



Home Ownership
Application Process
Information Booklet



Greater Lycoming Habitat for Humanity
335 Rose Street, Suite 1, Williamsport, PA 17701
570-322-2515 www.lycominghabitat.org



Application Process for Habitat Homeownership

1. Fill out a Pre-Application & send it into our office with the (\$10 per applicant) credit check fee.
2. Habitat will then process your application, including calculating your income to debt ratio and obtaining your credit report.
3. You will be asked to meet with Habitat staff and/or attend a Family Selection Workshop. Date, time, and location of the next available workshop will be made available to you after our Family Services Committee reviews your Pre-Application & information.
4. Habitat staff will verify your bank balances, income, and rental history through the application process.
5. A representative from our Family Services Committee will schedule a time to visit your home and meet with you and your family.
6. After the home visit, the committee will meet to determine your qualification status. Qualification is based on three main factors:
 - The need for housing
 - Credit score / ability to pay
 - Willingness to partner with Habitat for Humanity
7. The Family Services Committee discusses all eligible applicants with the Habitat Board of Directors, who are responsible for the final approval of all Partner Families.
8. Approved applicants will be notified by mail and will be assigned a volunteer Family Partner Mentor.
9. Denied applicants will receive a letter stating the reason for denial. If reasons for denial can be resolved, we ask that the applicants show proof of the resolution and reapply when they are in better financial standing.
10. Habitat is willing to work with denied applicants on financial education, building good credit, managing a household budget, decreasing debt to income ratios etc. If you are denied, ask us how we can help!

**The Habitat for Humanity Homeownership Application Process
takes between three and six months.**

It is not a quick, immediate, emergency fix for housing.

**The Homeownership Process is a long-term commitment between
homeowners and Habitat for Humanity.**



Preliminary Application for Homeownership

Name: _____ DOB: _____ SS#: _____
 (Applicant) (M/D/Year)

Single (includes Divorced or Widowed): Married (includes Separated):

Are you a citizen of the United States? _____ If not, when did you come to the United States? _____
 Are you a lawful Permanent Resident? _____

Have you ever been convicted of a felony? (please check one) _____ Yes _____ No
 If Yes, please explain: _____

Name: _____ DOB: _____ SS#: _____
 (Co-Applicant) (M/D/Year)

Single (includes Divorced or Widowed): Married (includes Separated):

Are you a citizen of the United States? _____ If not, when did you come to the United States? _____
 Are you a lawful Permanent Resident? _____

Have you ever been convicted of a felony? (please check one) _____ Yes _____ No
 If Yes, please explain: _____

Current Address (please include Zip Code): _____

Previous Address (if less than two years): _____

Telephone #: _____ Alternate Telephone #: _____

Email address: _____

Please list your CURRENT employer(s), start date, and monthly wages for each working member of your household 18 years or older:

<u>Employee's Name</u> (who works here?)	<u>Company name & City</u>	<u>Start Date</u>	<u>Gross MONTHLY income</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Please list other income (Include AFDC/TANF, Food Stamps, Social Security, SSI, Disability, Alimony, Child Support, Etc. *Please include Food Stamp amount on a separate line*):

<u>Name of Recipient</u>	<u>Type of Income</u>	<u>Amount per Month</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Current Housing Information:

How much do you pay in rent per month? \$ _____ Utilities per month: \$ _____

Is this rent subsidized (i.e. Section 8, etc.)? Yes _____ No _____ If YES, please explain: _____

Number of Bedrooms: _____ Number of Bathrooms: _____ Total other rooms: _____

Do you share housing with another family? Yes _____ No _____ If YES, please explain: _____

Do you live in a garage or other similar structure? Yes _____ No _____ If YES, please explain: _____

Any additional information you'd like to provide?: (use back of this page if needed) _____

Please list EVERY person living in your home with you currently, as of the date of this application. Please add additional members on a separate sheet of paper if needed. *DO NOT list the applicant or co-applicant.*

<u>Name</u>	<u>Age/Date of Birth</u>	<u>Sex</u>	<u>Relationship to Applicant</u>	<u>Will this person live in the Habitat House?</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

(use additional paper if needed)

Please describe the condition of your current home (why do you want to apply for a Habitat for Humanity home?): _____

Have you applied for homeownership through Habitat for Humanity previously, whether at this affiliate or another? If so, please explain where you applied, how many times you've applied, and what the outcome of the application was: _____

How did you hear about the Habitat for Humanity Homeownership Program? _____



We are pledged to the letter and spirit of United States policy for the achievement of equal housing opportunity throughout the nation. We encourage and support affirmative advertising and marketing programs in which there are no barriers to obtaining housing because of race, color, religion, gender, physical or mental limitations, familial status, or national origin.

Certification Statement

I certify that all information provided by me as part of this application is true and correct to the best of my knowledge.

I understand that any false information presented may disqualify me and my family from eligibility in the Greater Lycoming Habitat for Humanity Homeownership Program.

I also agree that if my family and I are chosen to become Habitat for Humanity home owners, Greater Lycoming Habitat for Humanity has permission to use our names, picture, and story per Habitat for Humanity International guidelines in publications and promotions.

Printed Name of Applicant: _____

Signature of Applicant: _____

Printed Name of Co-Applicant: _____

Signature of Co-Applicant: _____

Date: _____

Please submit your completed application, signed Authorization Form (next page), and \$10.00 for each applicant to:

Greater Lycoming Habitat for Humanity
Attn: Family Selection Committee
335 Rose Street, Suite 1
Williamsport, PA 17701

The \$10.00 fee(s) will be used to run a credit check on the applicant(s).

Your application will not be processed without the credit check fee(s).

If you have any questions prior to submitting your application, please call 570-322-2515.

For Office Use Only - Do Not Write Below This Space

Date Application Received: _____ By Whom: _____

Authorization Form Received: Yes No

Credit Check Fee Paid: Yes No

Cash Money Order Check # _____

Application Approved: Yes No Reason for denial: _____

Approval Letter Sent: Date: _____ By Whom: _____

Denial Letter Sent: Date: _____ By Whom: _____

Additional Information: _____



Authorization and Release of Information

(please read carefully before signing)

I understand that by completing this Habitat for Humanity Application for Housing, I am authorizing Greater Lycoming Habitat for Humanity (GLHFH) to evaluate my actual need for a Habitat home, my ability to repay the no interest mortgage loan and other expenses associated with homeownership, as well as my willingness to partner with Habitat. I understand that the evaluation will include personal visits, a credit check, past & present landlord and employment verification, references, as well as screening on the National Sex Offender Registry. I authorize GLHFH to share information with various third-party vendors/providers for purposes of home mortgage finance options.

I have answered all the questions on this application truthfully. I understand that if I have not answered the questions truthfully, my application will be denied. I also recognize that even if I have already been selected as a Habitat Partner Family and it is discovered that I/we have provided untruthful, dishonest or false information, I/we will be disqualified from the program.

The original copy of this application will be retained by Habitat even if the application is not approved.

Applicant's Printed Name: _____

Applicant's Signature: _____

Date: _____

Co-Applicant's Printed Name: _____

Co-Applicant's Signature: _____

Date: _____

Greater Lycoming Habitat for Humanity is an Equal Opportunity Housing Program





Definitions of Need for Adequate Shelter, Ability to Pay for a Habitat Home, and Willingness to Partner with Habitat for Humanity

Section 1. Need for Adequate Shelter

An applicant family's present housing is plagued with at least one of the following conditions:

a) Structure

1. Current shelter requires repairs which the family is unable to perform and/or the land lord is unwilling to complete
2. Present dwelling has deficient heating system — can't maintain a healthy environment
3. Frequently reoccurring plumbing and/or water supply deficiencies
4. Unsafe or unreliable source of electrical power
5. Handicapped accessibility barriers with current dwelling can not be corrected.
6. Present home is in the process of being condemned.

b) Size

1. Current shelter has an inadequate number of bedrooms
2. Family is tentatively living with relatives or friends in overcrowded conditions.

c) Safety

1. Current neighborhood is unsuitable/unsafe.
2. No means exits to egress from a basement bedroom.
3. Dwelling is plagued with constant infestations of rodents.

d) Conventional Financing

1. Family has applied but has been denied a conventional or government-assisted mortgage.
2. Family has no marketable assets which could be used to obtain a conventional loan.

e) Affordability

1. Family spends in excess of 50% of gross income for rent, excluding utilities

Section 2. Ability to Pay for a Habitat House

An applicant family must have an annual income that does not exceed the "Low Income" level as set forth annually by HUD. To determine if the family has the necessary resources to purchase a Habitat house, the following factors are used.

- a) The family must have a household gross income that meets the eligibility guidelines of the local Habitat Affiliate.
- b) The total mortgage payment, taxes, insurance, and all debt should not be greater than 30 percent of the total income
- c) Reliable sources of income consist of wages or salary, self-employed income, SSI, income revenue from assets, and (at the current time) public assistance. The reliability of using child support payments used in computing minimum and maximum income will be evaluated.
- d) Employment verifications will be used to verify current income figures and to assess current and past employment stability.

(continued on next page)

- e) A family selected as Habitat homeowners must be able to meet the financial commitment of:
 1. Down payment of at least \$1,000. - The down payment can be split into two payments of \$500. The first \$500 payment is due no later than three months after the family has been selected. Balance is due at closing.
 2. Payment of first year's escrow in advance upon closing. (This amount will vary depending upon insurance costs and taxes.)
- f) The family has a demonstrated record of consistently making regular monthly payments for rent, utilities, insurance, and other credit obligations.
- g) The family has not declared bankruptcy within one year of the application review.
- h) Evidence of capability to pay off any and all bad debts and financial judgments or liens must exist. All financial judgments or liens must be cleared prior to closing. Payments on bad debts must begin immediately upon signing the Letter of Acceptance.
- i) Household income must not be threatened by homeownership (i.e. any household income derived from public assistance must not stop or substantially decrease if the applicant owns a home.)

Section 3. Willingness to Partner with Habitat

An applicant family must be willing to partner with Habitat. The three factors used to assess this willingness include:

- a) **Eagerness**
 1. The family takes the initiative to stay informed and aware of required educational opportunities i.e.. Home owner and financial workshops and trainings.
 2. The family fully completes the Home Ownership Application and provides the necessary documentation and references.
 3. The family devises a means by which it can successfully earn the 250 hours per adult in the household sweat equity requirement during the normal 12-month construction timeperiod.
 4. The family is comfortable with promoting the mission of Habitat by sharing their story with the community.
 5. The family expresses a willingness to attend Habitat Homeowner meetings, training opportunities, and other Habitat functions.
- b) **Understanding**
 1. The family fully participates in the family selection process and understands what Habitat is (and what it isn't).
 2. The family understands and readily accepts all provisions of the Habitat covenant: prompt house payments, completion of the sweat equity hours with a positive attitude, as well as timely and respectful care of the Habitat home and grounds.
 3. The family knows that Habitat builds a basic, simple but decent house and that they will have very few choices or options on house design features.
 4. When Habitat transfers the deed to the Partner Family, the family knows it is responsible for all maintenance and repairs (both preventive and unscheduled) unless otherwise covered by the Limited 1 Year Habitat Warranty or a manufacturers warranty on appliances or systems.
- c) **Realization**
 1. The family realizes that a total of 250 hours of "Sweat Equity" per adult in the household is required.
 2. The family realizes the implications of a highly publicized program.
 3. The family acknowledges that mortgage payments must be made every month without default.
 4. The family realizes there are severe restrictions on the resale of the Habitat home.
 5. The family understands that they are expected to be an ongoing, "active" partner with Habitat.

Any questions about these definitions can be answered by calling our offices at 570-322-2515 and asking to speak to a member of the Family Services Staff or Committee.



Frequently Asked Questions

- **What documents are proof that I am a legal resident of the United States?**

1. Birth Certificate - Shows proof that individual was born in U.S.
2. 1-94 Arrival/Departure Record - Shows that individual left their country and arrived in the U.S. legally. This card has an expiration date that may be extended. The card has an expiration date or will acknowledge that the individual may stay in the U.S. indefinitely.
3. Resident Alien Card (Green Card) — Shows that an individual is in a position to apply for permanent legal residency in the U.S. This card has an expiration date (usually five years from the date that the individual physically came into the U.S.). The individual may reapply for permanent residency after the 5-year period.

Special Naturalization Provisions — Provisions covering special classes of persons who may be naturalized even though they do not meet all the general requirements for naturalization. Such special provisions allow:

- wives or husbands of U.S. citizens to file for naturalization after three years of lawful permanent residence instead of the prescribed five years;
- a surviving spouse of a U.S. citizen who served in the armed forces to file his or her naturalization application in any district instead of where he/she resides; and
- children of U.S. citizen parents to be naturalized without meeting certain requirements or taking the oath, if too young to understand the meaning. Other classes of persons who may qualify for special consideration are former U.S. citizens, servicemen, seamen, and employees of organizations promoting U.S. interests abroad.

Note: More information may be found on the INS website.

- **Should I list a person on the application as going to be living with me if I am not sure that they are?**

For instance, my mom might come live with me later in the year, but I am not sure yet. Should I list her on the application as going to be living in the house if I am approved?

You should not list them this early in the process, but when you are interviewed let us know that this is a possibility. If the person comes to live with you anytime during the process you should add them to the application.

- **If I get a raise after I have been approved, does that affect my application?**

Yes, a change in income could affect your status. We are required to ensure that all of our families meet HUD guidelines for low-income families. Please let us know if you believe your income will be changing so that we can work out the details of your new status. If you do not notify us of changes in your income, you could be disqualified on the basis of falsifying information.

- **If I am engaged, do we have to apply together?**

Yes, you should apply as a couple.

- **If I die, will the house go back to Habitat?**

It depends and will be considered on a case by case basis. Most often, as long as there is someone able to make the monthly payments on the house, and the household still qualifies financially, it will not go back to Habitat. You can specify in your will who you would like the house to go to if such a circumstance were to present itself, but they would still have to be able to make the monthly payments. If the mortgage loan goes into default, (the mortgage loan is not being paid), then the house would be foreclosed on and would go back to Habitat.



Summary of Habitat Home Ownership Information

Habitat for Humanity works with volunteers to build simple, decent, affordable housing with individuals or families in need.

Homeowners make regular monthly mortgage payments, which support Habitat in building more Habitat homes.

Habitat home owners partner with the Local Habitat Affiliate in the construction of other Habitat homes as well as their own.

A financial commitment of at least a \$1,000 down payment, 1st year escrow (insurance & taxes) as well as 250 "sweat equity" hours per adult in the household is required of all HFH Partner Families.

Habitat is a homeownership program, not a rental program. Homeowners are educated about, and are expected to plan for, new responsibilities such as regular home maintenance and unexpected repairs.

Habitat looks for individuals or families that are willing to give something back to the community through attendance at neighborhood meetings and active participation in neighborhood improvements.

Greater Lycoming Habitat for Humanity is an Equal Housing Opportunity Provider. 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, family status, or national origin.

Habitat for Humanity is a non-profit, ecumenical Christian housing mission (open to all faith communities) that seeks to eliminate substandard housing in Lycoming County. Habitat builds simple, affordable housing with people who are living in substandard/inadequate housing and who are unable to secure adequate housing by conventional means.