
APPLICATION CRITERIA

Habitat's primary goal is to provide simple, decent and affordable homes to qualified low-income individuals and families. Applicants to NWV Habitat must live or work in the affiliate's service area for 12 months within the last 3 years to qualify and to submit an application to the Homeownership Program. Habitat for Humanity evaluates all applications based on three criteria:

- 1) The ability of the applicant to repay the Habitat mortgage
- 2) The applicants' need for housing
- 3) The applicants' willingness to partner with Habitat

Each of these criteria will be explained below. Before applying or re-applying for a Habitat home, please consider whether you have the need and meet the other qualifications listed below. If you do not meet these guidelines, your application will be denied.

NEED FOR HOUSING

You must be able to demonstrate **one or more** of the following concerning your current housing situation:

- Housing conditions that are unsafe: physically and environmentally.
- Overcrowded housing situation.
- Housing that is too expensive – more than 30% of your gross monthly income.

Remember, just because your current housing is rented or subsidized by the government, it does not automatically mean that it is substandard.

WILLINGNESS TO PARTNER WITH HABITAT

Families must be willing to fulfill the requirements of Habitat for Humanity home ownership by donating "sweat equity" hours in building your own houses and other Habitat houses. And, you must be willing to be good stewards of the house after you move in. If your family is approved for a Habitat home, we require that all adults (18 years and older) in the household be willing to work a combined total of 500 hours of sweat equity prior to moving into the new home.

Most of our neighborhood developments have a Homeowner's Association, which is responsible for taking care of any common areas, such as open space or streets. You must be willing to play an active role and cooperate with other homeowners.

ABILITY TO PAY THE MORTGAGE AND EXPENSES

Your total household income* must be enough to cover the house payment, taxes, insurance, utilities and maintenance expenses. But your total household income must not exceed 70% of the area median as defined annually by the federal government. Please see chart below. This will change annually. The below numbers are effective as of October 2020.

Marion County Household Size								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Minimum Income	\$19,800	\$22,600	\$25,440	\$28,240	\$30,520	\$32,760	\$35,040	\$37,280
Maximum Income	\$34,650	\$39,550	\$44,520	\$49,420	\$53,410	\$57,330	\$61,320	\$65,240

Clackamas County Household Size								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Minimum Income	\$25,800	\$29,480	\$33,160	\$36,840	\$39,800	\$42,760	\$45,720	\$48,640
Maximum Income	\$45,150	\$51,590	\$58,030	\$64,470	\$69,650	\$74,830	\$80,010	\$85,120

*Examples of Income include:

- Income from employment
- Social Security Income
- Supplemental Security Income (SSI)
- Social Security Disability Insurance (SSDI)
- Child support
- Alimony/spousal support
- Any other form of income. (Including, but not limited to, repayment of a debt, interest income, etc.)

The applicant and co-applicant must make at least the minimum amount listed above for each household size. Then all of the income received by any adults (persons 18 and older) who will be living in the Habitat home is counted and must not exceed the maximum amount listed above.

While your credit does not have to be perfect, you need to demonstrate that you are able to pay your bills on time. Habitat will look at your payment history, as shown on your credit report, as well as the total amount of debt you have and the amount of any collections or judgements. Below are some of our criteria for these:

- **Debt-to-income:** 15% maximum consumer debt
- **Bankruptcies:** 4 years cleared with established good credit after

In addition to pulling a credit report, we will verify your rent history with current and former landlords.

If approved for a Habitat home, an escrow account (separate from the regular checking account) will be set up and administered by NWV Habitat. The account will reflect the amount of the mortgage payment is applied towards taxes and homeowner's insurance and homeowner association dues, if applicable.

