



Habitat for Humanity Application Packet

Becoming a Habitat Homeowner

Here is all the information you will need to know about our program and how to go about applying to partner with Habitat and become a homeowner. If you have any questions regarding any of the information in this packet please feel free to speak to any Habitat representative and we will be happy to go over it with you

**Habitat for Humanity of Iredell County - 1382 A Shelton Avenue
Statesville NC 28677 Phone (704) 871-0409 Fax (704) 871-0586**

Habitat Home Ownership

HABITAT HOME	CONVENTIONAL HOME
The size of your home will depend on your family size. (2-5 bedrooms)	You choose the size of your house based on what you want and can afford.
Habitat chooses the location of the home. (Families may have some say)	You pick your exact location.
Built by volunteers and Habitat Families. (Your family is required to perform 300-500 hours of sweat equity)	Built by a for-profit builder.
No-Interest Mortgage	Banks charge interest (approximately 7-8%)
\$500 for down payment \$500-550 for closing costs	\$3000 for down payment (\$65,000 home) \$2000 for closing costs
If you choose to sell your home before the mortgage term ends, you must have Habitat's permission.	You can sell your home whenever you have an interested buyer.
You and Habitat share the equity in the home according to the amount of time the family has been living there and making timely payments.	All the equity is yours. (Equity is the sales price minus what is owed on it. You do not realize the equity of a home until you sell it for more than what is owed on it.)
You must attend at least 1 budget counseling session, with additional sessions if suggested by the Family Support Chairperson. You must attend Parent to Parent counseling when scheduled by Habitat	Some affordable loan programs run by banks require home buyer education before you buy a home.
You are required to maintain the home in an acceptable manner.	Well maintained homes are the standard with any home ownership - a well maintained home is worth more.

A Step by Step Timeline to Getting A Habitat Home

1. Pick up this packet and the Preliminary Applicant Questionnaire at the Habitat for Humanity of Iredell County Office.
2. Fill out the Questionnaire and return it to the office.
3. Your questionnaire will be reviewed and the information verified. If you fit into our criteria, you will be contacted and invited to attend an application orientation meeting or a meeting with a staff member to fill out the complete application for home ownership.
4. Habitat will verify the information on your long application, which includes contacting references of employers, landlords, etc.
5. You will receive a visit from 2 family selection committee members.
6. The Family Selection Committee will review your application and vote to tentatively approve your application.
7. You will complete 50 preliminary sweat equity hours.
8. The Board of Directors will review your application and, if approved, you will be put onto the waiting list.
9. While on the waiting list you may continue to work on completing your total required sweat equity hours.
10. When a site becomes available you will be offered a home in Statesville or the surrounding area.
11. You will work EVERY SATURDAY on the work site of your own home with other volunteers. You may work additional days or evenings in coordination with our construction manager. (You can be disqualified from a home for not working each week on the site.)
12. You must save \$500 for the down payment and \$500-550 for the closing costs and insurance, which must be paid to Habitat before or at the closing of your home.
13. You and your family will complete your total sweat equity hours.
14. You will complete your budget counseling sessions as well as any other counseling or informational sessions you are required to attend per order of the Family Support Committee.
15. You will pay off any outstanding collections or debt as required by the selection committee or budget counselor.
16. Habitat will sell you the home that you helped build.
17. You will continue to partner with Habitat by attending homeowner meetings each year, regional meetings, volunteering for fundraisers, volunteering on other homes, speaking about Habitat, etc.

At any step 1-15 of this process, your application may be disqualified if it is determined that you no longer meet our criteria. Also, we are currently building 3-6 homes a year. Families may stay on our waiting list for 1-3 years or longer and homes take an average of about 3-6 months to complete, once started.

Reasons Your Application Would Be Automatically Denied:

- 1) If you have not lived or worked in Iredell County for the last 12 months.

- 2) If you have unpaid judgments.
- 3) If you have over \$1,000 in outstanding collections.
- 4) If you have filed bankruptcy and it has not been discharged for a period of two years.
- 5) If you have filed more than one bankruptcy.
- 6) If you do not have a steady 2 year work history. (Periods of not working longer than 1 month is considered unsteady) Families with incomes that meet our minimum income requirements **entirely** through non-employment income (child support, AFDC, disability, etc.) do not have to have a 2 year work history.
- 7) If your debt to gross income ration is more than 40%.
- 8) If you have a lower income than our minimum requirements:

Family Size	Income Range
1	\$12,100 - \$20,150
2	\$13,800 - \$23,000
3	\$15,550 - \$25,900
4	\$17,250 - \$28,750
5	\$18,650 - \$31,050
6	\$20,000 - \$33,350
7	\$21,400 - \$35,650
8	\$22,750 - \$37,950

- 9) If you have an income high enough to purchase a house through conventional methods:

Family Size	Suggested Max. Annual Income*
2	\$23,000
3	\$25,900
4	\$28,750
5	\$31,050
6	\$33,350
7	\$35,650
8	\$37,950

*** These incomes are suggested guidelines only; we reserve the right to accept or deny each application on a case by case scenario and based on need.**

- 10) If there is no need as defined by the Family Selection Criteria.

Important Policies and Considerations

Board-Approved Habitat Families are offered Home Locations in accordance with the following policy:

- A family may **turn down** a home site offered by Habitat staff **once** without it affecting the family's place on the waiting list.
- The second turn-down results in the family being placed on the bottom of the waiting list. The further down a family is on the waiting list, the longer they will have to wait for a home.
- The third time a family turns down a home site offered by Habitat, they are taken off the waiting list and are no longer eligible for a Habitat home.
- Habitat takes into consideration the locations preferred by the families on the waiting list before they make the family a home site offer. However, it should be noted that Habitat will build homes where it can find affordable land.
- Since it takes more resources to build larger homes, larger families may stay on the waiting list longer than families who fit into 3 bedroom homes.
- Since some of the materials used to build Habitat homes are donated a family may have limited choices as to the color of carpet, paint, floor, etc.
- Habitat homes are well-built, sturdy homes that are structurally safe and worth more than the selling price. We build according to the number of persons in the family. Parent(s) will have one bedroom while two children of the same sex will share a bedroom.
- Habitat builds from a standard house design. 3 bedroom homes have one bath, and 4 or 5 bedroom homes have 2 baths. Each plan has a kitchen which includes a range, refrigerator, washer and dryer hookups, small dining area and living room. Once Habitat for Humanity of Iredell sells the home to the family, they may alter the home in any manner that is within the protective covenants and consistent with applicable laws. Habitat will build the standard home for each family.

Habitat for Humanity Sweat Equity Guidelines

- Each applicant and co-applicant tentatively approved must do 50 hours of good faith equity before being Board approved to receive a home and will not be considered until these hours are completed.
- Once the Board-approved family has completed their 50 hours, they will be placed on the waiting list for home sponsors. At each applicant's tentative approval meetings with Habitat staff, they will be assigned a total number of sweat equity hours which they must complete before purchasing the house.
- Sweat Equity Hours are assigned as follows:
 - Each **ADULT** → 200 hours
 - Each **TEENAGER** → 100 hours
 - Each **ELEMENTARY AGE CHILD** → 50 hours

Minimum hours per family → 300

Maximum hours per family → 500
- When construction on their own home begins, the homeowner (applicant) must be at the construction site every Saturday from 8:30am until 4:30pm, as well as other approved work days during the week, until the home is finished.
- Sweat equity hours must be completed before the homeowner can take possession of the house, even though it may be finished and dedicated.

Sweat Equity Guidelines

1. Up to ½ of the sweat equity hours can be completed and donated by other friends, families or volunteers other than the applicant(s) or persons to be living in the house.
2. House sponsors and their volunteers and Habitat board members cannot contribute sweat equity hours to the family.
3. Only persons 16 and above are allowed on the work site during heavy construction. Younger children can clean, paint, serve meals, etc.
4. Homeowners (applicants) are expected to continue to be at the construction site until their home is finished, even after they have completed their sweat equity hours. They can then donate those hours to another family later, if they so desire.

Important Information

The Fair Housing Act and the Equal Credit Opportunity Act prohibit discrimination in the sale, rental, financing, advertising and availability of housing and housing financing because of race, color, religion, sex, age, national origin, disability, familial status, marital status or whether or not a person receives public assistance.

Title VI of the Civil Rights Act of 1964 states that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.