



DO YOU NEED A SAFE, DECENT, AFFORDABLE HOME?

This brochure contains information on the Phelps County Habitat for Humanity home ownership program, including eligibility requirements and how to apply for a home.

If you feel that you may meet the selection criteria outlined in the attached brochure, we invite you to apply for the Habitat homeownership program.

1. Please read all information in the attached Questions and Answers brochure, to see if you qualify for the Phelps County Habitat homeownership program. If you believe that you may qualify, the next step is to submit an application.
2. **The application form is attached to this brochure.** Additional applications forms are available at the sites listed at the end of the brochure.
3. **Applications must be received by February 6, 2017.**
4. After you have completed the application and turned it in, allow two to four months for Habitat to verify the information, conduct a home visit, and evaluate your credit.
5. Phelps County Habitat selects a family primarily based on need for safe and affordable housing, ability to repay an affordable home loan, and willingness to partner with Habitat. A “family” includes a single person, and it is not necessary that there be children in the household.
5. Habitat provides a “hand up,” rather than a “hand out.” A family buys the house with an **affordable, no-interest loan** from Phelps County Habitat, and makes monthly mortgage payments. The selected family invests their labor, known as “**sweat equity**,” to build their own home or support other Habitat activities.
6. Habitat’s mission is to eliminate substandard housing by helping families in need to purchase decent, affordable homes. Using donated funds, materials and labor, Phelps County Habitat partners with families to build simple, decent homes. Families buy their homes with no-profit, no-interest loans from Habitat. House payments go into a revolving fund that is used to build more houses, in order to strengthen our community.

Thank you for your interest,

Family Selection Committee



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Phelps County Habitat for Humanity
Family Selection Committee
P.O Box 1551, Rolla, MO 65402
Phone: (573) 368-5110
E-mail: habitat@rollanet.org
[Website: www.habitatphelpscounty.com](http://www.habitatphelpscounty.com)

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QUESTIONS AND ANSWERS ABOUT HABITAT FOR HUMANITY HOMES

▪ **WHAT CRITERIA ARE USED TO SELECT AN INDIVIDUAL OR FAMILY TO PARTNER WITH HABITAT AND BUY A HABITAT HOME?**

You may be selected if you...

- Have been a Phelps County resident for at least the last 12 months, and you are either (i) a U.S. Citizen, (ii) a citizen of a U.S. possession or protectorate, or (iii) a lawful permanent resident.
- Have income within Habitat guidelines (see chart below).
- Have a need for a Habitat home:
 - One or both of the below conditions exist:
 - Currently live in substandard, overcrowded, or unsafe living conditions; or
 - Are paying excessive housing and utilities costs.
- Have the ability to pay a low-cost, no-interest house payment:
 - Able to accumulate the funds for utility deposit, first-year homeowner’s insurance, (you would have 6-9 months after selection to accumulate these funds);
 - Have verifiable, reliable income sufficient to cover monthly house payments;
 - Do not have excessive monthly payments toward debt;
 - Your credit report or credit references show a history of making regular payments on time;
 - No bankruptcy, foreclosure, or deed in lieu of foreclosure within last three years.
- Are willing to partner with Habitat for Humanity:
 - Complete 250 hours (one-applicant) or 300 hours (two applicants) of *Sweat Equity*.
 - Communicate openly, honestly, and regularly with Habitat, including promptly informing Habitat of any change in contact information, income, family makeup, debt or legal problems.
 - Pledge to maintain and repair your home after purchase, and make house payments on time.
- Neither you nor any other person who will live in the home is listed on a sexual offender registry, or is disqualified under regulations issued by the Office of Foreign Assets Control (OFAC).

▪ **WHAT ARE THE INCOME GUIDELINES FOR THE SELECTION OF A FAMILY?**

Applicant’s income must be between the lower and upper income levels set out below, as determined by the number of people in the household. These numbers represent 30% (lower number) and 60% (upper number) of the median Phelps County household income as determined by HUD.

In addition, the monthly house payment to Habitat (including escrow for taxes and insurance) cannot exceed 30% of the applicant’s monthly income, and the monthly house payment plus monthly payments on other debt cannot exceed 40% of monthly income.

2016 GROSS ANNUAL INCOME REQUIREMENT (By number of household members)

1	2	3	4	5	6	7	8
\$11,630	\$13,300	\$14,960	\$16,620	\$17,950	\$19,280	\$20,610	\$21,940
to							
\$23,260	\$26,600	\$29,920	\$33,240	\$35,900	\$38,560	\$41,220	\$43,880

2016 GROSS MONTHLY INCOME REQUIREMENT (By number of household members)

1	2	3	4	5	6	7	8
\$970	\$1,110	\$1,245	\$1,385	\$1,495	\$1,605	\$1,715	\$1,830
to							
\$1,940	\$2,220	\$2,490	\$2,770	\$2,990	\$3,210	\$3,430	\$3,660



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▪ **AM I WILLING TO “PARTNER” WITH HABITAT?**

At Habitat we build more than homes, we improve lives and strengthen communities. That is why we put emphasis on selecting families who are willing to become partners with us. To demonstrate your willingness, if you are selected you will be expected to work a minimum of 250 “sweat equity” hours (if one applicant), or 300 hours (if two applicants), either on your future home or on other Habitat or community projects that are within your capabilities. In most cases, those hours must be completed prior to buying the home. Also, you must be willing to move where we have land to build your home, and you must be willing to maintain the home.

▪ **CAN I AFFORD THE PAYMENTS ON A HABITAT HOUSE?**

The cost of a Habitat home will vary, depending on a number of factors, including the size of the selected family and the applicant’s income. During family selection we determine whether an applicant has the ability to pay for a house of the size the applicant needs. Within certain bounds, we can adjust the number of years over which the house loan must be paid off, to produce first year monthly house payments that a family can afford. We estimate that a one-person household with a monthly income of \$970, and with little or no debt, can afford a monthly house payment of \$291 (including escrow for taxes and insurance), and that a 4-person household with a monthly income of \$1,385 and little or no debt can afford a monthly house payment of \$415. In most cases, either family should be able to pay for a Habitat house.

▪ **WHAT OCCURS DURING REVIEW OF MY APPLICATION?**

If you meet our basic qualifications, with your permission we will verify employment and other income, debts, and bank and savings account balances, get statements from your current and previous landlords, obtain a credit report and credit references, and perform sex offender registry and OFAC list searches. In addition, we will visit your current residence to verify that your current housing is inadequate. All information is considered confidential and is to be used only for family selection.

▪ **WHAT HAPPENS IF MY APPLICATION IS APPROVED?**

If you are approved for a home and if you meet the sweat-equity and initial funds requirements, then we will sell you a home at no profit to Habitat, with a no-interest loan, and with mortgage payments that you can afford. The house payments, excluding taxes and insurance escrow, will be used by Habitat to build more houses with other families. This requires that you make your payments on time.

▪ **HABITAT HOME BEING OFFERED**

- 900 square feet – 2 bedrooms, to 1200 square feet – 4 bedrooms
- One bath for 2 & 3 bedrooms; 1½ baths for larger homes
- Kitchen; combined living & dining room; utility room
- Refrigerator; electric range with vented hood
- Furnace, air conditioning; water heater
- Carpet; vinyl flooring in kitchen, bath & utility room
- Covered entryway
- Crawl space or on-slab
- Detached utility shed

Not Included:

- Garage/carport
- Freezer
- Washer & dryer
- Dishwasher
- Ice maker for refrigerator
- Fencing

▪ **ADDITIONAL APPLICATION FORMS ARE AVAILABLE AT:**

- **On our website -- www.habitatphelpscounty.com**

- Rolla Public Library, 900 North Pine Street
- G.R.A.C.E., 601 Elm Street, Rolla
- Salvation Army, 102 E. 4th Street, Rolla
- St. James Public Library, 300 West Scioto
- St. James Caring Center, 113 W. Eldon, St. James
- Newburg Public Library (City Hall)

REMOVE THIS BROCHURE BEFORE SUBMITTING APPLICATION



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