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## Instructions for the Application Form

### 1. Applicant Information

#### Who should I list as the “applicant”?

List the household member with the highest annual income and best credit score as the applicant. If there is another household member who will also be a signer on the loan, list them as the co-applicant. If there is another adult in the household, but who will not be a signer on the loan, list them under “Dependents and others who live with you.” An adult is any household member who is 18 or older. For any adult who does not have legal residency in the U.S., list them as either “Co-applicant” or “Dependents or others who live with me.”

#### Who should I list as a Dependent / “others who live with” me?

List everyone that lives with you, regardless of their age or whether or not they are counted as “dependents” for tax purposes. If you have a person who is a member of your family but who is out of the home – such as someone serving active military duty, working temporarily in another state, or incarcerated, you may list them if you expect them to live in the house with you when they return.

### 3. Willingness to Partner:

Habitat for Humanity utilizes a “hand up” model based on collaboration and self-empowerment. We ask our partner families to spend time helping to build their own and their neighbors’ homes. This helps families develop real skills that they will find useful after becoming homeowners in the care and maintenance of their homes. Partner families might also take classes in money management, financial literacy, and first-time homebuyer. Depending on the families’ needs, we might also refer you for other services such as English, resumes, job search and others. In most cases, Habitat for Humanity will cover the costs of these programs for persons participating in our programs. Sweat equity credit may also be given for activities which strengthen family success overall, such as credit for childrens’ grades and for parents attending parent-teacher conferences and similar activities. Partner families are required to contribute 250 hours of sweat equity per adult in the household. Of your total sweat equity, half of that must be done in activities related to home construction, and of the hours required in home construction, half of those may be contributed on your behalf by friends and family. If you are disabled, we will work with you to determine which construction-related activities are a best fit for you.

### 4. Present Housing Conditions:

Please tell us about your current housing situation. Some priority points may be given to applications for persons currently living in housing that is unsafe, unsanitary, unsound, or uncertain.

### 5. Property Information:

Please tell us about any property you currently own.

### 6. Employment Information:

Please tell us about your current employment. If you work more than one job, you may use additional pages as needed to supply the requested information. If you are unemployed and receiving unemployment compensation, disability, veterans, pension or other benefits, leave the “current employment” section blank. Complete the information about your LAST employer if your last employment was within the last 24 months. Otherwise leave that section blank.

### 7. Monthly Income:

Please tell us about all sources of income for all members of the household who are 18 or older. In some cases, you may have to estimate the “monthly equivalent” of your income. Use the “other” lines to tell us about pension disbursements, family gifts, or other income you receive which is not already listed on the lines above.

**8. Source of Down payment and Closing Costs:**

If none, write "none." If you have a source of funds for some or all of your down payment and closing costs, tell us what that source is.

**9. Assets:**

List only cash, savings, and investment accounts. Do not list personal property such as vehicles or jewelry. Please list the assets of all household members, including children and dependents. You may be required to use a portion of your assets towards the cost of your home. However, most households are not required to use any of the first \$15,000 in savings and are not required to use any funds that are in IRA or other retirement savings accounts. You must however, disclose the asset.

**10. Debt:**

Please tell us about all of your debt. Debt is an account which has a balance that is being paid, such as loans. Debt is not regular monthly expenses such as internet services. If you are not certain whether something is a debt or not, go ahead and list it. When we evaluate your application, we will adjust out anything that does not meet our definition of debt or we may ask you for further information. Please include any/all debt for which you are a co-signer. You can write "co-signer" in the monthly payments column to show that you are not the person responsible for making the monthly payments on that debt.

**Monthly Expenses:**

We are only asking you about certain kinds of monthly expenses. Please provide the information requested. If you have other expenses which might affect your ability to pay for housing, which are not already listed elsewhere on this application, please write them in the "Other" line. Use additional pages if needed.

**11. Declarations:**

We may ask you for further information about these items if any apply to you.

**12. Authorization and Release:**

Please be certain that both the Applicant and Co-applicant read, sign and date this section.

**Education:**

Please indicate the highest level of education you have achieved. If you have some high school or college without a diploma, please indicate where you stopped (ex. 11<sup>th</sup> grade, Junior in College, etc). If you have vocational certifications, list them here.

**13. Application Addendum:**

You may use this page to supply additional information about any section of your application or to tell us anything about your situation that you would like us to take into consideration.

**14. Information for Government Monitoring Purposes:**

We ask for this data in accordance with federal law simply for statistical and reporting purposes.

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.



Please complete all sections of the application, sign and date before returning to  
West Tuality Habitat for Humanity  
PO Box 806  
Forest Grove, OR 97116

For Questions: 503-359-8459 [www.westtualityhabitat.org](http://www.westtualityhabitat.org) [executivedirector@westtualityhabitat.org](mailto:executivedirector@westtualityhabitat.org)

## Frequently Asked Questions

- **What are the qualifications for the Homeownership Program?**

Our criteria are need, willingness to partner, and ability to pay. We utilize the USDA 502 Direct Loan Program as our preferred primary mortgage funder. Need can be determined by financial need, need for disability access, substandard housing, homelessness or housing insecurity. Willingness to Partner is determined by your agreement to perform sweat equity and meet our program criteria. Ability to pay is always based on something that is affordable for your household, and is capped at 30% of your income.

- **Do I qualify for a Habitat Home through West Tuality Habitat?**

You must submit an application in order to find out whether you qualify. If you meet the criteria above, there is a good chance that you can qualify. We will make a good faith effort to serve all qualified applicants, but due to our limited capacity, we might not be able to serve 100% of qualified applicants. In the event that we have more qualified applicants than we are able to serve, the applicants who, in our judgement, are likely to complete the program and qualify on all criteria soonest, may be given priority points on their application.

We are currently seeking partner families for these housing opportunities:

2-bedroom, attached, single-story disabled-accessible units being built in Forest Grove, est. completion in 2019  
2,3, or potentially 4-bedroom units of row homes to be built in Forest Grove, est. completion 2010-2023

Low-income buyers who, with a little assistance, coaching and possibly down-payment assistance, may qualify for the "Assisted Buyers" program, to purchase existing housing in the marketplace utilizing USDA 502 Direct Loans.

- **Who can be a part of my household? How is my household size determined?**

Individuals who are currently living in the household are considered when determining household size and the number of bedrooms the applicant qualifies for. A child generally is only considered in regards to household size if the applicant has at least 50% custody of that child. If a person is pregnant during the application process, the unborn child will be counted towards household size. Persons who are household members but not currently living in the home due to active military service, working away from home, attending college, or incarcerated, may be counted as household members if you expect that they will live in the home when they return. Please be sure to explain any household size situations in your application. If you count someone as a household member in one part of your application, then you must include them as household members throughout the entire application (declaring income, assets, debt, etc.)

- **How is the number of bedrooms determined?**

Habitat determines the house size based on the household size and make up. The person applying for a home will receive a bedroom and be expected to share with their spouse/partner. Adult couples who are not the applicants will get their own bedroom. Two children of the same gender are expected to share one bedroom if they are three years apart in age or less. Habitat is able to accommodate accessibility needs for persons with disabilities.

- **Do I have to be a US Citizen or have permanent residency?**

At least one member of the family must be a legal permanent resident of the United States and be able to provide proof of legal residency such as a US Passport, Permanent Resident Card, US Birth Certificate, etc. This person must be listed as the primary applicant.

- **Will a credit check be required?**

Yes. A credit check is a part of the process. In addition, rental history, sex offender check, criminal background check, income verification, paystubs, tax returns and bank statements will be reviewed.

- **What are indicators of unacceptable credit for the USDA program?**

Households with credit scores of 640 or better and who meet all other criteria for our program may be eligible for an expedited application process. For households with credit scores less than 640, we may work with you or refer you to services to assist you in cleaning up your debt and credit reports. Persons with little or no positive credit history, late payments on existing accounts, foreclosure, late rent payments, outstanding collections or judgement amounts, may require additional steps and time in the program in order to qualify for housing. You may be required to resolve outstanding tax liens or other judgements before you can complete the program and qualify for a home.

- **What about existing debt?**

Having debt does not automatically disqualify you from the homeownership program. The amount of debt, your payment history and current income will be evaluated during the application process to determine whether your debt-to-income ratio is within our limits. In some cases, we may refer you to debt-management classes to help you better-qualify for housing in our program. In order to be able to complete the program and qualify for housing, your total monthly debt service, including your mortgage principal and interest, property taxes and homeowner's insurance, may not exceed 46% of your monthly income.

- **What if I have a bankruptcy, a foreclosure or major repossessions in my past?**

Habitat is happy to see people improving and cleaning up their credit. Generally, we require three years to have passed before you can complete your program and close on a home. This three-year period is not required to have passed in order for you to apply and begin participating in our program.

- **If I own another home, can I still qualify for Habitat's Homeownership Program?**

Our requirements are that you do not own a home anywhere else. This applies even if you are a partial owner or co-signer, even if you do not live in that other home. If you currently own a home and there are special circumstances that apply (pending divorce, poor condition of the housing, etc) please explain those circumstances in your application.

- **What types of income are counted when I apply?**

All forms of regular, stable income should be included as a part of household income and will be considered. If you are regularly seasonally employed and receive unemployment compensation for part of the year, both your wages and the unemployment compensation will be counted as "income." All income must be documented if we ask for it. Documentation may include items such as paystubs, benefit statements or award letters, copies of court ordered support or alimony, etc. Temporary income, or income that will not continue past 3 years' time is generally not considered.

- **If my family is selected, how much will I have to pay for each month's mortgage?**

Habitat homeowners generally pay no more than 30% of their gross monthly income for their mortgages. The monthly mortgage payment includes your mortgage principal and interest, property taxes, homeowner's insurance and Homeowner's Association Fee (if any).

- **What mortgage options does Habitat use to provide affordable mortgages?**

Habitat can use a variety of products to help homeowners buy homes. These products can include loans provided by Habitat, the USDA, or potentially other third party affordable housing subsidy providers. Habitat uses the USDA 502 Direct as its principle form of mortgage and all families are required to apply through this program. Other options are considered only if funds are available.

- **Do I get to choose my house, design, or location?**

Habitat builds simple, affordable houses. Families participating in our "new construction" program are assigned to a home once they have completed 50% of their sweat equity requirements. New construction available for selection is dependent upon what and where we happen to be building at the times that you enter the program and complete your responsibilities in our program. Generally, families get little or no choice regarding new home location or design. We are currently building homes in Forest Grove but your house could be anywhere within our service area of western Washington County, Oregon. (West of Dairy Creek). Families participating in our "Assisted Buyers" pilot program will be limited in their home choices by the availability of qualifying properties at the time they complete their program and make their housing selection.

- **Are Habitat homeowners allowed to sell their homes?**

Yes, you can sell your Habitat for Humanity home. However, there may be some restrictions. For example, in some cases, you may be required to sell your home to another qualifying low-income family. Most mortgages are structured so that the longer you own your home, the greater the percentage of appreciation in value you can retain when you sell. You will be fully informed about the details of your home mortgage and possible deed restrictions (if any) on your home before you complete the program and close on a home purchase.

- **Can I rent out my Habitat home if I need to move to another place?**

We require that your Habitat for Humanity home be your primary residence as long as you have a Habitat mortgage of any type. If you do not wish to maintain the home as your primary residence, you would be required to pay off any/all Habitat mortgages (i.e. refinance the home) in order to do so. This same requirement regarding primary residency may apply to USDA 502 mortgages.

- **Once an application is completed and turned in, what happens next?**

Your initial application will be reviewed and evaluated based on the information you have supplied. If your application is not rejected for any disqualifying reason, you will then be asked to provide supporting documentation in evidence of your income, debt and certain expenses. This documentation may include paystubs, benefit statements, tax returns, copies of your birth certificate, passport or residency card, bank statements, and more. We may conduct credit, criminal and sex offender screening at any point during the process. If your application passes this round of evaluation, we will contact you to schedule an interview which may include a home visit. This entire process may take several weeks or months. You will receive a notification at least every 30 days, if not sooner, regarding the status of your application and any actions that you must take. After the interview and home visit, (if any) Habitat will review all information gathered throughout the process and determine who will be selected into the Habitat Homeownership Program(s). The entire process from turning in your initial paper application to receiving an acceptance or denial letter is considered our “application process”. A complete application must be submitted in order to be accepted.

- **How long does the application process take? How long before I can purchase a home?**

The entire application process may take several weeks or months from the time you first submit your application. If you are selected for the “new construction” home program, it may require twelve to twenty-four months to build the home. During that time, you will be busy completing your sweat equity and other program requirements. Habitat’s ability to build houses and the speed with which we build depend greatly upon our financial donations, the availability of land, and the availability of volunteer labor. Families in our program typically take between ten and 36 months to complete their sweat equity and program requirements.

- **How much time will I need to commit to the program?**

The minimum amount of time you must commit to the program is 4 hours per month. However, at that rate, it would take five years or more to complete the program. You must complete the program in order to close on the purchase of a home. Consequently, we strongly encourage you to commit at least 8-12 hours per month to the program.

- **Why are the program requirements custom tailored to my family’s needs?**

Our program requirements are identical for every partner family. However, the specific steps that your family must take in order to meet those requirements, may vary. For example, we require all partner families to save at least \$25 per month while they are in the program. One family might choose to cook more family meals and thus be less dependent on fast-food-spending in order to save \$25 per month. Another family might opt instead to pursue a GED and get a better job in order to save \$25 per month. Your specific path to success will depend on the circumstances, skills and needs of you and your family.