

Step by step instructions on how to fill out your Homeownership Program Application

INTRODUCTION

Please be sure to read this pamphlet before you fill out your application. This pamphlet is designed to help you fill out your Genesee County Habitat for Humanity Homeownership Program Application. It is important that the entire application is completed along with providing copies of all required documents in order for your Homeownership Program application to be processed quickly.

Since Habitat receives far more applications than the number of homes it builds, this process is highly competitive. Only the applicants who best meet the three criteria will be chosen. Acceptance into the Habitat Homeownership Program does not guarantee, constitute, or promise a mortgage will be written for applicants.

ABOUT GENESEE COUNTY HABITAT FOR HUMANITY HOMEOWNERSHIP

Genesee County Habitat for Humanity is a local affiliate of a national and international organization, which builds or rehabilitates existing homes and then sells those homes to those who lack decent and affordable Housing, utilizing an affordable mortgage product. Volunteers donate labor, materials, and money as Christian ministry. Because labor is donated, the cost of constructing and rehabilitating homes is kept low. Habitat for Humanity Mortgage products are normally structured for twenty to thirty years. The Partner(s) selected for the Homeownership Program are required to earn 500 hours for an applicant with a co-applicant and 250 hours for an applicant with no co-applicant of "sweat equity" on either their home, other Habitat homes, or other Habitat projects. They are also required to submit an earnest money deposit and pay their first year's homeowners insurance premium (typically \$1,000-\$1,500) prior to closing. To date, Genesee County Habitat for Humanity has built or renovated over 150 homes.

PROGRAM QUALIFICATIONS

1. **Need for Adequate Housing** – You are living in sub- standard or inadequate housing that does not meet your needs. Housing is considered to be inadequate for any of the following reasons:
 - Overcrowding
 - Unsafe living conditions/unsanitary living conditions
 - Housing payment is subsidized
 - Lack of accessibility for a handicapped family member
 - Living in a public shelter
 - Homelessness or living with another family
 - Cost burdened-paying more than 30% of income for rent



2. **Ability to Pay** - You must be able to afford monthly mortgage payments for a Habitat home including principle, taxes, and insurance. You must also meet our minimum income guidelines and not exceed our maximum income guidelines depending on your family size. Please see the chart below.

Genesee County FY 2018

	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
20% AMI	\$8,220	\$9,400	\$10,580	\$11,740	\$12,680	\$13,620	\$14,560	\$15,500
30% AMI	\$12,350	\$14,100	\$15,850	\$17,600	\$19,050	\$20,450	\$21,850	\$23,250
40% AMI	\$16,440	\$18,800	\$21,660	\$23,480	\$25,360	\$27,240	\$29,120	\$31,000
50% AMI	\$20,550	\$23,500	\$26,450	\$29,350	\$31,700	\$34,050	\$36,400	\$38,750
60% AMI	\$24,660	\$28,200	\$31,740	\$35,220	\$38,040	\$40,860	\$43,680	\$46,500
70% AMI	\$28,770	\$32,900	\$37,030	\$41,090	\$44,380	\$47,670	\$50,960	\$54,250
80% AMI	\$32,900	\$37,600	\$43,300	\$46,950	\$50,750	\$54,500	\$58,250	\$62,000
100% AMI	\$41,100	\$47,000	\$52,900	\$58,700	\$63,400	\$68,100	\$72,800	\$77,500

- Additionally, you are not qualified for our program if:
- Bankruptcy not fully discharged within two (2) years of application date
- Foreclosure finalized within two (2) years of application date
- Eviction within the prior 12 months of application.
- You have over \$2,000.00 in uncollected (past-due, bad debt)
- Have an unpaid open judgment/lien
- Maximum back-end (with housing) Debt to Income ratio would exceed 43% of Income.

3. **Willingness to Partner** - You and your household must be willing to complete sweat equity. Program Applicants with a co-applicant are required to complete 500 hours and applicants with no co-applicant are required to complete 250 hours. Your help in building your home and the homes of others is called "sweat equity" and may include working at Restores, attending classes, working at your build site or the build site of others. You also will be required to attend classes including orientation and program overview, home maintenance, lawn care and landscaping, personal finance, and closing workshop. You also must pay an earnest money deposit and you are responsible for securing the first year of homeowner's insurance (typically \$1,000.00-\$1,500.00) prior to closing.

Habitat looks for partners who need only one significant break in order to take charge of their lives and be able to build some financial security and comfort for their families. We want partners who will care about and keep up their homes, contribute to their neighborhoods and will continue working with Habitat to improve housing in their neighborhoods. Some program applicants have desperate need but are not able to take on home ownership. Habitat can only work with program applicants who are ready for responsible home- ownership.



MORTGAGE RESTRICTIONS

Each applicant should also understand that there will be restrictions on selling their GCHFH home that will be in effect for a designated number of years that they own the home if Federal funding is used to assist in the construction of the home. These specific restrictions will be outlined and explained to the applicant before the mortgage application and closing documents are signed.

HOMEOWNERSHIP PROGRAM SELECTION PROCESS

Habitat's Program Director reviews applications and eliminates any applicants clearly not eligible under the criteria. Applicants with excessive uncollected debt and/or bankruptcy not fully discharged within the last 2 years will be automatically denied. The Program Director reviews the complete applications further and may set up an interview. Interviews will be scheduled only after the appropriate forms and documentation is complete and returned to the address found on the page 1 of the application. The Program Director then provides the program applicants to be recommended to the Homeownership Program Selection Approval Team, who reviews and approves or denies the applicants to be presented to the Board of Directors.

As you complete the application phase, we wanted to provide some further information on the selection process. The first stage of the selection process is determining your ability to pay for a Habitat house. If you should meet our criteria and provide all required documentation, then you will move on to the second stage. The second stage of the selection process is the interview phase. Should you qualify for an interview; the Program Director will be calling you to arrange an in-depth interview. One purpose of the interview is for us to better meet you and/or your family. Therefore, we ask that you schedule the interview time when all house members are able to be present. The interview is also a time for us to explore with you the three criteria we use to select a partner: 1) your need for housing 2) your willingness to complete the 500 or 250 hours of sweat equity, and 3) your ability to pay for the housing. The following will help you prepare to discuss these criteria at the interview.

1. **Need for HABITAT PROGRAM**-During the interview, the Program Director will ask about your current home. They will be taking note of the overall size of your dwelling (sleeping arrangements, etc.). They will also take note of any structural problems or safety concerns. Use this time to point out any concerns about the safety of your neighborhood and/or problems with the building you are aware of, particularly if they are not immediately noticeable to the eye.
2. **Willingness to Partner**-As you are aware each Partner is required to put in a minimum of 500 hours of sweat equity for an applicant with a co-applicant or 250 hours of sweat equity for an applicant with no co-applicant towards the construction of their home. Each applicant is expected to be on the construction site each Saturday that his or her home is under construction regardless of how many sweat equity hours he or she have earned. Because this would be very difficult to earn all of the required hours of sweat equity, we encourage you to recruit others to join you. The hours of anyone you recruit will count towards your sweat equity hours. Your recruits may include extended family, neighbors, co-workers, your faith community, civic groups, and many more - be creative.



- 3. Ability to Pay**-As a part of the selection process, we will obtain a credit report for each applicant to be used to identify the amount of debt an applicant has accumulated as well as a debt to income ratio. These figures are a factor in determining which family is selected. We will not consider any applicant who has more than \$2,000.00 in uncollected (past due debt). If you have financial records to show that a debt has been paid off or that regular payments are being made, it will be necessary to submit that with your application. Finally, we will pray for you during the application and process.

As a reminder, this is a very competitive process and we always encourage applicants to reapply if they are not chosen during this selection round.

APPLICATION FOR HOMEOWNERSHIP PROGRAM—PAGE 1

- 1. APPLICANT INFORMATION**-Please provide your basic household information: your name (and co-applicant if there is one), Social Security number, phone numbers, email address, age, date of birth, and marital status. Please fill out each section with accurate information. Be sure to provide a cell phone number, home phone number and email address that is current. This is the only way that we have to contact you to update you regarding the status of your application.

Please note that a **co-applicant** is another adult (over age 18) whose name will also be on the legal documents if you are approved for a Habitat home. You do not have to have a co-applicant, but if you do, please be sure to fill out his/ her information just as you did for yourself with correct phone numbers, personal information, etc. Please only leave a line blank for the co-applicant if the information is IDENTICAL to your own information. For example, if you can both list the same dependents or if you both have the same home address.

DEPENDENTS and others who live with you -A dependent is a household member that relies solely upon you for support, such as a child or an adult family member with severe disabilities. You should also list additional adults (persons 18 years old and older) who will be living in the house if you approved for a Habitat home but who will not be listed on the legal documents. Please do not list your co-applicant as a dependent.

ADDRESS INFORMATION-Please fill out this section completely. It is necessary for Habitat to have your complete mailing address. If you have lived at your current address for less than one (1) year, please provide your previous mailing address.



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3. WILLINGNESS TO PARTNER- Please carefully read this section to be sure that you understand what Habitat partnership involves. Affirm your willingness to complete the required hours of Sweat Equity, be on the construction site each Saturday while your home is under construction, attend required classes, participate in Habitat fundraising events, and agreement to live where Habitat has available land. The applicant (and co-applicant) must check the appropriate box.

4. PRESENT HABITAT PROGRAM CONDITIONS- Please provide us with information about your current housing conditions. Please indicate the number of bedrooms and bathrooms in your current home. Please indicate whether your utilities are included in your current monthly rent. If your utilities are included in your rent, please provide a statement from Consumers Energy or your local utility company verifying that you do not have a past due amount that will prevent you from securing utilities in your name. You are also provided a space to list examples of why you think your present home is inadequate for your family's needs. Provide details about the condition of your current home especially anything that you would consider substandard conditions. For example, leaky roof, poor insulation, not handicap accessible, mold problem, bad wiring, overcrowded, etc.

Landlord Information -Please provide the name, phone number, and complete mailing address for your current and previous landlord. Please make sure that this information is accurate. Genesee County Habitat for Humanity will request a reference from your current landlord as a part of the application process.

5. PROPERTY INFORMATION- Property Information-Please provide information about any property that you may own. DO NOT include apartment, house, or lot rent.

Indicate whether or not you own land. If you own land, provide the address or other information that describes the location of the land. Indicate whether or not there is a mortgage on the land. If there is a mortgage on the land, please provide the monthly mortgage payment amount and the unpaid balance of the mortgage.

6. EMPLOYMENT INFORMATION (if currently employed)-This section must be completed with both the Applicant's and Co-Applicant's employment information. Be sure and provide a complete mailing address and business phone number of all current and previous employers. In the space labeled monthly gross (before taxes) wages, you need to provide the amount of money that you earn each month BEFORE taxes and other withholdings are taken out. This amount should be listed on your paystub as the gross amount or current hourly amount and it will be higher than the amount printed on your actual paycheck or take home pay. Please list all previous employers for the past three years. If there is not enough space to list all previous employers, please list previous employers on a separate sheet of paper and submit this information with your application.

APPLICATION FOR HOMEOWNERSHIP PROGRAM—PAGE 3

7. MONTHLY INCOME INFORMATION -Include all of your current monthly income BEFORE taxes and other withholdings for the applicant, co-applicant. Once you have listed all of your monthly income, please add the amounts together and write the totals on the line labeled "Totals".



You also need to provide copies of documentation verifying all household income. This documentation includes the following:

- Wage income records for the previous three (3) months or a statement from your current employer listing gross wages for these months. If you submit copies of paystubs, the final paystub must be dated within the week that you sign your application.
- A signed copy of last year's Federal Income Tax Return: Form 1040
- Public assistance records stating the current monthly amount received (TANF, Social Security, SSI, Disability)
- A copy of the original Notice of Award for benefits received from the Social Security Administration
- A copy of the court order for alimony and/or child support received

8. SOURCE OF DOWNPAYMENT AND CLOSING COSTS- You will need to explain how you will make your down payment (savings, parents, etc.) and the cost of the first-years homeowners insurance. Borrowing these amounts is not recommended.

9. ASSETS- Assets-In the space provide, please list your current assets including checking accounts, savings accounts, real estate, stocks, bonds, whole life insurance, retirement accounts, pensions, etc. If you need more space, please list additional assets on a separate sheet of paper.

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10. DEBT-Please list in the space provided debts you have with stores, credit card companies, finance companies, child support payments, and any other unpaid debts that may be reported on a credit report. You will also need to provide copies of the most recent statements for each of these debts.

Current monthly expenses-list all of the bills you pay each month. For utility bills, provide an average amount that you pay each month. For other bills such as your rent or car payments, please provide the exact amount that you are billed for and pay each month. Please list monthly bills only once. Do not duplicate if a bill is the same for both the Applicant and Co-Applicant.

Please explain any special circumstances related to your current debt (medical bills, handicap condition, etc.) in the space provided. You may include an additional sheet if necessary.

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11. DECLARATIONS-Both the applicant and co-applicant must check the appropriate answers truthfully for each question. If the applicant or co-applicant answers "yes" to questions a-e or "no" to question f, on a separate sheet of paper the applicant and/or co-applicant should provide a written explanation and any related documentation.

12. AUTHORIZATION AND RELEASE-Please read this information carefully and understand what authorizations you are signing. The applicant and co- applicant are required to sign and date this section.



We are pledged to the letter and spirit of U.S. policy for the achievement of equal housing opportunity throughout the nation.
We encourage and support an affirmative advertising and marketing program in which there are no barriers to obtaining housing because of race, color, religion, sex, handicap, familial status, or national origin.

APPLICATION FOR HABITAT PROGRAM—PAGE 6

13. INFORMATION FOR GOVERNMENT MONITORING PURPOSES-Genesee County Habitat for Humanity requests that you provide information on this sheet that is required by the Federal Government .None of the information on this page is used to decide whether or not you qualify for partnership with Genesee County Habitat for Humanity. Please provide all of the information requested for both the applicant and co- applicant. You can choose not to provide racial/nationality information, but you must provide all other requested information on the form. This information is for government purposes.

ITEMS NEEDED-Attach all for both applicant and co-applicant:

- Wage income records (ALL PAYSTUBS) for the previous three (3) months for anyone in household who will be on the mortgage.
- A signed copy of last 2 year's Federal Income Tax Return: Form 1040 (2016-2017) for anyone in household over age 18 required to file.
- Public assistance records stating the current monthly amount received (TANF, Social Security, SSI, Disability)
- A copy of the original Notice of Award for benefits received from the Social Security Administration
- Verification of child support for each child under age 18 that there is OR is not an order in place. If there is an order in place, we need a 12-month payment history, even if no payments have been made.
- If paying child support, need a 12-month payment history.
- Copy of utility bills for previous month
- Rent receipts for last 3 months
- 6 months of statements of all checking accounts
- Current statement for any savings account
- Current statement for any retirement accounts such as 401K, IRA, stocks, mutual funds, etc.
- Current statement for any whole life insurance policy
- Statements for all outstanding debts (charge card debt, auto payments, furniture store bills, etc.)
- Proof of ownership of a mobile home
- Current statement for status of lot rental for mobile home park
- Copies of two (2) of the following documents each for the applicant and co-applicant: driver's license, Permanent Resident Card (Green Card), Social Security Card, state photo ID.

AUTOMATIC REASONS FOR NOT BEING APPROVED (NOT COMPLETE)

- Bankruptcy fully discharged within past 2-years
- Over \$2,000 in past-due debt and/or open judgments /liens
- Eviction with in the past year
- Foreclosure within the past 3-years
- Not meeting household income guidelines
- Debt to Income Ratio with housing exceeds 43%





Affiliate of Distinction 2015-2019

SUBMITTING YOUR APPLICATION

Once your application has been completed and you have copies of all of the required documentation. Call to schedule an appointment for packet drop-off:

JASON SMITH
HOMEOWNER SERVICES DIRECTOR
GENESEE COUNTY HABITAT FOR HUMANITY
101 BURTON STREET
FLINT, MI 48503

PH: (810) 766-9089 ext. 212

homeowner@geneseehabitat.org

APPLICATIONS CANNOT BE FAXED OVER OR DROPPED OFF WITHOUT SPEAKING WITH HOMEOWNER SERVICES DIRECTOR

QUESTIONS

If you have any questions regarding how to complete your application, what documentation to provide, about Habitat Partnership, or our Habitat Homeownership Program, please contact Jason Smith, Homeowner Services Director, at 810-766-9089 ext. 212 or homeowner@geneseehabitat.org

NEXT STEPS

Once you have met with our Homeowner Services Director and your complete application packet has been received by Habitat for Humanity, you can expect to be notified in writing within 30 days that one of the following applies:

- 1) You meet our minimum requirements and have submitted all required documentation and GCHF would like to proceed to the next step in the selection process of scheduling an interview.
- 2) Your application is incomplete and a notice will be mailed listing the missing documents that must be submitted.
- 3) Your application has not been approved and a notice will be mailed with the reason(s) listed.

