



West Pasco Habitat for Humanity, Inc.
Home Ownership Program
Underwriting Guidelines

Qualification for Acceptance:

1. Applicant must demonstrate a need:
 - a. Current residence has code violations, and/or
 - b. there is overcrowding, and/or
 - c. cost burdened. Applicant is paying more than 30% of their income on housing.
2. Applicant must be willing to repay a mortgage:
 - a. Household income at the time of application cannot exceed 80% of AMI.
 - b. Have reliable, verifiable income.
 - c. Have reasonably good credit. No unpaid judgments, liens or non-medical collections.
 - d. Pay approximately \$550.00 – \$750.00 monthly for 30 years for mortgage, taxes and insurance.
 - e. Make a \$500.00 down-payment and pay all closing costs due from buyer at closing.
3. Applicant must be willing to partner with Habitat.
 - a. Must have lived or worked in Pasco County for a minimum of 1 year.
 - b. Agree to complete 200 hours sweat-equity, per adult household member.
 - c. Complete a minimum of 50 hours sweat-equity, per adult household member, in the construction of their home or another family's home.
 - d. Complete 8 modules in "Mind Your Finances" classes. Approximately 14 hours total.

Requirements for Funding:

1. Verification of household income including salary, child support, SSI, Social Security, etc. Only income that is projected to be received for at least the next 3 years is included.
2. House payment, including escrow, cannot exceed 30% of income.
3. Back-end ratio cannot exceed 43% of income.
4. Good payment practices:
 - a. Applicant must have at least 4 sources of alternative credit such as rent, car loan, credit card, Power Company (required) utilities, daycare, etc.



- b. Good bank account practices. No NSF or Returned Check charges during the past 6 months.
 - c. Provide a letter of explanation for any poor payment practices during the past 12 months.
5. Provide explanation of any undocumented bank deposits.
6. Have settled / resolved any non-medical collections. Provide settlement letters for any collections still showing on their credit report.
7. Have paid their \$500.00 down-payment and provide evidence that they have adequate funds to pay closing costs.
8. Have complete all sweat-equity hours and class attendance.
9. If applicant were to lose their job, Habitat will delay participation until they have had a new job for at least 90 days. Request for funding will be postponed until they can prove evidence of such.