

Family Selection Guidelines

General

- Families who are unable to meet the income and credit history requirements of traditional lenders are more likely to qualify for a Habitat house.
- Three basic HFHI requirements must be met: **need for adequate housing, ability to pay and willingness to partner.**
- Applicant must be at least 18 years old.
- Applicant must be a citizen of the United States or a legal permanent resident.
- Crystal Coast Habitat for Humanity does not discriminate on the basis of race, color, religion, national origin, gender, disability, familial status, marital status, sexual orientation or age.
- It is important to note, Habitat is not a giveaway program. **CCHFH partners with families who agree to purchase a home from us. We offer a 0% interest mortgage (loan) to help make a home more affordable. Our partner families make a monthly mortgage payment to repay the loan.**
- The mortgage principle payments cycle back into the community to help build additional Habitat homes.
- Applicants are qualified based HUD guidelines.

Need for Adequate Housing-examples

- Unsafe structure
- Unsanitary conditions (other than self-imposed)
- Unsafe neighborhood or environment
- Overcrowded conditions
- Unaffordable (over 30% of monthly income)
- Inaccessible

Ability to Pay

- Families with income at 50% of the HUD median income for our area
- Income includes-*gross wages, tips, alimony, regular child support, TANF (Temporary Assistance for Needy Families), Social Security Income (SSI), disability payments and any other form of cash payment.*
- Bib-cash payments such as food stamps, WIC and Section 8 rent support should be recorded on the application but is not included as income.
- "Working Income" is not a requirement for consideration of an applicant.
- **Income should be projected to continue for at least the next 3 years.**
- The initial Habitat house payment (principle, taxes and insurance) should not exceed 30% of the family's gross monthly income.

Willingness to Partner

- Willing to complete **400 hours of sweat equity**. We encourage and welcome relatives and friends to assist with a percentage of these hours.
- Indicators of willingness to partner
 - Applicant provides all application information in a timely and honest manner.
 - Applicant attends an information session or interview.
 - Family participates in the home visit.
 - Family and friends participate in the sweat equity requirement.
 - Family partners participate in homebuyer education courses.
 - Family partners make monthly payments toward their closing cost (\$2000)
 - Family partners will avoid new consumer debt from acceptance into the program until the mortgage closing.
 - Family partners agree to live where CCHFH has land to build or in a home already owned by CCHFH.
 - Family partners are required to notify CCHFH of any change in family composition, loss of income or change to contact information
 - Family partners agree to maintain the home and positively represent CCHFH.
 - Family partners agree to make monthly mortgage payments without default.

Background Check

- Agree to a background check which will include a criminal record check and a search of the National Sex Offender Registry for **ALL HOUSEHOLD MEMBERS OVER THE AGE OF 18.**
 - ❖ Criminal convictions will be considered for selection purposes only to the extent that the crime is relevant to one of the selection criteria.
 - ❖ Crimes involving violence, substance abuse, sex offenses or other criminal offenses will often be relevant to the applicant's willingness to partner with the affiliate in creating a safe community.
 - ❖ Crimes involving financial matters, such as forgery or worthless checks, may be relevant to the applicant's ability to pay.
 - ❖ The gravity of the crime, the time that has elapsed since the crime and how the applicant has conducted his/her life since the incident will be taken into consideration.

Rental History

- Applicants must provide a **satisfactory rental history for the previous 12 months prior to the application.**
- Applicant must provide contact information for the landlord(s).

Credit History

- Credit is reviewed and evaluated at application, ground breaking and just prior to closing on the loan.
- Credit records that indicate debts over 60 days past due in the previous 6 months, debts on collection, or judgments may be grounds for rejection.

Bankruptcy

- Applicants who have filed for **Chapter 7** bankruptcy must have had the **bankruptcy discharged for a period of three years** prior to applying. Legal documentation must be provided at the time of the full application showing what accounts were included in the bankruptcy and the date of discharge.
- Applicants who have filed for **Chapter 13** bankruptcy must have **completed the payment plan**. Legal documentation must be provided at the time of the full application showing what accounts were included in the bankruptcy and the date of dismissal.

Work History

- Applicants must be **employed with their current employer for at six months** prior to application.
- Applicants must have a steady two-year work history with no more than a two-month gap in employment during the previous two-year period (exceptions can be made for applicants with documented seasonal employment). The two-year work history may include school attendance or major medical occurrences.