

## **FAQ**

### **HOW ARE FAMILIES SELECTED TO RECEIVE HABITAT HOUSES?**

Families in need of simple, decent shelter contact Habitat for Humanity of Marion County.

Homebuyers are chosen based on need, their willingness to become partners in the program and their ability to repay 0% or low interest loan.

All applicants will be considered without regard to race, color, religion, sex, handicap, familial status or national origin.

### **ARE HABITAT FOR HUMANITY HOUSES FREE?**

No. Habitat builds or renovates homes in partnership with Homebuyers and people from the community who volunteer to construct homes. Homebuyers partner with Habitat and then purchase the home with a 0% or low interest, mortgage. Monthly mortgage principal payments to Habitat for Humanity of Marion County help fund homes for future families.

### **HOW LONG DOES IT TAKE TO GET AN ANSWER OR RESPONSE AFTER I COMPLETE AN APPLICATION?**

You will get a response by mail within 30 days.

### **WHAT IS A COMMUNITY LAND TRUST?**

In May 2018, the Board of Directors approved the formation of a Community Land Trust (CLT) in an effort to keep all the future homes we build to have the ability to pass on the affordability to the next owner of the home. We manage that process by having the CLT own the land the Habitat homes are constructed. At closing the homeowner will sign a 99-year lease for the land allowing it to be available for homestead exemption. If a homeowner needs to sell their home, the CLT has the first right of refusal to purchase the home. The purchase price is based on a formula to determine the net equity earned during their ownership. If the CLT does not purchase the home the retain the ownership of the lot and the homeowner can sell the home with the provision that it is sold to a family who qualifies as being affordable.

## **HOW MUCH IS THE MONTHLY MORTGAGE PAYMENT?**

The monthly mortgage payment varies depending on the price of each individual home and down payment assistance that may be available to the buyer. The mortgage payments for new homebuyers will include principal, interest (if applicable), ground lease fee, and escrows for property taxes, insurance, and termite bond.

## **CAN I QUALIFY FOR DOWN PAYMENT ASSISTANCE?**

You may be eligible for Down Payment Assistance from the following Marion County SHIP, Marion County HOME Funds, City of Ocala SHIP, HOP and /or FHLB.

## **HOW LONG BEFORE I CAN BEGIN WORKING MY SWEAT EQUITY HOURS?**

Once you have been approved for the program, you can begin working towards your hours. The minimum requirement is 25 sweat equity hours per month.

## **DO I HAVE TO BE EMPLOYED?**

No, but you must have a steady income and meet the household income minimums. Qualifying income includes, but is not limited to wages, child support, alimony, SSA, SSI, and retirement benefits.

## **CAN A SINGLE PERSON APPLY?**

Anyone can apply and you don't have to have children to qualify.

## **CAN I APPLY IF I OWN A BUSINESS?**

Yes. Your complete income tax records for the previous 2 years including your Profit & Loss Statement will be evaluated closely to ensure that you meet the minimum income and do not exceed the maximum income for your family size.

## **AM I REQUIRED TO HAVE PERFECT OR HIGH CREDIT SCORE?**

We do not determine eligibility by credit score. And perfect credit is not necessary; however an established & consistent payment record is required. Your overall debt will be examined to determine if your new mortgage will keep you from paying other monthly expenses. You cannot be approved if you have more than \$2000.00 in unpaid collections, charge offs, repos, judgments, and/or liens. *We do not count medical collections.* If you have any of these issues, you are encouraged to attend credit counseling to determine what needs to take place to repair your credit.

## **WHAT IF I HAVE HAD A BANKRUPTCY IN THE PAST?**

Applicants will need to wait 3 years after Final Judgment for bankruptcy.

## **CAN I REAPPLY IF I AM DENIED?**

Absolutely! If you are denied from our program, we will give you the necessary tools and information necessary regarding what steps should be taken to qualify.

## **HAS HABITAT EVER FORECLOSED ON A HOUSE?**

Yes, unfortunately, we have. You will purchase your home from us, and we expect you to make timely monthly mortgage payments. Your payments are important because they help fund homes for future families.

## **WHERE DO YOU BUILD?**

Our property focus is Silver Springs Shores, West Ocala and Dunnellon.

## **CAN I CHOOSE WHERE I WANT MY HOUSE TO BE BUILT?**

Yes and No. Once you are approved and complete 125 Sweat Equity hours of your requirements, we will offer you the property that is currently available, which might be new construction or a rehab. Home availability depends on the construction schedule and available funding. You may have to wait on your home to be built until financial support and/or property becomes available. You will not have the option of searching for a site on your own, nor do we rebuild homes that you currently own.

## **WHAT SIZE HOUSE CAN I GET? WHAT WILL IT LOOK LIKE?**

Your home size will be based on the current needs of your family. Habitat is not a custom homebuilder, but your home will be simple, decent, and affordable.

## **WHAT IS SWEAT EQUITY?**

Sweat Equity is the time and effort you contribute toward the purchase of your home through the construction of others' homes, as well as your own. And special events to benefit building of homes. It is a central principle in Habitat's mission of building community and partnering with families to provide "not a hand-out, but a hand-up!" Following approval, you must complete the required number of sweat equity hours, but more important than the number of hours, is your consistent, active participation on the job site. Sweat equity also includes participating in required homeowner education classes, working at our Habitat ReStore and participating in other approved community activities. Sweat equity hours are a minimum of 500 hours per household.

## **HOW LONG WILL IT TAKE BEFORE I MOVE INTO MY HOUSE?**

The process from beginning to moving into the home can take up to 24 months or so, depending on construction schedules. After you have submitted your application, it takes one to three months to go through the selection process. Once approved for the program, you begin earning your Sweat Equity hours by contributing to the construction on others' homes. In addition, you will be required to make monthly payments towards your out of pocket expenses (i.e.: down payment and/or closing costs), which is currently \$1,200.00. Your sweat equity & out of pocket funds must be complete before you can purchase your home.

## **CAN MY CHILDREN HELP WITH SWEAT EQUITY?**

Yes, we get the kids involved too. Children receive hours of sweat equity for each "A" and "B" they receive on their report cards. They can also participate in age appropriate Habitat activities.

## **CAN ANYONE ELSE HELP ME WITH MY SWEAT EQUITY?**

Yes, friends and family members can help you work 100 hours of the required sweat equity hours. The friends/family can only work on a construction site or be an off-site babysitter for your children. We do not require any previous skills or knowledge. Sweat equity is an exciting learning experience in which you work with your family, friends, and community to build other peoples' homes as well as your own. Working alongside volunteers and future neighbors to build your home and community is one of the most unique, empowering, and rewarding aspects of Habitat for Humanity.