



Re: PARTNERSHIP AGREEMENT (Notice of Pre-Approval)

Dear _____

Congratulations! You have been **conditionally** accepted to the Habitat Homeownership Program (the “Program”) with Habitat for Humanity of Washington, D.C., Inc (“DC Habitat”), subject to the express terms and conditions contained in this Partnership Agreement (Notice of Pre-Approval) (this “Agreement”) made between you, the Prospective Buyer (Partner Family) (“Prospective Buyer”) and DC Habitat. This Agreement describes the terms and conditions of your acceptance into the Program. **This Agreement is not a Sales Contract (“Purchase Agreement”) and does not guarantee the purchase of a house; nor is this Agreement a loan application for purposes of certain federal laws, and expressly excludes the following information:**

- the address of the home for purchase;
- the specific plans for the home for purchase;
- the price of the home for purchase;
- the specific amount of your mortgage or mortgages in favor of DC Habitat or any other third party lender;
- the time when construction will be completed.

Your acceptance into the Program is based on meeting the Program Requirements with the following information you provided DC Habitat on your application:

1. Need: _____
2. Willingness to Partner: _____
3. Ability to Pay:
 - a. AMI: _____
 - b. Total Annual Household Income: _____
 - c. Total Monthly Debt Payment: _____

Based on the information provided above:

- We **estimate** that you can afford a 30 year first mortgage of _____ at _____, from a First Trust Lender (“Partner Lender”); and,
- We **estimate** that you can afford a 40 year second mortgage of _____ at 0%, from the Home Purchase Assistance Program (“HPAP”).



Habitat for Humanity of Washington, D.C., Inc. does not discriminate on the basis of actual or perceived race, color, religion, national origin, sex, age, marital status, sexual orientation, gender identity or expression, personal appearance, familial status, family responsibilities, matriculation, political affiliation, genetic information, disability, source of income, or place of residence or business.



PROSPECTIVE BUYER OBLIGATIONS UNDER THE PROGRAM

Your participation in the Program is subject to the performance of all the following requirements of this Agreement:

1. **SWEAT EQUITY:** Complete a minimum of 200 sweat equity hours for a single homebuyer or a minimum of 300 hours for multiple homebuyers. The breakdown of these hours is defined in our Sweat Equity policy attached to this Agreement.

I have received a copy of and agree to the terms of the Policy on Sweat Equity (Section 2.2 of DC Habitat's Homebuyer Services Policies and Procedures). I acknowledge in the event that I decide to end my partnership with DC Habitat or am deselected on the basis of one or more of the aforementioned grounds, there will be no compensation for completed sweat equity hours.

Initial here: _____

2. **DEPOSIT:** Pay a deposit in the minimum amount of \$500.00 when signing a contract for a particular house. This amount is refundable if the Prospective Buyer fails to meet the program requirements, chooses to self-withdraw from the Program, or is in breach of the Purchase Agreement.

I understand I will be required to contribute a deposit in the minimum amount of \$500.00 when signing the Purchase Agreement for a particular home.

Initial here: _____

3. **PAYMENTS:** Make timely payments after purchase. Monthly housing payments include amounts paid toward principal, interest, taxes, insurance, and, in some cases, association fees. Taxes, insurance premiums, and association fees are subject to change over time.

I understand I will be required to pay monthly housing payments without default.

Initial here: _____

4. **HOME MAINTENANCE:** Commit to maintain the home after purchase.

I understand that all maintenance and upkeep of the home is my own personal responsibility and not that of HFHDC.

Initial here: _____

5. **STUDY PARTICIPATION:** Take part in an important program study being conducted by DC Habitat, to include completion of approximately four surveys which will be mailed to you.

I understand I will be required to participate in the study.

Initial here: _____



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DC HABITAT RESERVES THE RIGHT TO REVOKE YOUR ACCEPTANCE INTO THE PROGRAM

Your acceptance into the Program is based on the information contained in your application, as defined in DC Habitat's policy and discussed with you prior to receiving this Agreement. In the event DC Habitat determines that the information contained in your application was materially inaccurate, DC Habitat reserves the right to terminate your participation in the Program ("De-Select").

In addition, DC Habitat reserves the right to De-Select you as a Prospective Buyer if any of the following occurs:

1. Fraud or misrepresentation of facts or information during the application process or after execution of this Agreement;
2. Failure to partner by failing to complete the requirements outlined in this Agreement;
3. Failure to complete a minimum of ___ hours of sweat equity within a six month period of signing this Agreement; or,
4. A change in economic circumstances, which affects the Ability to Pay as defined in our Program Requirements, attached to this Agreement.

In the event DC Habitat De-Selects you as a Prospective Buyer, DC Habitat will send a written notice explaining the reason for De-Selection. You, as the former Prospective Buyer, have the right to appeal DC Habitat's decision 30 days after receiving the De-Selection Notice.

SELF-WITHDRAW

You may at any time self-withdraw from the Program without any penalty, prior to signing a Purchase Agreement on a particular home. Upon self-withdrawing, you will not be compensated for any Sweat Equity hours, as described under the Sweat Equity section of this Agreement.

ON CONDITION THAT THE PROSPECTIVE BUYER FULFILLS THE ABOVEMENTIONED RESPONSIBILITIES, DC HABITAT AGREES TO THE FOLLOWING:

CONSTRUCTION: Identify sponsor or sponsors, who will finance the construction or rehabilitation of the home. Build or rehabilitate a simple, decent home that is safe and energy efficient. DC Habitat homes are constructed using volunteer labor, gift in kind material, with financial donations or grants. While DC Habitat will make reasonable efforts to complete a house in adherence to a planned schedule, it is unable to promise that all houses will be built according to such plans. Therefore, DC Habitat cannot guarantee completion dates or costs.

SALE: When a home has been identified and selected; DC Habitat will explain any covenants, restrictions, and supporting documents associated to the property, to the Prospective Buyer, prior to executing a Purchase Agreement. The Prospective Buyer will have at least one week to review the Purchase Agreement prior to executing it.



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This Agreement is intended to outline the general requirements of the Program. By signing this Agreement, you are indicating that you understand the Program, that you are willing to partner with DC Habitat and that you will complete the requirements contained in this Agreement.

By signing this Agreement, DC Habitat is indicating its intent to partner with you to identify and sell a DC Habitat built home, to be used as your principal residence, all pursuant to the process and subject to the requirements described in this Agreement.

All notices and other communications provided for herein shall be in writing and shall be sent to the address set forth below (or such other address as a party may hereafter designate for itself/himself/herself by notice to the other parties as required hereby) of the party for whom such notice or communication is intended.

If to DC Habitat: Habitat for Humanity of Washington, D.C., Inc.
2115 Ward Court, N.W., Suite 100
Washington, D.C. 20037
Attention: Orlando Velez
Orlando.Velez@DCHabitat.org
(202) 882-4600 ex. 221

If to Prospective Buyer:

Welcome to the DC Habitat family!

In partnership,

Orlando Velez
Director of Housing Programs & Community Advocacy
Habitat for Humanity of Washington, D.C., Inc.

Read, understood and accepted on

Prospective Buyer #1 _____ Date _____

Prospective Buyer #2 _____ Date _____



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ATTACHMENTS

1. Program Requirements under which your application was accepted;
2. Your Application synopsis reviewed by our Board of Directors;
3. DC Habitat's Sweat Equity Policy;
4. DC Habitat's De-Selection Policy



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