



Tips to Prepare for Habitat Home Application

Meeting the “ability to pay” criteria is often the most challenging. With that in mind, here are some suggestions to prepare yourself as you wait for the application cycle to open:

1. **Get your free credit report.** Call 877-322-8228 or go to annualcreditreport.com. You are entitled to one free report per year from each of the agencies: Experian, Equifax and Transunion. You do not need to sign up for any services. If there are items on the reports that need to be taken care of, start now. It is best to order all 3 as creditors do not always report to all 3 agencies.
 - a. If you need help understanding what is on your credit report or how best to address items, contact GreenPath Financial Wellness at (970) 821-8317 or <http://www.greenpath.com>.
 - b. Keep copies for any items you address on your credit report especially proof of payment and turn them in with your application.
2. **Pay Down Outstanding Debt.** Your total minimum payments on debt cannot exceed 12% of your gross monthly income. This includes student loans. If you are able to, consider paying down debt you owe, or paying it off, to meet this guideline. Submit proof of payment(s) with your application.
3. **Income Tax Documents.** Do you know where your last 2 years taxes and W-2's are? If so, great! If not, get copies. Your tax preparer should be able to provide them. If unable to locate copies order transcriptions from the IRS at 800-829-1040. you do not need to pay, we only need the FREE transcript.
4. **Self Employed?** If you are self-employed, we will require P&L's in addition to your tax return and will need 3 years taxes rather than 2.
5. **Important Documents that may apply to you**
 - a. **Bankruptcy.** If you have declared bankruptcy (must have been 2 or more years ago from the discharge date to qualify) we will need copies of the discharge documents.
 - b. **Divorce.** Same thing if you have had a divorce or receive child support. We need copies of those legal documents as well. (is this same as court order mentioned below?) not necessarily, plus we need the payment history mentioned below
 - c. **Alimony.** If you receive alimony, maintenance or child support we need the court order as well as payment history.
6. **Birth Certificates, Passports, Permanent Residency.** We will need copies of birth certificates, passports or permanent residency card/documentation. If you don't have those, get copies now.

Note: Applicants must meet the guidelines to be approved, but it does not guarantee that you will be approved.

When it comes to financial considerations or any other areas that will impact you or your household - don't make decisions based on the possibility of being approved for a Habitat home, make decisions based on what is best for you and your household.