



HABITAT HOMEBUYER PROGRAM Applicant Guidelines

How the Habitat Homebuyer Program Works: Habitat for Humanity offers a homebuyer program to qualified low-income individuals and families in Calumet, Outagamie, Waupaca and northern Winnebago counties. Habitat extends a 0% interest mortgage loan. Monthly mortgage payments include repayment to Habitat for the home (principal), as well as for property taxes and home insurance (escrow).

How to Apply

Application steps to complete:

- Obtain an application when applications are available (from Habitat office or website: www.foxcitieshabitat.org)
- Submit the application: in-person, by mail, or by email (familyservices@foxcitieshabitat.org) applications must be post marked no later than the last day of the open cycle period
- Include a \$75 application fee made payable to "Habitat" (personal check, money order, or cashier's check only – NO CASH OR CREDIT)
- Applications submitted without application fee will be considered incomplete.

Applications are available during open application periods only:

- At Habitat for Humanity's office, located at 921 Midway Road, Menasha
- Online at: <http://foxcitieshabitat.org/programs/homebuyer>
- Request to receive by mail or email: (920) 967-8898 or homebuyer@foxcitieshabitat.org

Qualified applicants will need to meet the criteria and other requirements listed below:

Need: Applicants must have a need for housing due to any of the following situations:

- Structurally substandard, unsafe, or unhealthy living conditions
- Temporary housing or over-crowded living conditions
- Housing costs (rent + utilities) exceeds 30% of gross monthly household income
- Housing is inaccessible
- Reside in subsidized or transitional housing (section 8, Title 42, etc.)

Ability to Pay: Habitat will evaluate applicants' household income and debt.

Applicants must be comfortable with a monthly mortgage payment that would be set at 25% of your gross monthly income. Applicants must have enough income through stable employment or other forms of permanent income to afford a home and all basic living expenses.*

- Income includes all wages, unemployment (**only** if related to seasonal employment), social security, pension and/or disability. Self-employment income is defined as the "Net Profit" [line 31, Schedule C (1040)].

- Income can also include child support, kinship care and other types of income which is received on a regular basis and is needed to cover monthly expenses. All income sources are included when they are expected to last for 3 years or longer.

*Temporary jobs are generally not considered permanent. Contact staff with questions.

Income Guidelines are based on family size. Your gross annual income must be at or above the minimum and at or below the maximum.

<u>Family Size</u>	<u>Minimum</u>	<u>Maximum</u>
1	\$42,675	\$62,300
2	\$42,675	\$71,200
3	\$45,600	\$80,100
4	\$45,600	\$88,950
5	\$48,050	\$96,100
6	\$51,600	\$103,200
7	\$55,150	\$110,300
8	\$58,725	\$117,450
9	\$62,275	\$124,550
10	\$65,825	\$131,650

Applicants' credit history does not need to be perfect. Many applicants have some debt. It is important for applicants to know how much is owed and for the total amount of debt to be manageable.

- All non-medical collection debt must be paid in full
- All liens/judgements must be satisfied [Go to CCAP - Wisconsin Circuit Court Access at: wcca.wicourts.gov] and each case must state "satisfied".
- Bankruptcy or foreclosure must be satisfied at least 24 months prior to date of application
- It is recommended that applicants obtain a **free copy** of their **credit report** to ensure all credit is reported accurately [Go to www.annualcreditreport.com]

Willingness to Partner:

Applicants must be willing to work in partnership with Habitat with their positive and active involvement in the Homebuyer Sweat Equity Program. Applicants must be willing to complete 200 to 400 hours of sweat equity by attending classes and workshops, working at the Habitat ReStore, participating in Habitat or ReStore events, and building on Habitat homes.*

*Accommodations for health and employment issues will be made on a case by case basis

Additional Applicant Requirements:

- Debt to Income ratio must be less than 15% (10% or less is ideal)
- Credit score must be 576 or higher
- All household members must clear national sex offender registry check
- All applicants must be a permanent resident or US Citizen
- Given Wisconsin is a marital property state, married couples must apply jointly or if separated, divorce must be finalized
- Applicants must clear a criminal background check
- All adult household members must sign a general release for a background check and debt verification

