

# Your Mortgage Responsibilities as a HHfH Homeowner

Heartland Habitat for Humanity (HHfH) is not a one way street; It is a *partnership* in which each participant accepts certain responsibilities, each party experiences the joys of giving, and each party experiences the satisfaction of receiving. Each member in this partnership plays an important role in developing a strong community. Because of the unique opportunities this partnership provides, HHfH families assume the following responsibilities:

- ◆ Make mortgage payments on time each month.
- ◆ Maintain an active insurance policy on the HHfH house.
- ◆ Perform maintenance and repairs to the home and keep it in good condition.
- ◆ Take part in helping build a strong neighborhood (for example, keeping the yard clean, being sensitive to neighbors by keeping noise down when playing music or entertaining, helping neighbors in need, working with or starting a neighborhood association).
- ◆ Keep your HHfH home as your primary residence as listed on your mortgage: Sale, transfer, lease, encumbrance of your HHfH Home or any part of your home must have prior written consent from HHfH. Otherwise you will be in violation of your mortgage contract and HHfH has the option to accelerate the payment of all monies due to payoff the total mortgage or whatever portion of the mortgage hasn't been paid. If you received assistance from a grant or any other funds to lower your mortgage, other special terms might apply.

## Your mortgage states:

Sale, Transfer, Lease of Premises. Any sale, conveyance, transfer, assignment, lease, mortgage or encumbrance or contract for the sale, conveyance, transfer, assignment, lease, mortgage or encumbrance of all or any part or any interest in the Premises described in this Mortgage, except with the prior written consent of Mortgagee in each and every instance, shall constitute a default under the Note and under this Mortgage whereupon, any provision herein to the contrary notwithstanding, Mortgagee may, at its option, accelerate the payment of all sums due or to become due under the Note and this Mortgage and exercise the remedies for default set forth in this Mortgage. The acceptance of one or more payments on the indebtedness secured hereby, if made by others than Mortgagor, shall not constitute approval by Mortgagee of any sale, conveyance, transfer, assignment, lease, mortgage or encumbrance of the Premises or a waiver of mortgagee's right to accelerate the maturity of the Note.

- ◆ Keep HHfH staff informed of any changes regarding employment, income, contact information, etc... Family Services is full of resources to assist you and help guide you in the right direction.



# HHfH Mortgage Payments Policy

Heartland Habitat for Humanity, by its nature, desires to be understanding and generous toward all residents concerning most matters. In the area of delinquent monthly house payments, HHfH responds fairly yet firmly. In fairness to donors and other HHfH homeowners, continued delinquency is not acceptable.

The following policy applies to all HHfH homeowners:

- ◆ All monthly mortgage payments are due and payable on or before the first day of each month.
- ◆ If you have a checking account, HHfH can arrange automatic withdrawal of your mortgage payment on a specified day of the month or you can have the payment taken out in two halves instead of a larger lump sum.
- ◆ Payment received after the 15th of the month will be considered delinquent and a \$20.00 late fee will be charged.
- ◆ An account will be considered delinquent when, 15 days after the due date, there is any amount due and payable.
- ◆ If timely payment is not possible, please contact HHfH to make alternative arrangements. Communication is the key! We may be able to help you find resources to help you cope with your special circumstances.
- ◆ A delinquency charge, for each month delinquent, will remain in force as long as payments are delinquent without an approved payment plan in force.
- ◆ Penalty amounts for late payments will not be applied to mortgage or escrow accounts.
- ◆ **Becoming delinquent on your payments could result in foreclosure and eviction. HHfH will begin foreclosure proceedings once a homeowner has become 90 days delinquent in their mortgage unless other arrangements are in effect. If the homeowner doesn't pay the foreclosure costs and the foreclosure is approved, the homeowner will lose their house and be forced to move.**
- ◆ Consultations with the instructor of the homeowner's classes for budget and/or repayment plans are available under certain circumstances. Please call the Family Services Coordinator for more details.



Please understand that being in arrears interferes with Heartland Habitat's work. The money homeowners pay each month goes back into Heartland Habitat's funds allowing HHfH to purchase building materials to be used on other houses under construction. When homeowners make payments late or do not pay, HHfH does not have money available to buy materials. Therefore, payments made late slow down HHfH's ability to complete homes for other families who are also in need of adequate shelter.

Habitat for Humanity International is a non-profit, non-denominational Christian organization working in partnership with God and people everywhere to build houses and develop communities. Our affiliate, Heartland Habitat for Humanity works locally with families and volunteers to build simple, decent and affordable homes. Our mission is to build homes and communities in partnership with God's people in need, while following biblical principles. We now serve Clay and Platte Counties in Missouri, and Johnson, Leavenworth and Wyandotte counties in Kansas. For more information about Heartland Habitat for Humanity, contact us at:

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This newsletter is a publication designed to inform our homeowners and partnering families of upcoming events, program information and community resources. To learn more about the newsletter, contact Brenda Mortell, Family Services Coordinator & newsletter editor at (913) 342-3047 ext. 229.

# Don't Have your Mortgage Payment?

Not making your monthly payment doesn't mean you are going to lose your house the next day. Unlike most mortgage companies HHfH tries to work with the families as much as possible to ensure they have a roof over their heads. Our mission is to provide the opportunity to purchase a home for those in need and not to take homes away.

When money is tight and you are noticing that you are not going to have enough money to pay for your house at the end of the month, **it's time for you to prioritize what's important.**

- ◆ You can go without a new hairdo, haircut, nails, etc... A stylish appearance is not going to keep you and your children warm or cool during extreme weather. Might have to go for the basic home perm or color instead if you can't live without.
- ◆ Take a look at your luxury services like cell phones, cable, internet, etc.. If they offer a cheaper service packet, you might want to down grade for a while. Having the fastest speed or latest applications on your cell phone or cable are not going to feed your family. You can rent movies from the library if you need the entertainment or you can also get creative and have family game nights or walks in the park instead.
- ◆ Every meal doesn't have to come from a restaurant and you don't have to buy lunch everyday. You would be surprised at the money you can save by skipping dinners at restaurants during the week. Limit your outings for dinner to one night per week; it can be a treat instead of a necessity. On busy nights instead of stopping at the drive thru, have breakfast for dinner and save the extra money to fill up your tank of gas later.
- ◆ Store Credit is easy to get especially when they offer you a good discount for opening the account but there is always a catch with the interest rates. If you don't have the money to pay the price of your clothes that day, then you probably don't have the money to pay the extra interest at the end of the month. When purchasing shoes or clothes look at it as a **need vs. want**. If you can survive without it for a couple of weeks then wait until the end and see if you have the extra money to get them after you have paid your bills. Close all your store credit cards to ensure you don't keep adding to the card that you cannot pay because before you know it the \$50 pair of shoes is now going to cost you \$300 after they are done adding collections fees and court fees. Not to mention ruining your credit.
- ◆ Your grocery list could get adjusted to the basics like eggs, potatoes, milk, bread, cheese, etc... you might not have steak or pork chops for a week or so but you would have a roof.
- ◆ Your necessary services like gas, water, electricity, sewer, etc... are things you can't live without but there are many agencies that can help you cope with the charges for a month or two until your budget gets into a more affordable routine. You can give us a call and we will be able to refer you to those agencies.
- ◆ If all else fails and you only have a portion of your payment, call the office and make arrangements to send it in. Some money is better than no money. If you fall behind with your payments not only does it postpone your mortgage payment but it also make us postpone your escrow account that takes care of paying your taxes and insurance. **If there is no money in your account we cannot pay.** If you miss a couple of payments and the taxes or insurance are due and we don't have enough, this jeopardizes your coverage and not only would you then have to pay for the remaining amount but also for the late penalties and fees so in the long run it would cost more than if you would have sent a partial payment. If partial payments are a permanent thing due to your new budget, HHfH can have someone to come and visit with you to get you into a more affordable plan that can help you retain your home mortgage.
- ◆ If no payment is made at all and you don't attempt to get current with your delinquent amount, HHfH would be forced to start foreclosure proceedings when you account reaches 90 days past due. Once that happens the only way you can keep your home is to pay the total mortgage.

**It is critical for you to understand the seriousness and importance of paying your mortgage payment. HHfH has adopted the policy to begin Foreclosure Proceedings for all delinquencies that are 90 days or older unless other arrangements are in effect. We no longer can drag mortgage delinquencies for months or years. With this policy, HHfH can continue to offer our services to those in need who have the willingness to partner and ability to pay.**