

Homeownership: Qualifications

We offer a hand up toward affordable homeownership.

The Southeast Volusia Habitat for Humanity Homeownership Program is an equal opportunity program where applicants can **partner** with us to purchase an affordable home. Applicants are selected based on their need for housing, willingness to partner with us, and their ability to pay an affordable mortgage. Individuals from all races, sexes, religions, and creeds are encouraged to apply.

We want to make sure our homeowners are prepared for the responsibilities of homeownership, from paying a mortgage to maintaining their house. **If you are interested in partnering with us as a future homebuyer, please review the qualifications below:**

*Please note, in order to be eligible to partner with Southeast Volusia Habitat for Humanity, an applicant must have **lived or worked in Edgewater, New Smyrna Beach or Oak Hill for at least one year.***

NEED

Is your present housing one of the following;

- **Inadequate** – Lack of adequate housing may include problems with the present structure such as: water, electrical or sewage service systems; heating system; hazardous; poorly maintained (substandard); or failure to meet city property maintenance standards.
- **Overcrowded** – Also taken into consideration are the make-up and size of your family compared to the number of bedrooms in your home.
- **Transitional** – You are currently living with family members/ friends and you do not have your own room.
- **Government Subsidized** – Housing programs such as: Section 8, Low Rent Program.
- **Unaffordable** – A percentage of your monthly income that you currently spend on housing is considered to determine need (“more than 35% of my monthly income goes towards rent”)

ABILITY TO PAY

In order to qualify for a Habitat Home, a family should have adequate income to cover utilities, maintenance expenses, as well as the house payment. You will have to **demonstrate the ability to pay an affordable mortgage** which includes property taxes & property insurance.

- **Income** - Income must be stable, verifiable, and fall between **40% - 80%** of HUD Median Income levels shown below based on household size. You must have a **six-month** work history/ consistent income.
- **Budget** - Your estimated mortgage payment should be no more than 30% of your income, and mortgage and other debt combined should be no more than **41%** of your income.
- **Delinquent Debt** - No more than \$2,000 in non-medical delinquent debt (collections) at the time of application and all nonmedical delinquent debt must be paid off before purchase of the home.
- **Bankruptcy** - Must wait two years after being discharged and reestablishing good credit.
- **Student Loans** - All Student loan debt liabilities, even in deferment and when included in debt-to-income ratio, should not be more than 41% of your income. If deferred, they are calculated at 0.5 – 1%.
- **Credit Score** – An average credit score from all three bureaus of **620** or higher is required.

Current INCOME LEVELS

Family Size	Household Income Limit
1	\$23,200 – 46,400
2	\$26,500 – 53,000
3	\$29,825 – 59,650
4	\$33,125 – 66,250
5	\$35,775 – 71,550
6	\$38,425 – 76,850
7	\$41,075 – 82,150
8	\$43,725 – 87,450

WILLINGNESS TO PARTNER

Are you willing to enter into a partnership with the Southeast Volusia Habitat for Humanity Team?

- Be honest and accurate when completing our application and future paperwork
- Bring in necessary paperwork on time and attend scheduled appointments
- **Must be willing to sign a mortgage deed for a 30-year conventional loan.** Most of our homes have 3 mortgages on them, with the 2nd and 3rd being silent and the 1st being affordable.
- Must be willing to partner with Southeast Volusia Habitat for Humanity and work **350** hours of “sweat equity” for a single adult applicant or **500** hours for a dual adult applicant (*a minimum of 50 hours of sweat equity must be worked every 3 months*) before being able to move into or close on a future home.
 - There are specific hour requirements per area of sweat equity – ReStore, construction, education.
- Must be willing to pick an available lot that we own in our service area
- Must complete the Homebuyer education classes including first time home buyer workshop
- Must attend a quarterly financial review and be *willing to discuss financial situations*
- Must give the office notice when any financial or household changes occur
- *Will be responsible for maintenance of your house from the time you move into your home*
- Will be responsible for repaying the purchase cost of your home in a timely manner so that other families can benefit from the Habitat for Humanity program

Additional Qualifications

- Have not owned a home in the last 3 years. (Mobile homes built before 2010 do not count)
- Are unable to qualify for homeownership through other conventional means
- Applicant must contribute a minimum dollar amount towards the down payment of the home according to the household income, during the closing. Typically, ranging from **\$500 - \$1,500** but could be more.
- *Be willing and able to partner with the Volusia County Community Assistance Division's Homebuyer Assistance Program (HBA) and their program qualifications for assistance.*
- Be able to **pass a background check**, each occurrence is weighted on a point system and tallied.
- Be able to **pass a sex offender check**.
- Applicants must be legal U.S. residents and over the age of 18
- If married and not fully divorced both partners are required to be on the deed per the state of Florida.
- Consistently show your ability to pay your bills on time

NEXT STEPS:

To receive our application, please attend the next application orientation. To sign up for the next orientation [please call our office at 386-878-4591](tel:386-878-4591) or email info@HabitatSEV.org.

Applications will be given out at the application orientation and a question and answer section is available to go over any questions. Once the application is completed with all of the required documents, you will need to schedule an Application Review at the office with everyone that will be on the future mortgage.

Family partners accepted into the SEVHFH homeownership program could take **15 months – 2 years** before moving in/ closing on their home, dependent on the construction schedule and sweat equity hours completed.



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.