Your labor is your downpayment!

What is the self-help homeownership program?
The self-help program provides an opportunity for many working, low-to-moderate income families to achieve the American dream of homeownership. The program makes homes affordable by allowing families to contribute “sweat equity” toward the purchase of their home. A self-help group is organized to provide labor for the group members’ new homes. The group consists of 5 to 8 families who work together under the guidance of a construction supervisor provided by MHO. The houses are built simultaneously and no family moves into their new house until every house in the self-help group is complete.

Self-Help Benefits
- There is no down payment and out-of-pocket expenses are minimal.
- Earn equity in your home through your labor. The typical Self-Help homeowner will achieve a $15,000-$25,000 equity position.

Gain valuable homeowner skills in home construction and maintenance.
Build your community and your neighborhood from the ground up.

Who is eligible?
- Households earning 80% or below the Area Median Income (AMI)
- Borrowers with acceptable credit scores
- Borrowers with at least one year of stable employment
- Borrowers who are not currently homeowners
- Borrowers willing to contribute time and labor toward building the Self-Help group’s homes

2019

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Buncombe &amp; Henderson Counties</th>
<th>Haywood County</th>
<th>Madison County</th>
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<tbody>
<tr>
<td>1</td>
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<tr>
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<td>6</td>
<td>$61,600</td>
<td>$54,450</td>
<td>$51,250</td>
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</table>

*Inquire for larger family sizes

Construction
- No construction experience is required! All work is completed under the guidance of an MHO construction supervisor.
- Groups participate in at least 65% of the tasks involved in building their homes.
- Each household must be willing to complete approximately 20 hours of productive labor per week.
- All houses are completed before any family moves in.
- House plans range from 1,000-1,400 square feet.

MHO Loan Terms
- Home mortgages are arranged through the U.S. Department of Agriculture. Interest rates vary according to a participant’s need and can be subsidized to as low as one percent.
- No down payment! The value of your labor becomes your down payment on your new home.
- 33-year mortgage. Terms can be extended to 38-years for families with significant need.
- Low monthly payments! Many borrowers qualify for an interest rate subsidy based on household income. For example, a $120,000 loan could have mortgage payments as low as $356 per month. Loan payments are adjusted annually based on changes in income and/or household size.
- Borrower must be the primary resident of the home.
- Borrower is required to purchase Builder’s Risk Insurance prior to construction and Homeowner’s Insurance thereafter.

Education Requirement
Program participants must complete an OnTrack Financial Education & Counseling Services home-buyer education course before the close of the loan. On Track (828-255-5166) offers both evening and weekend courses.

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