Cape Fear Habitat for Humanity®

Homeownership Application

Cape Fear Habitat for Humanity builds simple, decent, energy-efficient houses that are sold to hard-working families in the Cape Fear Region. Habitat homes are sold at no profit to families through an affordable mortgage loan. To participate in the program, families must qualify based on need, the ability to pay their mortgage, a willingness to partner with Habitat, and residency in New Hanover, Pender or Duplin Counties.

This program typically takes 18 months to 2 years to complete.

SELECTION CRITERIA for homeownership

I. Residency

- The buyer of the house must be a citizen or permanent resident of the U.S.
- The buyer of the house must have lived or worked in the Cape Fear Region for at least 1 year.
- Our service areas are New Hanover, Pender and Duplin Counties.

II. Need - Your current housing situation can be described by at least one of the following.

- Displaced by Hurricane Florence, or otherwise impacted
- Housing expenses greater that 30% of income
- Unable to get a home loan from any other source
- Overcrowded or unsafe conditions
- Subsidized Housing
- Substandard housing or nonpermanent residence, homeless

III. Ability to Pay

INCOME: Households with income from 30% to 80% of the Area Median Income (AMI). (See income ranges in chart below). Income amounts including wages, Social Security, Social Security disability, child support, other forms of reported income, and all debt will be considered. These numbers are effective April 6, 2020, and change every year.

	New Hanover		Pender		Duplin		
Family size	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	Family size
1	$26,200	$44,000	$26,200	$37,400	$21,720	$32,550	1
2	$26,200	$50,250	$26,200	$42,750	$21,720	$37,200	2
3	$26,200	$56,550	$26,200	$48,100	$21,720	$41,850	3
4	$26,200	$62,800	$26,200	$53,400	$26,200	$46,500	4
5	$30,680	$67,850	$30,680	$57,700	$30,680	$50,250	5
6	$35,160	$72,850	$35,160	$61,950	$33,700	$53,950	6
7	$39,640	$77,900	$39,640	$66,250	$36,050	$57,700	7
8	$44,120	$82,900	$44,100	$70,500	$38,350	$61,400	8

DEBT: We will look at your debts in relation to your income to make sure you have enough left over to pay a Habitat mortgage without being cost-burdened. This includes credit card payments, car loans, and any other loans or obligations.

CREDIT: We are not looking for a particular credit score. We pull your credit to view your payment history. If you don't have a Credit Report, you will be asked to submit utility bills to demonstrate your payment history.

IV. Willingness to Partner

- Partnership Hours (or "Sweat Equity"): Most are familiar with the term "Sweat Equity" to mean that one's labor on their own home will increase its value while keeping costs low. The philosophy of "Sweat Equity" at Habitat is to promote Partnership, Pride in Homeownership, and Development of Skills and Knowledge. Partnership Hours are performed in various ways, but most significantly on the build sites. *No construction experience is required!* Prior to closing, a family with 2 adults must work 400 Partnership Hours & a family with 1 adult must work 250 Partnership Hours. The average time you can expect spent performing Partnership Hours will be **2 to 3 shifts per month**, over a period of approximately 18 months. Other opportunities are available at our Restores, fundraisers, and community events. Friends and Family may help with a portion of your hours. Those with physical and other disabilities may have a custom Sweat Equity plan designed, if necessary, with doctor's input.
- Homeownership Classes: Attendance is mandatory for all classes prior to closing. A portion of these classes are completed online. Accommodations are made to those without access to internet.
- Monthly Payments towards closing costs prior to closing: By submitting affordable monthly payments towards closing costs while in our program, you will demonstrate your willingness to pay a monthly mortgage on time in the future. Realistic monthly goals will be discussed between the Future Homeowner and the Credit and Mortgage Counselor upon examination of monthly budget.
- Monthly Financial Meetings: By attending regular monthly meetings with the Credit & Mortgage Counselor prior to closing, you will demonstrate a commitment to strengthening your financial readiness for home ownership.
- Willingness to live where we have land: You will be shown land options to choose from during the application process and prior to approval. You will be offered construction-ready property that is in our land-inventory, and that you are eligible for (county/number of bedrooms/affordability/loan type). Land options typically range from inside the city limits of Wilmington to northern New Hanover County. In Pender County, we anticipate building in Burgaw and Rocky Point. In Duplin County, we will be building in Wallace and Rose Hill.
- Representing Habitat: Our partner families support the community as a representative of Habitat. You will also be asked to share your story to volunteers, donors, and other potential homeowners so that they may choose to either support our mission or pursue a path to homeownership after seeing your example.
- Homeownership Responsibilities: Habitat homeowners hold the same responsibilities as other homeowners. They are committed to paying their mortgage on time after closing, and they are responsible for keeping their home maintained and repaired as needed. Monthly mortgage payments include principal payment, homeowner's insurance premiums, property taxes, and other applicable items such as HOA dues, termite agreement, etc. This monthly payment will be affordable, not to exceed 30% of your gross monthly income. Your mortgage payments go towards building more houses in partnership with families in need of affordable homeownership opportunities!

HOW TO APPLY: If you believe you qualify, please do the following:

1. Complete the following application packet in full
2. Gather copies of all the required documentation that applies to you listed on the last page
3. Mail to us or drop off your packet at

   Cape Fear Habitat for Humanity
   3310 Fredrickson Rd.
   Wilmington NC 28401

For questions, call 910-762-4744 ext. 114 or email amy@capefearhabitat.org

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We are an Equal Housing Opportunity Provider: Those who apply to purchase homes from Cape Fear Habitat for Humanity will be approved by the Board of Directors in a way that does not discriminate on the basis of race, color, religion, sex, handicap, familial status, national origin, or because all or part of the applicant's income is derived from public assistance programs.

Habitat for Humanity®

Cape Fear Habitat for Humanity
3310 Fredrickson Rd.
Wilmington, NC 28401
(910) 762-4744

Application

Habitat Homeownership Program

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, familial status, or national origin.

Dear Applicant: Please complete this application to determine if you qualify for the Habitat for Humanity homeownership program. Please fill out the application as completely and accurately as possible. All information you include on this application will be kept confidential in accordance with the Gramm-Leach-Bliley Act.

1. APPLICANT INFORMATION

Applicant	Co-applicant
Applicant's name	**Co-applicant's name**
SSN: _____ Phone: _____ Age: _____	SSN: _____ Phone: _____ Age: _____
Email Address: _____	Email Address: _____
☐ Married ☐ Separated ☐ Unmarried (Incl. single, divorced, widowed)	☐ Married ☐ Separated ☐ Unmarried (Incl. single, divorced, widowed)
Dependents and others who live with you (not listed by co-applicant)	**Dependents** and others who live with you (not listed by Applicant)
Name / Age / Male / Female	Name / Age / Male / Female
_____ ☐ ☐	_____ ☐ ☐
_____ ☐ ☐	_____ ☐ ☐
_____ ☐ ☐	_____ ☐ ☐
_____ ☐ ☐	_____ ☐ ☐
☐ ☐	_____ ☐ ☐
Present address (street, city, state, ZIP code) ☐ Own ☐ Rent	Present address (street, city, state, ZIP code) ☐ Own ☐ Rent
Number of years _____	Number of years _____
If living at present address for less than two years, complete the following	
Last address (street, city, state, ZIP code) ☐ Own ☐ Rent	Last address (street, city, state, ZIP code) ☐ Own ☐ Rent
Number of years _____	Number of years _____
Cape Fear Habitat for Humanity is a Veteran Build Affiliate	
Did you or anyone in your household serve or is in the US Military? Yes_____ No_____	

2. FOR OFFICE USE ONLY – DO NOT WRITE IN THIS SPACE

Date received: Logged in: Scanned:

Date of notice of incomplete application letter: _____

Date of adverse action letter: _____

Date of selection committee approval: _____

Date of board approval: _____

Date of letter of intent: _____

3. WILLINGNESS TO PARTNER

To be considered for Habitat homeownership, you and your family must be willing to complete a certain number of "sweat-equity" hours. Your help in building your home and the homes of others is called "sweat equity" and may include painting, helping with construction, working in the Habitat ReStores, attending homeownership classes or other approved activities or tasks.

		Yes	No
I AM WILLING TO COMPLETE THE REQUIRED SWEAT-EQUITY HOURS:	Applicant	☐	☐
	Co-applicant	☐	☐

4. PRESENT HOUSING CONDITIONS

Number of bedrooms in your current house or apartment (please circle) **1 2 3 4 5**

Other rooms in the place where you are currently living: ☐ Kitchen ☐Bathroom ☐Living room ☐Dining room ☐Other (please describe)

If you rent your residence, what is your monthly rent payment? $_____/ month

Name, address and phone number of current landlord: _____

In the space below, describe the condition of the house or apartment where you live:

5. NEED

Please tell is why you *need* a Habitat home: (Check all that apply to your current situation)

- ☐ Overcrowded/unsafe conditions
- ☐ Substandard conditions
- ☐ Subsidized housing
- ☐ Housing cost-burdened
- ☐ Unable to get home loan from any other source
- ☐ Homeless or very temporary living arrangements
- ☐ Displaced due to Hurricane Florence
- ☐ Hurricane Florence damage at current residence

In the space below, please describe why homeownership is important to you:

6. PROPERTY INFORMATION

If you own your residence, what is your monthly mortgage payment? $ _____ / month Unpaid balance $_____

Do you own land? ☐ No ☐ Yes Monthly payment $ _____ Unpaid balance $ _____

7. EMPLOYMENT INFORMATION

Applicant		Co-applicant	
Name and address of **CURRENT** employer	Years on this job	Name and address of **CURRENT** employer	Years on this job
	Monthly (gross) wages $		Monthly (gross) wages $
Type of business	Business phone	Type of business	Business phone
If working at current job less than one year, complete the following information			
Name and address of **LAST** employer	Years on this job	Name and address of **LAST** employer	Years on this job
	Monthly (gross) wages $		Monthly (gross) wages $
Type of business	Business phone	Type of business	Business phone

8. MONTHLY INCOME

*Alimony, child support or separate maintenance income need **not** be revealed if the applicant or co-applicant does not choose to have it considered for repaying this loan.*

Income Source	Applicant	Co-applicant	Others in household	Total
Wages	$	$	$	**$**
TANF	$	$	$	**$**
Alimony	$	$	$	**$**
Child support	$	$	$	**$**
Social Security	$	$	$	**$**
SSI	$	$	$	**$**
Disability	$	$	$	**$**
Section 8 Housing Voucher	$	$	$	**$**
Other _____	$	$	$	**$**
Other _____	$	$	$	**$**
Other _____	$	$	$	**$**
Total	**$**	**$**	**$**	**$**

PLEASE NOTE:
Self-employed applicants may be required to provide additional documentation such as tax returns and financial statements.

Other household members whose income is listed above			
Name	**Income source**	**Monthly income**	**Date of birth**

9. SOURCE OF CLOSING COSTS

1) Are you willing to save money required for closing costs during your participation in our program if approved?

2) Are you willing to meet with our Credit and Mortgage Counselor on a monthly basis to review your budget and set short and long-term financial goals to promote a readiness for homeownership during your participation in our program?

10. ASSETS

Name of bank, savings and loan, credit union, etc.	Address	City, state	ZIP	Account number	Current balance
					$
					$
					$
					$
					$
					$
					$
					$
					$

11. DEBT

	To whom do you and the co-applicant(s) owe money?					
	Applicant			Co-applicant		
Account	Monthly payment	Unpaid balance	Months left to pay	Monthly payment	Unpaid balance	Months left to pay
Motor vehicle	$	$		$	$	
Boat	$	$		$	$	
Furniture, appliance, televisions (includes rent-to-own)	$	$		$	$	
Alimony	$	$		$	$	
Child support	$	$		$	$	
Credit card-_____	$	$		$	$	
Credit card-_____	$	$		$	$	
Credit card-_____	$	$		$	$	
Other	$	$		$	$	
Other	$	$		$	$	
Other	$	$		$	$	
Total	$	$		$	$	

Monthly expenses			
Account	Applicant	Co-applicant	Total
Rent	$	$	$
Electricity/Gas	$	$	$
Water/Sewer	$	$	$
Trash	$	$	$
Groceries/Household Items	$	$	$
Auto Gas	$	$	$
Auto Insurance	$	$	$
Child care	$	$	$
Internet service	$	$	$
Cell phone	$	$	$
Land line	$	$	$
Storage	$	$	$
Entertainment/Recreation	$	$	$
Business expenses	$	$	$
Union dues	$	$	$
Prescriptions/Medical	$	$	$
Med Insurance (non-payroll)	$	$	$
Life Insurance (non-payroll)	$	$	$
Other	$	$	$
Total	$	$	$

12. DECLARATIONS

Please check next to the word that best answers the following questions for you and the co-applicant

	Applicant		Co-applicant	
a. Do you have any outstanding judgments because of a court decision against you?	☐ Yes	☐ No	☐ Yes	☐ No
b. Have you been declared bankrupt within the past seven years?	☐ Yes	☐ No	☐ Yes	☐ No
c. Have you had property foreclosed on in the past seven years?	☐ Yes	☐ No	☐ Yes	☐ No
d. Are you currently involved in a lawsuit?	☐ Yes	☐ No	☐ Yes	☐ No
e. Are you paying alimony or child support?	☐ Yes	☐ No	☐ Yes	☐ No
f. Are you a U.S. citizen or lawful permanent U.S. resident?	☐ Yes	☐ No	☐ Yes	☐ No

If you answered **"yes"** to any question **a** through **e**, or "**no**" to question **f**, please explain on a separate piece of paper and attach.

13. AUTHORIZATION AND RELEASE

I understand that by filing this application, I am authorizing Cape Fear Habitat for Humanity to evaluate my actual need for the Habitat Homeownership Program, my ability to repay an affordable loan and other expenses of homeownership, and my willingness to be a partner through sweat equity.

I understand that the evaluation will include, but not be limited to, the following checks: credit, criminal background, global terrorist, sex offender, employment verification, as well as a personal home visit if necessary to determine a need.

I have answered all the questions on this application truthfully. I understand that if I have not answered the questions truthfully, my application may be denied, and even if I have already been selected to purchase a Habitat home, I may be disqualified from the program.

The original or a copy of this application will be retained by Cape Fear Habitat for Humanity, even if the application is not approved.

Applicant signature Date Co-applicant signature Date

X _____ X _____

PLEASE NOTE: If more space is needed to complete any part of this application, please use a separate sheet of paper and attach it to this application. Please mark your additional comments with "A" for Applicant or "C" for Co-Applicant.

APPRAISAL NOTICE: If you are approved to purchase a home through Cape Fear Habitat for Humanity, we may order an appraisal or other property valuation in connection with your loan and we may charge you for this appraisal or property valuation. Upon completion of the appraisal or property valuation, we will promptly provide a copy to you, even if the loan does not close.

How did you learn about Cape Fear Habitat for Humanity's Homeownership Program? (Check all that apply)

___ Family, Friend or Co-Worker in the Program (Please write their name): _____
___ Saw house being built
___ Referred by other agency (Please write name of agency): _____
___ Community Event (Please write name of event); _____
___ Social Media (Facebook, Instagram, Twitter, LinkedIn, etc…)
___ Cape Fear Habitat Restore
___ Radio
___ News Story (TV or News Article)
___ Attended Info Session (please write location of session): _____

14. INFORMATION FOR GOVERNMENT MONITORING PURPOSES

PLEASE READ THIS STATEMENT BEFORE COMPLETING THE BOX BELOW: The following information is requested by the federal government for loans related to the purchase of homes, in order to monitor the lender's compliance with Equal Credit Opportunity and Fair Housing Laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may neither discriminate on the basis of this information, nor on whether you choose to furnish it or not. However, if you choose not to furnish it, under federal regulations this lender is required to note ethnicity, race and sex on the basis of visual observation or surname. If you do not wish to furnish the information below, please check the box below.

Applicant	Co-applicant
☐ I do not wish to furnish this information	☐ I do not wish to furnish this information
Race (applicant may select more than one racial designation):	**Race** (applicant may select more than one racial designation):
☐ American Indian or Alaska Native	☐ American Indian or Alaska Native
☐ Native Hawaiian or other Pacific Islander	☐ Native Hawaiian or other Pacific Islander
☐ Black/African-American	☐ Black/African-American
☐ White	☐ White
☐ Asian	☐ Asian
Ethnicity:	**Ethnicity:**
☐ Hispanic or Latino ☐ Non-Hispanic or Latino	☐ Hispanic or Latino ☐ Non-Hispanic or Latino
Sex:	**Sex:**
☐ Female ☐ Male	☐ Female ☐ Male
Birthdate: _____ / _____ / _____	**Birthdate:** _____ / _____ / _____
Marital status:	**Marital status:**
☐ Married	☐ Married
☐ Separated	☐ Separated
☐ Unmarried (Incl. single, divorced, widowed)	☐ Unmarried (Incl. single, divorced, widowed)

This section is to be completed only by the person conducting the interview	
This application was taken by:	Interviewer's name (print or type)
☐ Face-to-face interview ☐ By mail	Interviewer's signature Date
☐ By telephone	Interviewer's phone number

Credit Check Release Form

Applicant:

Name: _____ Phone _____

Address: _____

Date of Birth:_____Social Security #:_____-_____-_____

Email Address:_____

I_____request Factual Data to release

information to the Cape Fear Habitat for Humanity Credit Counselor/ Consultant. This information shall include but is not limited to the following: **X Credit Report**

I understand this exchange of information shall be used in the process of reviewing my application and/or eligibility for the Homeownership Program. This authorization will remain in effect for one year or until I specifically revoke this in writing.

_____

Client Signature Date

Co-applicant (if applicable):

Name: _____ Phone _____

Address: _____

Date of Birth:_____Social Security #:_____-_____-_____

Email Address:_____

I_____request Factual Data to release

information to the Cape Fear Habitat for Humanity Credit Counselor/ Consultant. This information shall include but is not limited to the following: **X Credit Report**

I understand this exchange of information shall be used in the process of reviewing my application and/or eligibility for the Homeownership Program. This authorization will remain in effect for one year or until I specifically revoke this in writing.

_____

Client Signature Date

Checklist: Supporting Documents for Homeownership Application

Please provide copies of all requested documents that apply to you and your family.
Note: If a document does not apply to you, please mark N/A.

<u>To be submitted along with Application</u>

___ Prior 2 Years Income Tax Returns

___ Prior 2 years W-2s (or 1099s for self-employed)

___ Prior 2 Months Bank Statement (both savings & checking; any other bank accounts)

___ Prior 2 Months Pay Stubs

___ If using Child Support as part of your income (not required), please provide the Court Order and Payment History

___ SSI Verification

___ Other sources of income, ie: Disability, Veteran or Unemployment Benefits, Work First, Alimony, etc.

___ Housing Choice Voucher (most recent rent determination letter)

The following documents are **not needed until you are asked to come to your first meeting** with the Credit and Mortgage Counselor as part of the next stages of the application process. Make sure you know where these items are:

___ Social Security cards for all household members

___ Birth Certificates for all household members

___ Marriage Certificate, <u>or</u> Divorce Decree, <u>or</u> Separation Papers

___ Driver's License or State ID for all household members over the age of 18

___ Academic Transcripts (for those over the age of 18, have been attending college full-time for the last year and whose income you do not wish to count as household income)

Once your application is received, you will be mailed a letter within 30 days with further instructions. This letter will indicate whether or not your application can proceed to the next step.

If your application is denied, you are highly encouraged to schedule a follow-up appointment for a free financial counseling session.