

FAMILY SELECTION CRITERIA FOR NEW CONSTRUCTION  
HABITAT FOR HUMANITY OF BEDFORD COUNTY

**1. NEW CONSTRUCTION CRITERIA: NEED**

- Applicant must meet at least one of the following conditions in the current housing situation:
  - Overcrowding (more than 2 children in one bedroom; children of opposite sex sharing a bedroom; 2 children of same sex more than 5 years apart in age sharing a bedroom; parent sharing bedroom with 1 or more children)
  - Inadequate utilities
  - Structural problems
  - Unsafe conditions
  - Living in subsidized housing and desire to become self-sufficient
  - Paying more than 35% of gross monthly income for rent and utilities (excluding phone, internet)
  - Living with another household or in temporary housing
- Applicant is unable to obtain conventional mortgage for adequate and affordable housing

**2. NEW CONSTRUCTION CRITERIA: ABILITY TO PAY**

A. HOUSEHOLD INCOME

- Applicant meets the income guideline that no more than 30% of income be spent on housing.

Number in Family	Annual Income Range of Household
1	\$12,450 -- \$24,960
2	\$15,930 -- \$28,560
3	\$20,090 -- \$32,100
4	\$24,250 -- \$35,640
5	\$28,410 -- \$38,520
6	\$32,570 -- \$41,400
7	\$36,650 -- \$44,400
8	\$39,050 -- \$47,100

Applicant's family household income is within the ranges set forth herein and is sufficient to allow the applicant to purchase an adequate Habitat house based on the anticipated sales price and mortgage term.

\*\*\* income must fall within the 30% and %60 of HUD income guidelines

#### B. CREDIT HISTORY AND DEBT BURDENS

- Applicant cannot have more than 10% of gross income in collections (to be checked via credit reports)
- If applicant has discharged debt through bankruptcy, at least 2 years must have passed since the action.
- Applicant's credit report findings and analysis must indicate that the applicant is accepting responsibility for his/her debts and making timely payments.
- Applicant must have adequate income to address the debt burden in a responsible manner and also have available sufficient income to meet the "ability to pay" 30% guideline.

#### C. RESIDENCY REQUIREMENTS

- Applicant must have lived or worked (and continue to do such during the entire application process) in Bedford County for a minimum of 12 months. The Board may waive this requirement under unusual circumstances.
- Applicant must be a legal resident of the United States

### 3. NEW CONSTRUCTION CRITERIA: WILLINGNESS TO PARTICIPATE AS A PARTNER WITH HABITAT

- Attend an initial informational meeting and meet deadlines for providing required documentation
- Attend a budgeting/financial management class or series of classes, and any other classes pertaining to the success of the family as a HH partner as recommended by the Family Services Committee
- Contribute 500 hours of "sweat equity". At least 150 hours must be done by the immediate partner family and 350 hours by friends and family. Sweat equity can be given on a Habitat construction site or in service directly pertaining to a given construction site such as meal preparation or scheduling volunteers for work days. (For this purpose, "adult" is defined as anyone in the applicant household 18 years or older; waivers may be granted in some situations by FS Committee for school-attending adults). A minimum of 8 hours per applicant should be donated in "good faith" prior to the Board's approval of an applicant, when circumstances allow.
- Allow representatives of the Family Service committee to make a home visit
- Willingness to make periodic payments in a timely fashion as set forth by the Family Service Committee toward estimated expenses that will be incurred at settlement.
- Willingness to maintain a working relationship post-settlement with a Habitat "family partner" who will "walk with you" through the early stages of transition into homeownership

#### OTHER SELECTION CRITERIA NEW CONSTRUCTION

- **A sex offender registry finding** pertaining to any potential partner household member will permanently disqualify an applicant from homeownership.
- If an applicant or any person considered part of the applicant's household has been **convicted of a felony** within 5 years of applying for homeownership, the applicant is disqualified.
- If an applicant or any person considered part of the applicant's household has been **convicted of a misdemeanor** within 3 years of applying for homeownership, the applicant is disqualified.

#### DESELECTION CRITERIA

De-selection occurs when the Board terminates a partnership that was set forth in a letter of conditional acceptance. De-selection must occur before the closing purchase/sale of the house. The criteria for de-selection are:

- fraud or misrepresentation of facts and information on the application for homeownership;
- failure to complete the requirements of the letter of conditional acceptance (e.g., sweat equity, homeownership classes; adequate deposits for closing costs);
- negative change in economic circumstances that affects the applicant's ability to meet the monthly payment beyond foreseeable remedy;
- conviction of a felony or misdemeanor; or
- Presence in a sexual offender data base .