



Homeowner Qualifications

OVERVIEW

Habitat for Humanity of Butte County will be building homes in Paradise Ca. These homes will be for those who meet Habitat's qualification criteria, which include:

- Income qualifications: 55-60% to 80% area median income. *Please note, due to the high insurance costs in Paradise, CA families of two must qualify for a minimum of 60% AMI in order to be considered.*
- Need for affordable housing: Priority will be given to those who are most vulnerable (Disaster affected persons, displaced persons, single parent households, older people-65+, person with disabilities, person with long term illness) as well as other criteria
- Ability to Pay an affordable mortgage – steady form of income
- Willingness to Partner with Habitat – provide 250 sweat equity hours per applicant to help build your home

NEED FOR HOUSING

Present Housing Situations:

- Priority will be given to the most vulnerable in our community (Disaster affected persons, displaced persons, single parent households, older people 65+, person with disabilities, persons with a long-term illness)
- Cost Burdened household (paying more than 30% of gross income for housing)
- Overcrowded housing *i.e.*, more than two (2) children per room, adults sharing room with children, children of different sex sharing a room
- Substandard housing: Problems with maintenance and repairs
- Resident of Public Housing
- Unable to secure adequate housing through private market
- Desires home ownership

ABILITY TO PAY

Total Gross Income: Monthly gross income approximately 55-60% to 80% of HUD median income for Butte County. Income must be stable and any supplementary income must also be stable and likely to continue. *Please note, due to the high insurance costs in Paradise, CA families of two must qualify for a minimum of 60% AMI in order to be considered.*

- Debt to income must be manageable. Debt to Income must fall between the ratio 33/41 for all applicants.
- Ability to pay a \$2,000 to HFHBC down payment at the time of closing
- Not been an homeowner within the last three years
- Demonstrate the ability to manage monthly budget
- History of timely payments and stable work history
- The ability to qualify and participate in State and Federal programs (eg USDA and First Time Homebuyer Programs)





- Any assets in excess of \$15,000 for individuals under 62 and \$20,000 for individuals over 62 will be required as a down payment (subject to USDA evaluation).
- If credit score less than 640 or only one credit score in available additional documentation will be required
- Liens and judgments - No liens or judgments that cannot be cleared before closing
- Free of significant delinquencies or bankruptcies in the last three years

2022 Income Qualification

| Family Size | Minimum 55-60% | Maximum 80% |
|-------------|----------------|-------------|
| 2 ** | \$37,440 | \$49,850 |
| 3 | \$38,610 | \$56,100 |
| 4 | \$42,845 | \$62,300 |
| 5 | \$46,310 | \$67,300 |
| 6 | \$49,720 | \$72,300 |

***Due to the high insurance costs in Paradise, CA a family of two must have a minimum of 60% AMI to qualify*

WILLINGNESS TO PARTNER

Sweat Equity: Understands and is willing to perform at least 250 hours of sweat equity per adult per household from the beginning of partnership to completion of home.

Commitment: Commitment to the community. Commitment to a drug free community.

Lawful Permanent Resident: Applicant must provide proof of permanent residency (*i.e* green card).

Criminal Record: No adult member of the household has a criminal record that poses a likely future risk to neighbors, Habitat staff, or Habitat volunteers.

For questions contact the Habitat office at 530-332-0821, visit our website at www.buttehabitat.org, or email info@buttehabitat.org

