



CITY OF ANAHEIM

ELIGIBILITY AND SELECTION CRITERIA

Habitat for Humanity of Orange County (Habitat OC) is a non-profit organization that builds and repairs homes for families that could not otherwise afford to do so. The goal of the Anaheim Residential Rehabilitation Program (RRP) is to help families improve their living conditions by making home repairs that are focused on health, safety, and accessibility through Critical Home Repairs. Habitat OC has been selected to implement the City of Anaheim’s Residential Rehabilitation Program.

ELIGIBILITY CRITERIA

- Home must be located in Anaheim.
- Applicant/Co-Applicant must be the homeowner.
- The property cannot have an outstanding Notice of Default or Notice of Sale files against it.
- The property must be without any unpermitted or illegal additions.
- Homeowner must be current with the following:
 - Mortgage Loan Payment (if homeowner is still making payments)
 - Homeowner’s Insurance Policy
 - Property Taxes
- Homeowner must be willing to accept financial responsibility by providing a minimum contribution of \$100 and willing to partner by performing sweat equity to the extent they are physically able to do so.
- Homeowner must be willing to undergo Habitat OC’s income verification process to ensure that the Household Gross Annual Income is below 80% of the area median income (AMI) for OC.
- The applicant must have a loan-to-value ratio that doesn’t exceed 90%.
- Repairs are provided as either a major loan up to \$100,000 that must be repaid in full by year 30 and will carry an annual 3% simple interest, or a minor loan up to \$15,000 that can be forgiven if the owner complies with the loan and Program requirements for 10 years following the repairs to the property, but full repayment of the loan is required if during the 10-year term of the loan any of the events of loan acceleration occur, which include without limitation the following:
 - Sells or transfers the property
 - Defaults on senior lien mortgages(s)
 - Ceases to reside the property as the primary, permanent residence
 - Refinances property for cash-out or equity line of credit
 - Owner makes unpermitted improvements to the property
 - Change in title except to a surviving spouse.
 - Upon death of the loan recipients
 - Owner rents or leases out any part of the property.
 - Owner defaults on the first mortgage

Maximum household income must fall below the levels on this chart adjusted to family size:

FAMILY SIZE	1	2	3	4	5	6	7
MAXIMUM INCOME**	\$71,750	\$82,000	\$92,250	\$102,450	\$110,650	\$118,850	\$127,050

**80% area median incomes for Orange County 2020 as published by HUD. Maximums updated yearly.

SELECTION CRITERIA

If eligible for the RRP Program, approval of families for selection is dependent upon Habitat OC’s assessment of need, willingness to accept financial responsibility, and willingness to partner with Habitat OC. In addition to these criteria, Habitat OC and the City reserve the right to select families according to affiliate budget and capacity. Habitat OC and the City reserve the right to determine and prioritize the specific repairs which are also subject to homeowner approval.

HOME REPAIR PROCESS



The following is a description of the Qualification Process:

1. **Inquiry Form:** Applicants are asked to state their self-reported household income and home repair needs. *Mortgage, Homeowner's Insurance, and Property Tax must be current.
2. **Initial Walk-Through:** If pre-qualified, two Habitat OC representatives will visit the home to gather basic information and pictures of the repair needs.
3. **Full Application:** If it can be determined that the project could be matched with the funding currently available, Habitat OC will provide the blank Application, which must be completed with all supporting documents and returned within 30 days to conduct income verification and confirm meeting other Program requirements. **details below*
4. **Assessment:** If fully-qualified, two Habitat OC representatives will conduct an assessment of your home to determine the scope of work that falls within our capacity and budget (focusing on health, safety, and accessibility).
5. **Acceptance:** If accepted into the RRP Program, applicants will be formally notified with a **Letter of Acceptance** and will be required to conduct a pre-closing meeting in the Habitat OC Main Office to review and sign documents. Repair Projects are scheduled based on program calendar availability.

***Full Application Details**

The required documents are necessary for confirmation of current status on mortgage, home insurance, and property tax payments, for identity verification, and for income verification. All of the information in your application is confidential and will be kept strictly private. This is a necessary and major component in the qualification process. The Application and all supporting documents must be submitted within 30 days of receipt.

To complete the application, copies of the following documents are required (if applicable):

- A copy of your most recent mortgage statement
- A copy of your most recent property tax statement
- Proof of current homeowner's insurance
- A copy of the recorded deed
- A copy of a valid photo I.D. for all property owners on title
- A copy of a passport or birth certificate for all property owners on title
- A copy of your DD214 (for veterans)
- Federal Income tax returns and W-2 and/or 1099 Forms for all employed household members
- Child support, alimony, and monthly benefit statements / annual letter stating the amount receiving for all household members receiving any form of benefit (i.e. Retirement/Pension, Unemployment, Disability, SSI, TANF, SSDI, etc.)
- Pay stubs for the previous two consecutive months for each employed household member
- All current checking and/or savings account statements for two consecutive months (including but not limited to stocks, IRA's, pension accounts, mutual funds etc.)

The time it may take to process each applicant may vary depending on our capacity.

Applicants will be updated with their qualification status after each step.

This process is specific to the Anaheim Residential Rehabilitation Program.

FREQUENTLY ASKED QUESTIONS



- **How do I apply for the program?**

The first step is to register as a new user and fill out the inquiry form located at <https://portal.neighborlysoftware.com/anaheimca/participant>

- **How long would the repair process take?**

Qualification processing time may vary depending on Habitat OC's capacity and the City's approval, and could take as long as 2 – 3 months. Similarly, if the application is approved, it may take some time before the home repair project is begun.

- **Why is there a financial contribution?**

Habitat OC offers a hand up, not a hand out so while Habitat OC works with donors to cover the majority of the repair costs, we ask each homeowner to share in the cost. That amount will be used to cover some of their own repair project costs. Payments may be made in two installments.

- **What is sweat equity?**

Sweat Equity refers to the work that the homeowner performs with Habitat OC on the repair project (i.e. helping with the repairs, greeting volunteers, etc.).

- **Why is there an income evaluation? Who will be evaluated in the income evaluation?**

The income evaluation is to verify that the household income does not exceed the income eligibility as stated in the maximum income table. This program focuses on limited income families at 80% AMI or lower. Anyone currently living in the home and everyone on the title of the home are evaluated and all sources of income and assets of all members of the household are to be submitted and evaluated as part of the application process.

- **What happens when repayment is required? How is it enforced?**

The repair program is intended to improve the living conditions of the existing homeowner and support long-term residency in the home. If the repairs are provided as a minor loan up to \$15,000, the homeowner can be forgiven after ten (10) years unless the homeowner takes any of the following actions during a 10-year period after the repairs are completed:

- Sells the property
- Transfers title
- Ceases to reside in the property
- Refinances property for cash-out or equity line of credit
- Rents out all or any part of the Property
- Other conditions as listed in the loan documents

In any of the above circumstances, full repayment of the loan is required and will be due. Each homeowner will execute a ten (10) year note secured by a lien on the property. Full repayment will be received in the event of default by the homeowner as listed above and in the loan documents. After ten years the note/lien will be forgiven and the lien removed from the property.

If you have any additional questions: homerepair@habitatoc.org.