

## Guidelines for Habitat for Humanity Home Buyer Program

Applicants must demonstrate a NEED for adequate housing due to any of the following situations:

Housing costs (rent = utilities) exceeds 30% of gross monthly household income

- Housing is subsidized or transitional
- Housing is structurally substandard, unsafe, or unhealthy
- Housing is over-crowded
- Housing is inaccessible or does not meet the needs of individual family members

Applicants must be comfortable with a monthly mortgage payment of \$850 to \$1,500 (payments are determined by household income) and must have enough income through stable employment or other forms of permanent income to afford a home and all basic living expenses. Income includes all wages, unemployment (only if related to regular, seasonal employment), social security, pension/or disability. Self-employment income is defined as the “Net Profit” [line 31, Schedule C (1040)].

- Income can also include child support, kinship care and other types of income which is received on a regular basis and is needed to cover monthly expenses. All income sources are included when they are expected to last for 3 years or longer.

Income Guideline are based on family size and 30-80% of median income for Fond du Lac residents. Below is a chart indicating income per person size household

|            | 1 person | 2 person | 3 person | 4 person | 5 person | 6 person | 7 person | 8 person |
|------------|----------|----------|----------|----------|----------|----------|----------|----------|
| 30% limits | 20,100   | 23,000   | 25,850   | 31,200   | 36,580   | 41,960   | 47,340   | 52,720   |
| 50% limits | 33,500   | 38,300   | 43,100   | 47,850   | 51,700   | 55,550   | 59,350   | 63,200   |
| 60% limits | 40,200   | 45,960   | 51,720   | 57,420   | 62,040   | 66,660   | 71,220   | 75,840   |
| 80% limits | 53,600   | 61,250   | 68,900   | 76,550   | 82,700   | 88,800   | 94,950   | 101,050  |

Credit History does not need to be perfect, but score must be above 525. Many applicants have some debt. It is important for applicants to know how much is owed for the total amount of debt to be manageable.

- All collection debt must have proof of active payment plans or be paid in full
- Judgments for money must be satisfied [according to Wisconsin Circuit Court Access at [wcca.wicourts.gov](http://wcca.wicourts.gov)]
- Bankruptcy or foreclosure must have been satisfied for at least 2 years

### Willingness to Partner

Applicants must be willing to work in partnership with Habitat to ensure positive and active involvement in the Homebuyer Program. Applicants must be willing to complete 300 to 500 hours of “Sweat Equity” by attending classes and workshops, participating in Habitat events and working on active build sites.

Accommodations for health and employment issues will be made on a case-by-case basis.

### Additional Applicant Requirements

Applicant(s) must be US Citizen or permanent resident.

- Applicant(s) must live or work in Fond du Lac County for at least 1 year prior to program application.
- Married couples must apply jointly since Wisconsin is a marital property state.
- All adult household members (over 18) must sign a general release for a background check and other verification necessary to determine eligibility.
- All adult household members (over 18) must comply with sweat equity requirements unless they are a full-time student.
- All adult household members (over 18) must have a criminal background check clear of recent and/or serious convictions as determined by Habitat staff on a case-by-case basis. \*Habitat is unable to serve applicants if any household member is a registered sex offender.