

HHCC Pricing Model - 2016 DRAFT Habitat Home Prices, USDA Mortgage Harwich

Housing Cost:	<i>2 bedroom</i>	<i>3 bedroom</i>
Sales Price	\$131,750	\$147,500
0% Down payment	\$0	\$0
Mortgage	\$131,750	\$147,500
Interest rate	1.00%	1.00%
Amortization	33	33
Monthly P&I Payments	\$390.75	\$437.46
Tax Rate	\$9.07	\$9.07
monthly property tax	\$100	\$111
Hazard insurance	\$99	\$111
PMI	\$0	\$0
Condo/HOA fees (if applicable)	\$50	\$50
Monthly Actual Housing Cost	\$639	\$710
Necessary Income:	\$30,679	\$34,059

Household Income:	<i>2 bedroom</i>	<i>3 bedroom</i>
# of Bedrooms	2	3
Sample Household size	3	4
40% of Area Median Income	\$30,575	\$33,950
Target Affordable Housing Cost (25% of income to hsng cost)	\$637	\$707

Habitat for Humanity of Cape Cod Policy: pricing is set so that a household earning 40% of area median income, as adjusted for family size, can afford a home. The figure of 40% has been adopted based on past practice and experience as the number that creates an appropriate "window of affordability" and allows those families ready to take on home ownership to qualify.