



Building Hope and Homes... One Family at a Time.

January 5, 2024

Fort Collins City Hall
Mayor Arndt and City Council Members
300 Laporte Ave.
Fort Collins, CO 80521

Dear Mayor Arndt and City Council Members,

I am writing to request the cancellation of the 2850 Sykes project contract and release of this agreement. We are deeply grateful for the opportunity to participate in the competitive process and for the funding recommendation made by the Human Services & Housing Funding Board.

Funding received from the City of Fort Collins makes it possible to provide homeownership to hardworking buyers earning under 80% of the area median income through Habitat. The Sykes home doesn't meet the HOME Requirements now because the homeowner would now be considered over-income or not a qualified "low-income buyer". Habitat still plans to move forward with the sale to selected family based on their investment and need for the affordable product and mortgage. We recognize that a sale to this buyer would not meet the terms of the agreement and this is why we are requesting a release from the contract.

Habitat homebuyers go through a rigorous selection and build process which can take up to two years, meaning once they are invested, Habitat is committed but also in this amount of time things can change. Here is a little more information on our process.

Homebuyers are selected by our qualification committee which is made up of dedicated volunteers who are professional underwriters. These dedicated volunteers review qualifications and confirm that Habitat homebuyers are prepared to build and buy their own home. Habitat homeowners pay Habitat, the mortgage lender, an affordable fixed-rate mortgage payment that does not exceed 28% of their income and this helps to build more homes. Habitat homeowners also contribute \$1,500 toward closing costs and up to 400 hours of "sweat equity" building their home and those of other families. Meeting these minimum criteria helps ensure the success of homebuyer partner families.

To be eligible to purchase a Habitat home, families meet the following four criteria:

1. Residency - Live or work in service area, are a US citizen, or a legal permanent resident
2. Need of Housing- Housing is inadequate, unaffordable, unsafe, or not stable
3. Ability to Pay - Consistent income at 45-80% AMI, save \$1,500 toward closing costs
4. Willingness to Partner - Committed to giving 200-400 hours of "sweat equity" volunteering.



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Once a homebuyer is qualified and selected, they immediately begin investing their hundreds of hours of "sweat equity" building their home alongside volunteers and participating in extensive homebuyer education. For this reason, once the buyer is committed Habitat is committed as well. If a homebuyer's income increases during the 1-2 year process to build their home, this will raise the buyer's mortgage payment but not impact their selection.

As the City of Fort Collins recognized in the 2021 Housing Strategic Plan, our community has a critical shortage of affordable homes, especially the types of homes Fort Collins residents need. Addressing this acute need for affordable housing is key to the health of our residents and our community. Thank you for your commitment and that of the Board and the Dept of Social Sustainability, we will apply again for our future builds.

Sincerely,

A handwritten signature in blue ink that reads "Kristin Candella".

Kristin Candella
Executive Director and CEO