

Habitat for Humanity of Greater Baton Rouge Partner Application Process

1. Apply!

- ❖ Applications must be filled out completely and returned by the due date given in the application packet.
- ❖ Applicants must include 2 months' worth of check stubs or other form of income verification (award letters SSI, disability, etc.) Applicants do not have to have earned income, but must be able to document income and we must be able to assume it will be received for the foreseeable future. All required documentation must come back with application.
- ❖ There will be a non-refundable credit report fee of \$10.00 for a single applicant and \$20.00 for co-applicants. Applications returned without the correct credit report fee will not be accepted.
- ❖ Any application turned in after the deadline will be automatically denied.

2. Initial Review of application

- ❖ Income for all applicants will be verified and evaluated. Any applicants that do not fall within the most recent income bracket (27-60% MFI) will be denied.
- ❖ A credit report will be pulled. We are looking for zero to very low bad debt (no more than \$750 TOTAL in bad debt) and low debt overall (amount of acceptable debt depends on income). Applicants with too much bad debt or high debt to income ratio will be denied. We do NOT use specific credit scores.

3. Mandatory Orientation Meeting

- ❖ Applicants that appear to be qualified on the basis of income and credit will be invited to attend an orientation meeting. This meeting is required to continue in the application process.
- ❖ This meeting contains basic information about the Habitat for Humanity program, the application process for Partnership, Habitat for Humanity houses and the requirements of Partnership.
- ❖ At the end of the meeting applicants are given the option to sign up for the next step or withdraw their application; if they are no longer interested in the program.

4. Financial Review

- ❖ Applicants that choose to continue in the application process will attend a financial review.
- ❖ ALL financial information will be reviewed in a one-on-one meeting. Applicants will be expected to supply information on any and everything that affects their ability to pay the mortgage including but not limited to most recent tax return, credit card statements, insurance information, car loans, utility bills, child support payments, and student loans.
- ❖ Applicants must also be able to prove that they have paid on something reliably before even if it is not documented on a credit report. We want to see a history of financial responsibility.
- ❖ This information will be used to determine the applicant's ability to pay the mortgage and make sure they can still cover all other expenses.

5. Background Check

- ❖ Background checks, including a sex offender registry check, will be done on anyone 18 years and older that will be living in the Habitat home. This will be done prior to being scheduled for a Home Visit.
- ❖ Those with any type of record that comes up on the background check will be scored with a rubric based on number of offenses, length of time since offense(s), type of offense(s), proof of rehabilitation, etc. Any applicant with a score 30 and above will be denied.

6. Review by Family Services Committee

- ❖ The Committee will look at financial information to determine who will receive a Home Visit. They will look at debt to income ratio, cost of housing to income ratio, payment history, housing need, and any other concern that may have come up based on all given information.
- ❖ Applicants will then be prioritized based on need and ability to pay.

7. Home Visit

- ❖ Applicants will receive a visit at their CURRENT residence from two to three staff and/or committee members.
- ❖ During the home visit, we are looking to see that housing need exists and that all information given during the application process appears to be true. A full tour of the home will be done.
- ❖ Any additional family members 16 years of age and older who will have requirements in the process should be present along with the Applicant(s).
- ❖ Additionally, applicants will be reminded of all the requirements of a partner family and be asked to agree to them. This will help determine Willingness to Partner.

8. Family Services Committee Recommendation

- ❖ The Committee will review all files after the Home Visit to look at the three main criteria.
- ❖ **Ability to Pay:** based on information provided in the application and during the Financial Review. If an applicant states during the Home Visit that anything has changed in financial situation (new job, etc.), they will be required to provide new proof of income or debts, etc.
- ❖ **Housing Need:** based on applicant's own assessment of need as well as what is seen during the Home Visit. Lack of needed handicap accessibility and/or information on shelter to income ratio can also constitute housing need.
- ❖ **Willingness to Partner:** is assessed throughout the application process. This is based on the applicant's response to inquiries, meetings, requests for information, etc. from the day they submit their application as well as on their willingness to accept all our restrictions and requirements as seen in the home visit.
- ❖ To be approved, Applicants must also live within the state of Louisiana and be legally able to enter into a contract and purchase property.
- ❖ Applicants are then ranked based on all three main criteria with most weight given to housing need and ability to pay. A number are selected to be put to the Board of Directors for approval based on the projected number of houses to be built in the future.

9. Board of Directors Approval

- ❖ The Board has final say on all approved Partners.
- ❖ They review information and recommendations provided by the Family Services Committee and make a decision.

10. Approved Partners sign partnership agreement & begin working on qualifying for a mortgage

- ❖ Partners complete at least 255 hours of Sweat Equity, attend financial literacy and homeownership classes and work on meeting personalized financial requirements as part of qualifying for a mortgage.
- ❖ This takes 2 or more years.

It is important for Applicants to know!

- 1. The first application is NOT a mortgage loan application! It is an application to become a Partner in Habitat's homeownership program and begin working towards qualifying for a mortgage.**
- 2. After approval they may still be De-Selected by the Board if they do not continue to meet the three criteria, Ability to Pay, Housing Need and Willingness to Partner.**
- 3. The biggest reason to be de-selected is failure to Partner with Habitat for Humanity including things like missing Blessing of the Build ceremony or Dedication, not doing Sweat Equity hours, or not providing current contact information.**