

Essex County Habitat for Humanity will use the selection criteria outlined below to determine eligibility for homeownership. All applicant families are required to be legal residents or citizens in status and have two years of taxable income reported.

1) **Applicants must demonstrate a need for housing.** Consideration will be given for the following circumstances and conditions:

- Substandard Housing - If there are problems with the heating system, water supply, electricity, bathrooms, kitchen, structure, etc. of your current home.
- Applicant pays more than 40% of income on rent.
- Overcrowding - If the number of bedrooms is inadequate as determined by the number, ages, and sex of household members.
- Economic Disadvantage - The family must be unable to obtain a conventional or government-assisted mortgage loan to purchase a home.

2) **Income and Ability to pay** - The family income must be adequate to cover monthly housing costs of approximately \$1,000-\$1,500.

- Up to \$187,200 with affordable interest, 20-30 year mortgage, with a payment of **approximately** \$500 per month.
- Monthly escrow payment of **approximately** \$500 which includes taxes, insurance, and short and long-term maintenance costs for common areas.
- Homeowner pays utilities, water, and sewer.
- Total monthly housing payment (mortgage+ escrow) is **approximately** \$1,100 or 40% of Income
- An applicant's total annual family income must fall between 40% - 60% of the area median income. For a family of four, that falls between \$47,400 and \$71,100.

3) **Willingness to Partner** - The family must demonstrate a willingness to participate as a partner with Habitat. Prospective homeowners must demonstrate a commitment to their home and community, as well as to Habitat. These criteria will be determined by interviewing the applicant families and their references. If selected as a Habitat homeowner, you will be required to:

- Commit yourself and all adult family members, in writing, to work between 240 and 360 hours with Habitat for Humanity while your home is under construction.
- Pay your mortgage on time so that more homes can be built (this will be determined by obtaining your credit report).
- Maintain your home inside and out, including doing the necessary landscaping and cleaning of the common areas.