

Somerset County Habitat for Humanity, Inc.

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Somerset, PA 15501
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Dear Friend,

Thank you for your inquiry into the work of Habitat for Humanity. Habitat for Humanity is an ecumenical Christian housing ministry working in partnership with economically disadvantaged families to build houses that they buy on a no-profit basis. The houses are built mainly by volunteers and are financed by donations from churches, individuals, foundations and corporations.

To give you a better understanding of how we work here in Somerset County, I am enclosing a fact sheet about Habitat and information on Habitat families. If you would be interested in building your home with us please complete the following steps:

- **Fill out the enclosed application and sign at the bottom.**
- **Enclose copies for the past two years of your Federal Income Tax returns.**
If you do not have copies of your returns you may send copies of Pennsylvania State Income tax returns or end of year W-2 statements.
- **Enclose letters of rejection from bank or housing agencies demonstrating inability to obtain a traditional or subsidized mortgage.**

The Family Selection Committee will review your application. If your family meets our qualifications you will receive an invitation to the next orientation meeting. If your family does not meet our qualifications we will send you a letter explaining this and why.

We appreciate your interest in Habitat for Humanity and hope to hear from you. Please feel free to call or write if you have any questions or would like additional information.

WHO IS A HABITAT HOMEOWNER?

Family Composition

A Habitat family can be an individual or any group of individuals whose combined income is considered for selection. Couples, married or unmarried must display stability in their household unit and stability of income. If a single parent applies and has a significant, live-in relationship,

the total income of the household will be considered, regardless of the legal status of the relationship. Marriage and or children are not requirements for family definition. Any income contributed to the family by the secondary individuals should be included in the application and will be considered by the committee in making recommendations to the Board.

How does it work?

For a married couple, the income of both adults will be included in the total for the household.

In the case of a single person with a live-in partner, both parties should be included on the applications and the income of both will be considered in determining whether the family meets the income guidelines. The other adult's contribution to the family income may not push the total above the allowed maximum.

In the case of a multi-generational family sharing a home, again, if one person is applying for a home, the applicant's income should meet the minimum standard. Other adult's contribution to the household must be noted and included in the total. If other members of the family will be signing the mortgage documents, then they should complete all application forms and submit credit checks.

Income guidelines will be based upon the square footage of the family. Construction costs of the square footage will determine whether mortgage, taxes, utilities, and insurance exceed 1/3 of the total monthly income. SCHFH will not consider families with income below this level because the present cost of building houses and the subsequent cost of monthly payments, insurance, taxes, utility bills would impoverish families who are living below minimum level. In short, they would pay more than 1/3 of their income for housing related expenses.

SCHFH can accept as application, families who receive their income from welfare. SCHFH does encourage these families to seek the assistance of training programs or other community resources in order to obtain employment. People who receive Section 8 Housing Assistance, Social Security Disability Income, and Medical Assistance are eligible to become Habitat homeowners.

SCHFH will consider families with incomes above the maximum if the family has unusual or pressing financial commitments (such as chronic illness and high medical costs) or if they have not been able to obtain their mortgage through other sources due to income restrictions (not due to bad credit.) These families and their situations will be considerations on a case-by-case basis.

Often, the committee screens a family in which the potential for earning is higher than the actual current income, due to layoffs, education, or health reasons. It is quite possible to anticipate upward changes in income for a family during the applicant process and during the 20 years of paying mortgages. In anticipation of such situations, the liaisons will convey to families a sense of moral obligation to Habitat so that if their income rises dramatically due to a new job, marriage, or more education, the family will be encouraged to pay back their mortgage faster and thus free up money to build other homes. In some affiliates, mortgages contain clauses requiring

shorter terms due to significant increases in income (i.e. and increase of \$5000 per year or the addition of second income to the household composition.)

Homeowner Requirements

Families must:

- *Be willing to live in Somerset County. First priority will be given to families willing to relocate to available sites.**
- *Have at least one stable and reliable source of income.**
- *Be *unable* to obtain a traditional mortgage.**
- *Be insurable with respect to homeowner's insurance. (No false claims in the past.)**

Factors that favor selection include:

- *Living in over crowded or substandard housing.**
- *A stable job history. (Steady ongoing employment, not necessarily at the same location, for a lengthy period of time.)**
- *A stable family situation.**
- *A good credit history. (Or working toward a good credit standing with the assistance of credit counseling for at least six months.)**
- *Good recommendations from employers and others.**
- *Church/community involvement.**
- *Enthusiasm and willingness for Habitat plan of cooperative house building and other Habitat tasks. No previous construction experience is necessary.**
- *Upkeep of present housing.**