

How the Habitat Homebuyer Program Works

Habitat for Humanity of Racine offers a homebuyer program to qualified low-income individuals and families in Racine. Habitat extends a 0% interest mortgage loan to qualified applicants.

-Need

Applicants must be in need of housing due to any of the following situations:

- Structurally substandard, unsafe, or unhealthy living conditions
- Over-crowded living conditions
- Housing costs (rent = utilities) exceeds 30% of gross monthly household income
- Housing is inaccessible
- Housing is subsidized or transitional

-Ability to pay

Applicants must be comfortable with a monthly mortgage payment from \$600 to \$800 and must have enough income through stable employment or other forms of permanent income to afford a home and all basic living expenses.

- Income includes all wages for every household member over 18 years old, unemployment (only if related to seasonal employment), social security, pension/or disability. Self-employment income is defined as the "Net Profit" [line 31, Schedule C (1040)].
- Income can also include child support, kinship care and other types of income which is received on a regular basis and is needed to cover monthly expenses.
- All collection debt must have proof of active payment plans or be paid in full
- Judgments for money must be satisfied
- Bankruptcy must have been satisfied or discharged for at least 2 years
- Family Income between 30-80% of the median household income in Racine County for your family size.

-Willingness to Partner

Applicants must be willing to work in partnership with Habitat to ensure positive and active involvement in the Homebuyer Program. In place of a down payment, homeowners are required to contribute hundreds of hours towards the construction of their home and the homes of their neighbors.

-Additional Applicant Requirements

- Applicant(s) must be a US Citizen or documented/permanent resident.
- Married couples must apply jointly since Wisconsin is a marital property state.
- All adult household members (over 18) must sign a general release for a background check and other verification necessary to determine eligibility.

