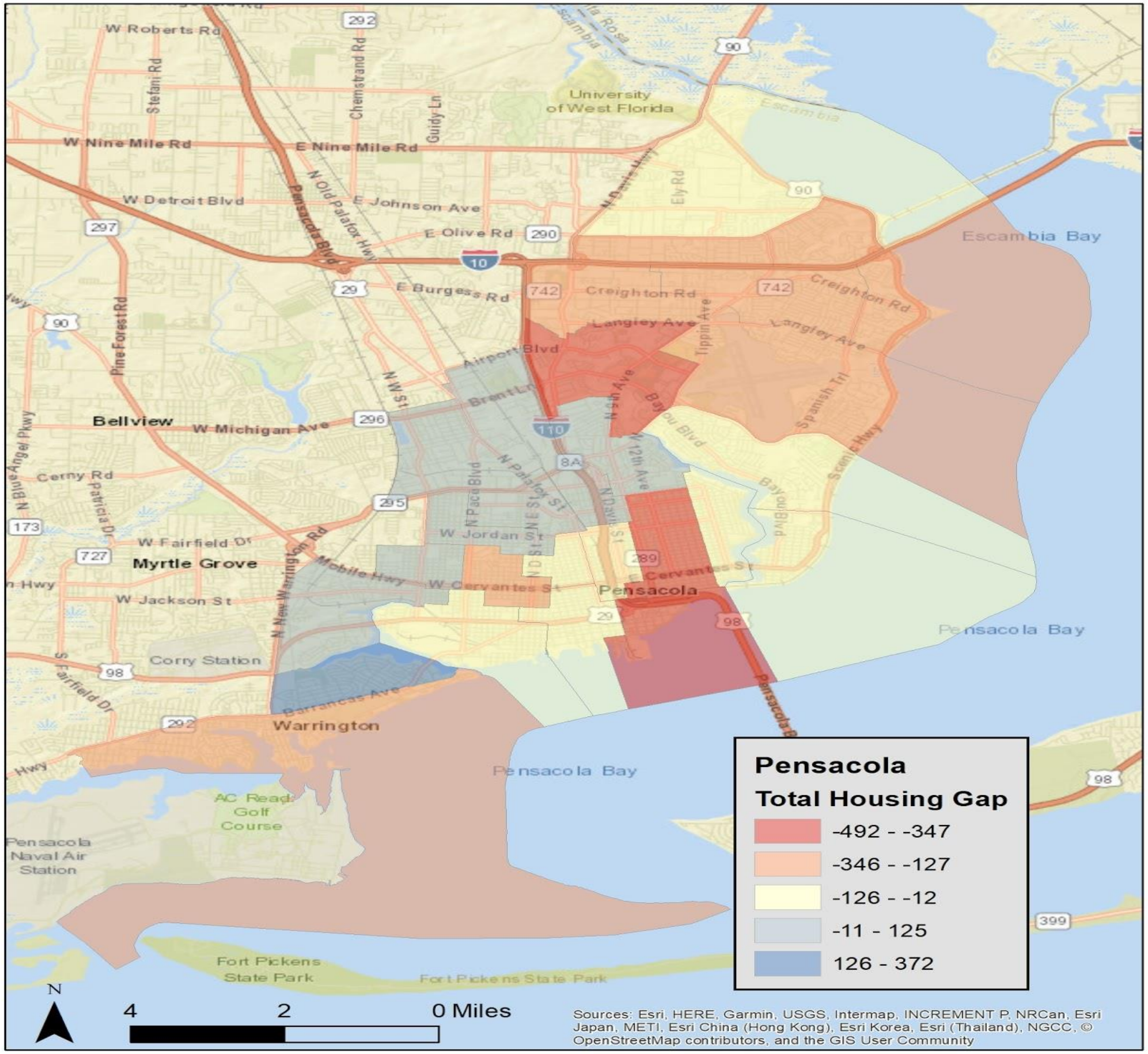


THE FLORIDA HOUSING COALITION

Vacancy Rates over Time

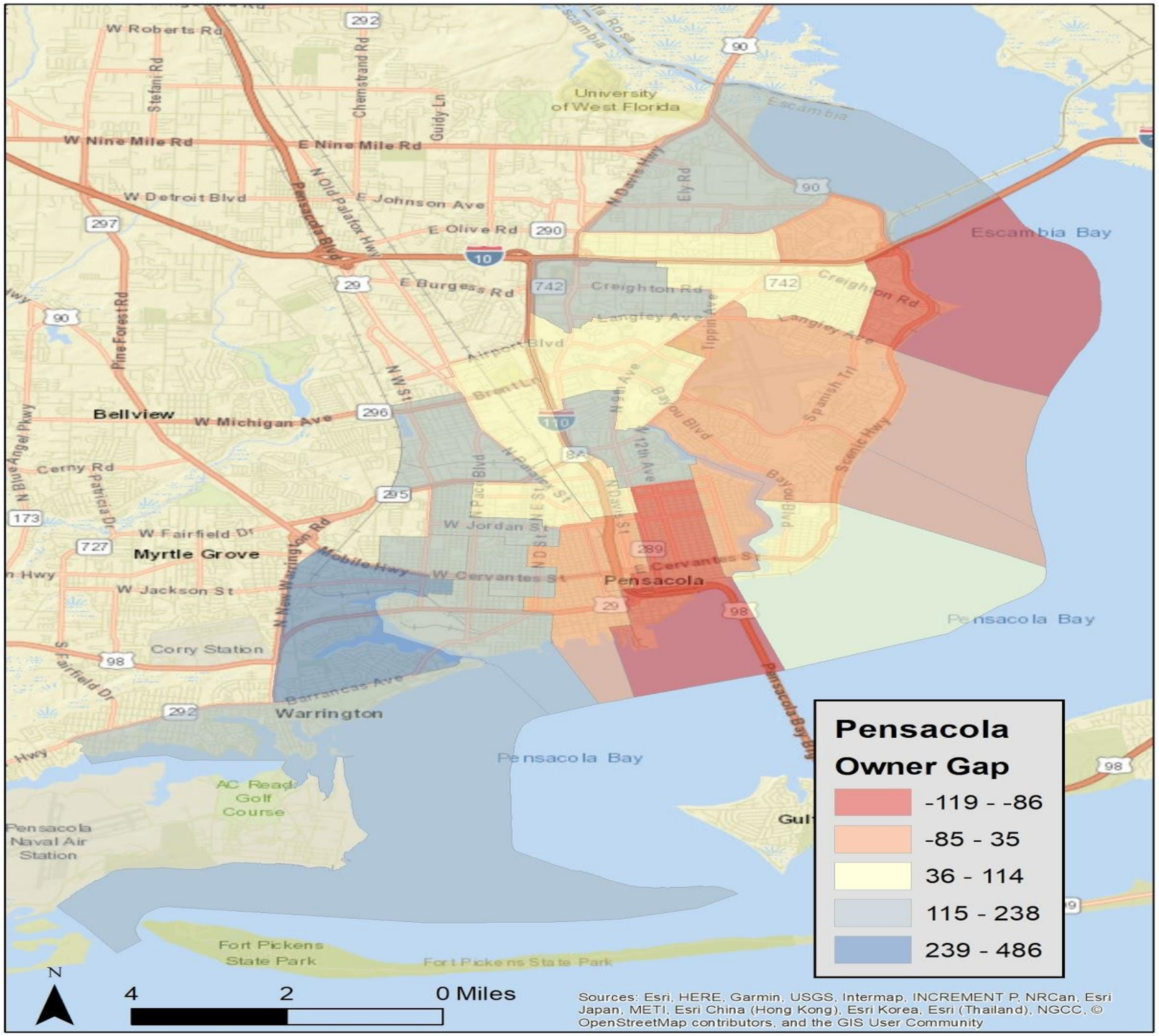


Total Housing Gap

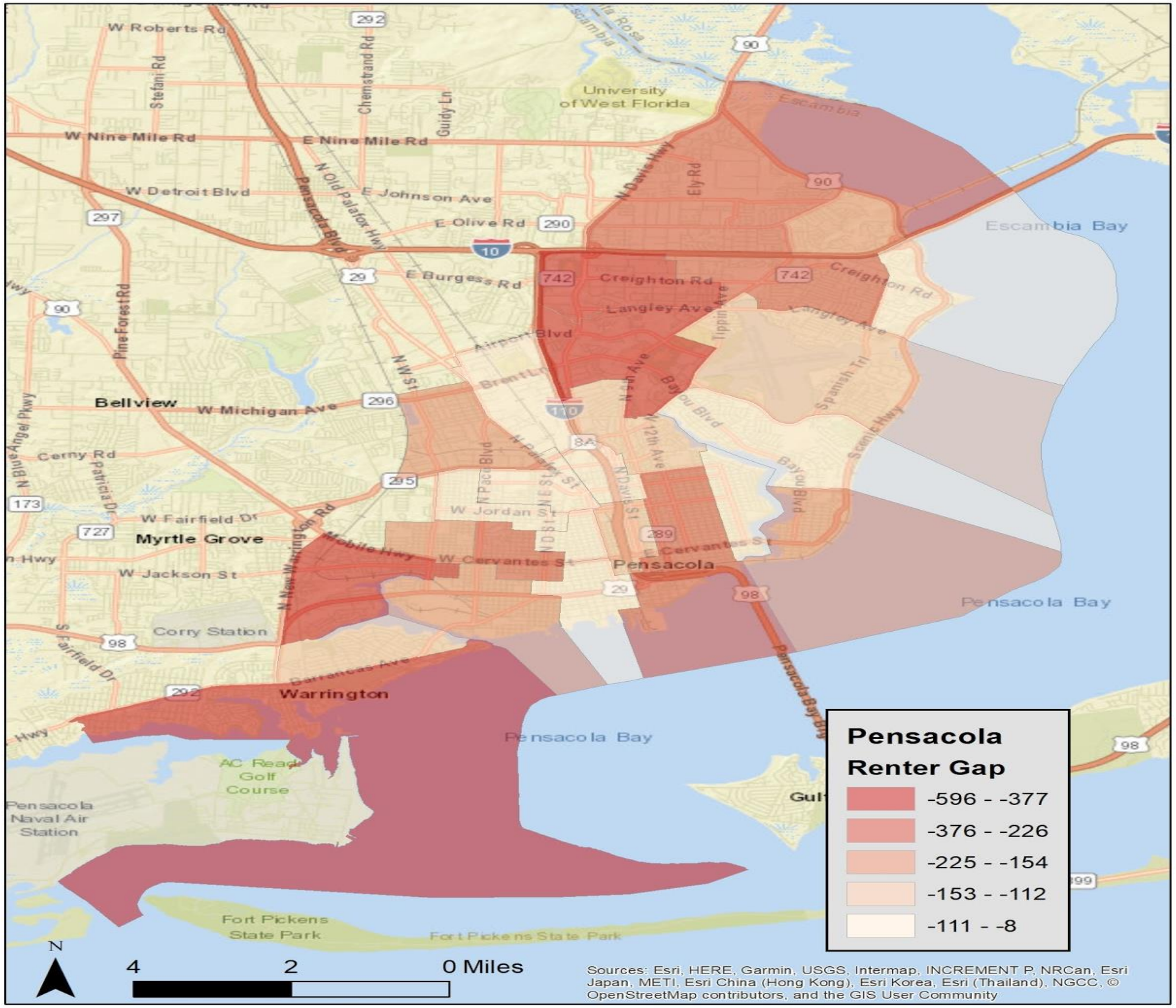


THE FLORIDA HOUSING COALITION

Owner Gap


Pensacola
Owner Gap
-119 - -86
-85 - 35
36 - 114
115 - 238
239 - 486
Bellview
Myrtle Grove
Warrington
Pensacola
Pensacola Bay
Escambia Bay
University of West Florida
Corry Station
Pensacola Naval Air Station
Fort Pickens State Park
4
2
0 Miles
N
Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, © OpenStreetMap contributors, and the GIS User Community

Renter Gap



Pensacola Renter Gap
-596 - -377
-376 - -226
-225 - -154
-153 - -112
-111 - -8
4
2
0 Miles
N
Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, © OpenStreetMap contributors, and the GIS User Community
University of West Florida
Bellview
Myrtle Grove
Warrington
Pensacola
Pensacola Bay
Escambia Bay
Corry Station
Pensacola Naval Air Station
Fort Pickens State Park

Waiting Lists Illustrate Housing Need

- Rehabilitation waiting list: 137 households
- Rental Assistance waiting list: 500 households
- Purchase Assistance: Almost every applicant becomes a buyer, since applicant must first secure first mortgage financing.
  - Number of buyers receiving purchase assistance presented during upcoming 'production/program summary'

Takeaways

1. The Median Renter Household is Only at 66% AMI -- Subsidy Programs that Target up to 80% AMI May Be Too High for Need.
2. Pensacola is Geographically Divided by Race and Income.
3. Only One of the Ten Most Common Jobs Can Afford a Two Bedroom Apartment at Fair Market Rent.
4. The Large Proportion of Detached Single-Family Homes May Contribute Negatively to Housing Affordability.
5. Persons with Disabilities Are Concentrated In a Few Neighborhoods.

Defining Affordable Housing

Calculate Purchase Assistance Needed

Add Income/Debt for SHIP/HOME Eligible Buyer

Family of 4 Low Income with debt

Income	Annual Income	Monthly Income
Salary or wages	$46,000.00	$3,833.33
Other salary or wages		
Rental income		
Investment income		
Additional income		
Total Income	$46,000.00	$3,833.33

Long-Term Debts	Monthly Debt	Annual Debt
Car loan payments	$450.00	$5,400.00
Credit card payments	$0.00	
Other loan payment	$0.00	
Other loan payment	$0.00	
Total Debts	$450.00	$5,400.00

First Qualifying Number

	$46,000.00
x 0.35 =	$16,100.00
/12 =	**$1,341.67**

Second Qualifying Number

	$46,000.00
x 0.41 =	$18,860.00
/12 =	$1,571.67
	$1,121.67

Calculate Purchase Assistance Needed

Yellow shows Gap Financing Needed

Total monthly payment allowed	**$1,121.67**
Estimated monthly escrow payment	$233.75
Homeowner's insurance, if applicable	$155.83
Homeowner's dues and other fees, if any	
Annual interest rate (example 7.125)	4.5
Duration of loan (in years)	30
Monthly principal + interest payment	**$732.08**
Maximum loan amount	**$144,484.82**

Purchase price	187,000
Owner cash contribution	
First mortgage loan	$144,484.82
closing cost	3,600
subsidy needed	**46,115**

Conventional Mortgage Qualification Worksheet

Low end of Low Income with NO debt

Income	Annual Income	Monthly Income
Salary or wages	$39,000.00	$3,250.00
Other salary or wages		
Rental income		
Investment income		
Additional income		
Total Income	$39,000.00	$3,250.00

Long-Term Debts	Monthly Debt	Annual Debt
Car loan payments	$0.00	
Credit card payments	$0.00	
Other loan payment	$0.00	
Other loan payment	$0.00	
Total Debts	$0.00	#VALUE!

First Qualifying Number

	$39,000.00
x 0.35 =	$13,650.00
/12 =	$1,137.50

Second Qualifying Number

x 0.41 =	#VALUE!
/12 =	#VALUE!
	$1,137.50

Qualifying
The first qualifying number (above right) calculates your maximum monthly payment, assuming you have no long-term debt. It is computed by multiplying your total income by your housing cost ratio and dividing the result by 12. The second qualifying number takes into account your monthly debt payments, applying your total debt service ratio. Mortgage companies usually qualify you for monthly payments that are no higher than the lesser of the two results. By default, this worksheet assumes a housing cost ratio of 0.28 and a total debt service ratio of 0.36, which are standards often used for conventional mortgages. If different ratios apply in your case, change

Housing cost ratio (example 0.28)	0.35
Total debt service ratio (example 0.36)	0.41
You may qualify for monthly payments of	$1,137.50

Loan Amount
The table below calculates the amount of a loan you might qualify for with the monthly payment shown above. Depending on the circumstances, some or all of the following will be true:
- In all cases, your monthly payment will include principal and interest payments.
- In most cases, it will include a monthly escrow deposit to cover taxes and mortgage insurance, if any. In some cases, homeowner's insurance is also included in this calculation.
- If you are buying a condominium or co-op unit, the monthly payment figure may also include your homeowner's dues and/or maintenance fees. You will need to estimate these monthly costs and type them into the appropriate cells below.

Important: This worksheet provides a rough estimate for conventional, fixed-term mortgages. Loan terms vary depending on type of mortgage and lender policies. Consult a professional lender for exact data.

Total monthly payment allowed	$1,137.50
Estimated monthly escrow payment	$250.00
Homeowner's insurance, if applicable	$166.67
Homeowner's dues and other fees, if any	
Annual interest rate (example 7.125)	4.5
Duration of loan (in years)	30
Monthly principal + interest payment	$720.83
Maximum loan amount	$142,264.50

Purchase price	200,000
Owner cash contribution	
First mortgage loan	$142,264.50
closing cost	3,600
subsidy needed	61,335

Some cannot Borrow enough to Buy

Gap Financing Needed:

- $61,000 Low side of Low Income no Debt
- $46,000 Middle of Low Income with Debt
- $45,000 Top of Low Income with Debt
- Moderate Income Buyers do not need Gap Funding

Rental Housing Affordability

2020 SHIP Program Rent Limits

County (Metro)	Percentage Category	Rent Limit by Number of Bedrooms in Unit: 0	1	2	3	4	5
Escambia County	30%	346	388	543	711	879	1,039
(Pensacola-Ferry Pass-	**50%**	**577**	**618**	**742**	**856**	**956**	**1,055**
Brent MSA)	80%	922	988	1,186	1,370	1,528	1,686
Median: 65,900	**120%**	**1,386**	**1,485**	**1,782**	**2,056**	**2,295**	**2,532**
	140%	1,617	1,732	2,079	2,399	2,677	2,954

Budget Analysis

Four Questions

1. Who are we serving?
2. Where are the homes going to be built?
3. **How do we pay for it?**
4. Who is stewarding the land?

Existing Sources of Funding for Housing

- Federal
  - Community Development Block Grant (CDBG)
  - HOME Investment Partnerships (HOME)
  - Veterans Affairs Supportive Housing (VASH)
  - Section 8 Housing Choice Voucher (HCV)

- State
  - State Housing Initiatives Partnership (SHIP) Program

- Local
  - Housing Initiatives Fund
  - Community Redevelopment Agency (CRA)

Federal Funds

- Pensacola largely relies on state & federal sources of funding for housing (SHIP, HOME, CDBG, HCV).
- CDBG & HOME can be used for acquisition, rehab, and housing construction within program guidelines.

Program	PY 20	PY 19	PY 18	PY 17	PY 16
CDBG	$768,625	$750,779	$711,416	$667,881	$676,602
HOME*	$1,176,85	$1,094,533	$1,199,416	$880,028	$925,569

*HOME funds split among Pensacola, Escambia County, and Santa Rosa County. For program year 2019, Pensacola proposed $131,344 for substantial housing rehab/reconstruction. $164,180 available for the three entity consortium.

State Housing Initiatives Partnership Program

- Pensacola & Escambia County jointly administer the SHIP Program.
- With full funding, Pensacola/Escambia will receive $3.4 million.
- Flexible: Can be used for home construction, rehab, rental development, purchase assistance.

Program	2019-20	2018-19	2017-18	2016-17
SHIP	$625,330	$521,800	$1,352,820	$1,954,360

Local Funds

- **Housing Initiatives Fund** – created in 2017; uses monies raised through sale of City-owned property

- Untapped local affordable housing funding sources:
  - General Revenue
  - Infrastructure Surtax
  - Community Redevelopment Agency (CRA)
  - Linkage Fee

Takeaways

- Utilize existing federal & state sources of funding for the Task Force Goal
- Use General Revenue, CRA, infrastructure surtax, & other local revenue collections to supplement housing efforts
- Revitalize Housing Initiatives Fund
- Public/Private Partnerships

HOUSING PROGRAMS

COMMUNITY DEVELOPMENT BLOCK GRANT ***(CDBG)***

- *ENTITLEMENT COMMUNITY*
- *RESIDENTIAL REHABILITATION*
- *PROPERTY ACQUISITION*
- *INFRASTRUCTURE IMPROVEMENTS*

CITY HOUSING INITIATIVES PROGRAM ***(CHIP)***

- *FUNDS FROM SALE OF CITY OWNED PROPERTY*
- *HOMEBUYER ASSISTANCE*

HOME INVESTMENT PARTNERSHIPS PROGRAM ***(HOME)***

- *RESIDENTIAL RECONSTRUCTION*
- *HOMEBUYER ASSISTANCE*

STATE HOUSING INITIATIVES PARTNERSHIP ***(SHIP)*** PROGRAM

- *RESIDENTIAL REHABILITATION*
- *HOMEBUYER ASSISTANCE*

SECTION 8 HOUSING CHOICE VOUCHER ***(HCV)*** PROGRAM

PENSACOLA
FLORIDA'S FIRST & FUTURE

FLORIDA HOUSING COALITION

HOUSING PARTNERS

ESCAMBIA COUNTY

INTERLOCAL AGREEMENTS

HOME PROGRAM

SHIP PROGRAM

ESCAMBIA COUNTY HOUSING FINANCE AUTHORITY

INTERLOCAL AGREEMENT

URBAN INFILL HOUSING DEVELOPMENT INITIATIVES

DEVELOPMENT AGREEMENT

GARDEN DISTRICT COTTAGES

6 CITY INECENTIVE LOTS

PENSACOLA
FLORIDA'S FIRST & FUTURE

FLORIDA HOUSING COALITION

RESOURCES ALLOCATED

	FY 2017 HH Assisted and Funds Expended	FY 2018 HH Assisted and Funds Expended	FY 2019 HH Assisted and Funds Expended	FY 2020 HH Assisted and Funds Expended
Homebuyer Programs	16 $125,000	16 $212,500	18 $204,337	7 $52,500
Residential Rehabilitation Programs	14 $371,332	39 $1,363,547	20 $565,270	7 $219,631
ECHFA Urban Infill Program	6 $664,497	5 $552,506	11 $1,353,678	3 $491,438
Habitat New Construction	0	1 $108,695	3 $387,970	1 $126,313
Incentive Lots	0	0	3 $24,000	1 $8,000
Totals	36 $1,160,829	61 $2,237,248	55 $2,535,255	19 $897,882

RESOURCES ALLOCATED

HCV Rental Assistance Program				
	FY 2017	FY 2018	FY 2019	FY 2020
Average Monthly HH Assisted	2420	2286	2166	2150
Monthly Funds Expended	$1,284,357	$1,258,506	$1,224,676	$1,283,037
HCV Annual Expenditure	$15,412,293	$15,102,076	$14,696,117	$11,547,332

PENSACOLA
FLORIDA'S FIRST & FUTURE

FLORIDA HOUSING COALITION

CITY OWNED PARCELS

Address	Size
100 Block E. Jordan Street	30'x150'
4600 Block Baywoods Drive	105'x97'

PENSACOLA
FLORIDA'S FIRST & FUTURE

FLORIDA HOUSING COALITION

How does COVID-19 impact the Task Force's goal?

COVID-19 Impact on Housing

- Local government revenue shortfalls
- Construction lags will put pressure on limited supply
- Reduced home listings
- Unemployment
- Evictions & foreclosures

Opportunities?

- Land banking
- Use funds to purchase and manage properties that are vacant, abandoned, or foreclosed
- Adaptive reuse – repurposing shuttered businesses for housing
- Housing as economic stimulus

Discussion: COVID-19 Impact on Housing

Conventional Mortgage Qualification Worksheet

Instructions: Add figures in the cells to the right of the RED TEXT

Income	Annual Income	Monthly Income
Salary or wages		#VALUE!
Other salary or wages		
Rental income		
Investment income		
Additional income		
Total Income	$0.00	#VALUE!

Long-Term Debts	Monthly Debt	Annual Debt
Car loan payments	$0.00	
Credit card payments	$0.00	
Other loan payment	$0.00	
Other loan payment	$0.00	
Total Debts	$0.00	#VALUE!

First Qualifying Number

	$0.00
x 0.28 =	
/12 =	**#VALUE!**

Second Qualifying Number

x 0.36 =	#VALUE!
/12 =	#VALUE!
	#VALUE!

Qualifying

The first qualifying number (above right) calculates your maximum monthly payment, assuming you have no long-term debt. It is computed by multiplying your total income by your housing cost ratio and dividing the result by 12. The second qualifying number takes into account your monthly debt payments, applying your total debt service ratio. Mortgage companies usually qualify you for monthly payments that are no higher than the lesser of the two results. By default, this worksheet assumes a housing cost ratio of 0.28 and a total debt service ratio of 0.36, which are standards often used for conventional mortgages. If different ratios apply in your case, change

Housing cost ratio (example 0.28)	0.28
Total debt service ratio (example 0.36)	0.36
You may qualify for monthly payments of	**#VALUE!**

Loan Amount

The table below calculates the amount of a loan you might qualify for with the monthly payment shown above. Depending on the circumstances, some or all of the following will be true:

• In all cases, your monthly payment will include principal and interest payments.

• In most cases, it will include a monthly escrow deposit to cover taxes and mortgage insurance, if any. In some cases, homeowner's insurance is also included in this calculation.

• If you are buying a condominium or co-op unit, the monthly payment figure may also include your homeowner's dues and/or maintenance fees. You will need to estimate these monthly costs and type them into the appropriate cells below.

Important: This worksheet provides a rough estimate for conventional, fixed-term mortgages. Loan terms vary depending on type of mortgage and lender policies. Consult a professional lender for exact data.

Total monthly payment allowed	**#VALUE!**
Estimated monthly escrow payment	$137.50
Homeowner's insurance, if applicable	$91.67
Homeowner's dues and other fees, if any	
Annual interest rate (example 7.125)	4.5
Duration of loan (in years)	30
Monthly principal + interest payment	**#VALUE!**
Maximum loan amount	**#VALUE!**

Conventional Mortgage Qualification Worksheet

Low end of Low Income with NO debt

Income	Annual Income	Monthly Income
Salary or wages	$39,000.00	$3,250.00
Other salary or wages		
Rental income		
Investment income		
Additional income		
Total Income	$39,000.00	$3,250.00

Long-Term Debts	Monthly Debt	Annual Debt
Car loan payments	$0.00	
Credit card payments	$0.00	
Other loan payment	$0.00	
Other loan payment	$0.00	
Total Debts	$0.00	#VALUE!

First Qualifying Number

	$39,000.00
x 0.35 =	$13,650.00
/12 =	**$1,137.50**

Second Qualifying Number

x 0.41 =	#VALUE!
/12 =	#VALUE!
	$1,137.50

Qualifying

The first qualifying number (above right) calculates your maximum monthly payment, assuming you have no long-term debt. It is computed by multiplying your total income by your housing cost ratio and dividing the result by 12. The second qualifying number takes into account your monthly debt payments, applying your total debt service ratio. Mortgage companies usually qualify you for monthly payments that are no higher than the lesser of the two results. By default, this worksheet assumes a housing cost ratio of 0.28 and a total debt service ratio of 0.36, which are standards often used for conventional mortgages. If different ratios apply in your case, change

Housing cost ratio (example 0.28)	0.35
Total debt service ratio (example 0.36)	0.41
You may qualify for monthly payments of	**$1,137.50**

Loan Amount

The table below calculates the amount of a loan you might qualify for with the monthly payment shown above. Depending on the circumstances, some or all of the following will be true:

• In all cases, your monthly payment will include principal and interest payments.

• In most cases, it will include a monthly escrow deposit to cover taxes and mortgage insurance, if any. In some cases, homeowner's insurance is also included in this calculation.

• If you are buying a condominium or co-op unit, the monthly payment figure may also include your homeowner's dues and/or maintenance fees. You will need to estimate these monthly costs and type them into the appropriate cells below.

Important: This worksheet provides a rough estimate for conventional, fixed-term mortgages. Loan terms vary depending on type of mortgage and lender policies. Consult a professional lender for exact data.

Total monthly payment allowed	**$1,137.50**
Estimated monthly escrow payment	$250.00
Homeowner's insurance, if applicable	$166.67
Homeowner's dues and other fees, if any	
Annual interest rate (example 7.125)	4.5
Duration of loan (in years)	30
Monthly principal + interest payment	**$720.83**
Maximum loan amount	**$142,264.50**

Purchase price	200,000
Owner cash contribution	
First mortgage loan	$142,264.50
closing cost	3,600
subsidy needed	**61,335**

Conventional Mortgage Qualification Worksheet

Family of 4 Low Income with debt

Income	Annual Income	Monthly Income
Salary or wages	$46,000.00	$3,833.33
Other salary or wages		
Rental income		
Investment income		
Additional income		
Total Income	$46,000.00	$3,833.33

Long-Term Debts	Monthly Debt	Annual Debt
Car loan payments	$450.00	$5,400.00
Credit card payments	$0.00	
Other loan payment	$0.00	
Other loan payment	$0.00	
Total Debts	$450.00	$5,400.00

First Qualifying Number

	$46,000.00
x 0.35 =	$16,100.00
/12 =	**$1,341.67**

Second Qualifying Number

	$46,000.00
x 0.41 =	$18,860.00
/12 =	$1,571.67
	$1,121.67

Qualifying

The first qualifying number (above right) calculates your maximum monthly payment, assuming you have no long-term debt. It is computed by multiplying your total income by your housing cost ratio and dividing the result by 12. The second qualifying number takes into account your monthly debt payments, applying your total debt service ratio. Mortgage companies usually qualify you for monthly payments that are no higher than the lesser of the two results. By default, this worksheet assumes a housing cost ratio of 0.28 and a total debt service ratio of 0.36, which are standards often used for conventional mortgages. If different ratios apply in your case, change

Housing cost ratio (example 0.28)	0.35
Total debt service ratio (example 0.36)	0.41
You may qualify for monthly payments of	**$1,121.67**

Loan Amount

The table below calculates the amount of a loan you might qualify for with the monthly payment shown above. Depending on the circumstances, some or all of the following will be true:

• In all cases, your monthly payment will include principal and interest payments.

• In most cases, it will include a monthly escrow deposit to cover taxes and mortgage insurance, if any. In some cases, homeowner's insurance is also included in this calculation.

• If you are buying a condominium or co-op unit, the monthly payment figure may also include your homeowner's dues and/or maintenance fees. You will need to estimate these monthly costs and type them into the appropriate cells below.

Important: This worksheet provides a rough estimate for conventional, fixed-term mortgages. Loan terms vary depending on type of mortgage and lender policies. Consult a professional lender for exact data.

Total monthly payment allowed	**$1,121.67**
Estimated monthly escrow payment	$233.75
Homeowner's insurance, if applicable	$155.83
Homeowner's dues and other fees, if any	
Annual interest rate (example 7.125)	4.5
Duration of loan (in years)	30
Monthly principal + interest payment	**$732.08**
Maximum loan amount	**$144,484.82**

Purchase price	187,000
Owner cash contribution	
First mortgage loan	$144,484.82
closing cost	3,600
subsidy needed	**46,115**

Conventional Mortgage Qualification Worksheet

Family of 4 Low Income with debt

Income	Annual Income	Monthly Income
Salary or wages	$52,000.00	$4,333.33
Other salary or wages		
Rental income		
Investment income		
Additional income		
Total Income	$52,000.00	$4,333.33

Long-Term Debts	Monthly Debt	Annual Debt
Car loan payments	$650.00	$7,800.00
Credit card payments	$0.00	
Other loan payment	$0.00	
Other loan payment	$0.00	
Total Debts	$650.00	$7,800.00

First Qualifying Number

	$52,000.00
x 0.35 =	$18,200.00
/12 =	**$1,516.67**

Second Qualifying Number

	$52,000.00
x 0.41 =	$21,320.00
/12 =	$1,776.67
	$1,126.67

Qualifying

The first qualifying number (above right) calculates your maximum monthly payment, assuming you have no long-term debt. It is computed by multiplying your total income by your housing cost ratio and dividing the result by 12. The second qualifying number takes into account your monthly debt payments, applying your total debt service ratio. Mortgage companies usually qualify you for monthly payments that are no higher than the lesser of the two results. By default, this worksheet assumes a housing cost ratio of 0.28 and a total debt service ratio of 0.36, which are standards often used for conventional mortgages. If different ratios apply in your case, change

Housing cost ratio (example 0.28)	0.35
Total debt service ratio (example 0.36)	0.41
You may qualify for monthly payments of	**$1,126.67**

Loan Amount

The table below calculates the amount of a loan you might qualify for with the monthly payment shown above. Depending on the circumstances, some or all of the following will be true:

- In all cases, your monthly payment will include principal and interest payments.
- In most cases, it will include a monthly escrow deposit to cover taxes and mortgage insurance, if any. In some cases, homeowner's insurance is also included in this calculation.
- If you are buying a condominium or co-op unit, the monthly payment figure may also include your homeowner's dues and/or maintenance fees. You will need to estimate these monthly costs and type them into the appropriate cells below.

Important: This worksheet provides a rough estimate for conventional, fixed-term mortgages. Loan terms vary depending on type of mortgage and lender policies. Consult a professional lender for exact data.

Total monthly payment allowed	**$1,126.67**
Estimated monthly escrow payment	$233.75
Homeowner's insurance, if applicable	$155.83
Homeowner's dues and other fees, if any	
Annual interest rate (example 7.125)	4.5
Duration of loan (in years)	30
Monthly principal + interest payment	**$737.08**
Maximum loan amount	**$145,471.62**

Purchase price	187,000
Owner cash contribution	
First mortgage loan	$145,471.62
closing cost	3,600
subsidy needed	**45,128**

Conventional Mortgage Qualification Worksheet

Family of 4 MID Moderate Income with debt

Income	Annual Income	Monthly Income
Salary or wages	$68,000.00	$5,666.67
Other salary or wages		
Rental income		
Investment income		
Additional income		
Total Income	$68,000.00	$5,666.67

Long-Term Debts	Monthly Debt	Annual Debt
Car loan payments	$500.00	$6,000.00
Credit card payments	$0.00	
Other loan payment	$0.00	
Other loan payment	$0.00	
Total Debts	$500.00	$6,000.00

First Qualifying Number

	$68,000.00
x 0.35 =	$23,800.00
/12 =	**$1,983.33**

Second Qualifying Number

	$68,000.00
x 0.41 =	$27,880.00
/12 =	$2,323.33
	$1,823.33

Qualifying

The first qualifying number (above right) calculates your maximum monthly payment, assuming you have no long-term debt. It is computed by multiplying your total income by your housing cost ratio and dividing the result by 12. The second qualifying number takes into account your monthly debt payments, applying your total debt service ratio. Mortgage companies usually qualify you for monthly payments that are no higher than the lesser of the two results. By default, this worksheet assumes a housing cost ratio of 0.28 and a total debt service ratio of 0.36, which are standards often used for conventional mortgages. If different ratios apply in your case, change

Housing cost ratio (example 0.28)	0.35
Total debt service ratio (example 0.36)	0.41
You may qualify for monthly payments of	**$1,823.33**

Loan Amount

The table below calculates the amount of a loan you might qualify for with the monthly payment shown above. Depending on the circumstances, some or all of the following will be true:

- In all cases, your monthly payment will include principal and interest payments.
- In most cases, it will include a monthly escrow deposit to cover taxes and mortgage insurance, if any. In some cases, homeowner's insurance is also included in this calculation.
- If you are buying a condominium or co-op unit, the monthly payment figure may also include your homeowner's dues and/or maintenance fees. You will need to estimate these monthly costs and type them into the appropriate cells below.

Important: This worksheet provides a rough estimate for conventional, fixed-term mortgages. Loan terms vary depending on type of mortgage and lender policies. Consult a professional lender for exact data.

Total monthly payment allowed	**$1,823.33**
Estimated monthly escrow payment	$233.75
Homeowner's insurance, if applicable	$155.83
Homeowner's dues and other fees, if any	
Annual interest rate (example 7.125)	4.5
Duration of loan (in years)	30
Monthly principal + interest payment	**$1,433.75**
Maximum loan amount	**$282,966.56**

Purchase price	187,000
Owner cash contribution	
First mortgage loan	$282,966.56
closing cost	3,600
subsidy needed	**-92,367**

Conventional Mortgage Qualification Worksheet

Family of 4 Max Moderate Income and debt

Income	Annual Income	Monthly Income
Salary or wages	$83,040.00	$6,920.00
Other salary or wages		
Rental income		
Investment income		
Additional income		
Total Income	$83,040.00	$6,920.00

Long-Term Debts	Monthly Debt	Annual Debt
Car loan payments	$500.00	$6,000.00
Credit card payments	$0.00	
Other loan payment	$0.00	
Other loan payment	$0.00	
Total Debts	$500.00	$6,000.00

First Qualifying Number

	$83,040.00
x 0.35 =	$29,064.00
/12 =	**$2,422.00**

Second Qualifying Number

	$83,040.00
x 0.41 =	$34,046.40
/12 =	$2,837.20
	$2,337.20

Qualifying

The first qualifying number (above right) calculates your maximum monthly payment, assuming you have no long-term debt. It is computed by multiplying your total income by your housing cost ratio and dividing the result by 12. The second qualifying number takes into account your monthly debt payments, applying your total debt service ratio. Mortgage companies usually qualify you for monthly payments that are no higher than the lesser of the two results. By default, this worksheet assumes a housing cost ratio of 0.28 and a total debt service ratio of 0.36, which are standards often used for conventional mortgages. If different ratios apply in your case, change

Housing cost ratio (example 0.28)	0.35
Total debt service ratio (example 0.36)	0.41
You may qualify for monthly payments of	**$2,337.20**

Loan Amount

The table below calculates the amount of a loan you might qualify for with the monthly payment shown above. Depending on the circumstances, some or all of the following will be true:

• In all cases, your monthly payment will include principal and interest payments.

• In most cases, it will include a monthly escrow deposit to cover taxes and mortgage insurance, if any. In some cases, homeowner's insurance is also included in this calculation.

• If you are buying a condominium or co-op unit, the monthly payment figure may also include your homeowner's dues and/or maintenance fees. You will need to estimate these monthly costs and type them into the appropriate cells below.

Important: This worksheet provides a rough estimate for conventional, fixed-term mortgages. Loan terms vary depending on type of mortgage and lender policies. Consult a professional lender for exact data.

Total monthly payment allowed	**$2,337.20**
Estimated monthly escrow payment	$233.75
Homeowner's insurance, if applicable	$155.83
Homeowner's dues and other fees, if any	
Annual interest rate (example 7.125)	4.5
Duration of loan (in years)	30
Monthly principal + interest payment	**$1,947.62**
Maximum loan amount	**$384,383.88**

Purchase price	187,000
Owner cash contribution	
First mortgage loan	$384,383.88
closing cost	3,600
subsidy needed	**-193,784**