



GUIDELINES AND
REQUIREMENTS OF PONCA
CITY AREA HABITAT FOR
HUMANITY HOMEOWNERS



MARCH 25, 2018

WELCOME!

Congratulations on being selected as a Ponca City Area Habitat for Humanity homeowner. This is a wonderful opportunity for yourself and family and the community of Ponca City.

These guidelines are to enable the selected homeowner to achieve a home that they can afford and enjoy for years to come. Review the guidelines to know your responsibilities and who to turn to in case of questions.

Again, congratulations on being selected as a homeowner.

Roles and Responsibilities

One of the most important steps to building a house is to understand the various roles and responsibilities throughout the process. This will help you stay organized and keep track of each decision in the homebuilding process. Who will be responsible for what? What items should you depend on your builder for? What is the homeowner responsible for? Who will make important decisions? It's crucial to understand the roles of individuals involved in the process and who each person reports to. These professionals include:

Homeowners – are selected by the Habitat Family Selection Committee and then approved by the Board of Directors based on the following criteria: homeowners are required to maintain the credit score they entered into the homebuilding process with or better and a clear background check. Homeowners should develop a good relationship with the construction crew and Nurturer.

Construction Manager — the home builder's construction manager acts as the liaison between the homeowner and the other members of the team. The Construction Manager works with the home builder to create drawings and specifications.

Mortgage Lenders — Habitat for Humanity of Ponca City is the mortgage lender at zero interest on the home loan.

Sweat Equity

Sweat Equity – “Sweat equity” refers to the hands-on involvement of the applicant and his/her family in building their house and other Habitat houses and is a core tenet of Habitat's ministry. It is essential that the applicant understand the sweat-equity exceptions of the affiliate early in the application process.

Sweat Equity is Habitat's most valuable tool in building the partnership among potential homebuyers, their families, affiliate staff members and volunteers. Through sweat equity, the applicant has an opportunity to invest physically and emotionally in the mission of Habitat.

Guidelines to meet Sweat Equity include:

- Attend budget or any other self-help programs we require the homeowners to attend.
- Habitat homeowners should work at least 350 sweat equity hours on a home site. (As much as 200 of hours can be completed by friends and family.) Fifty hours must be completed by the applicant prior to final board approval for approval as a potential homeowner.
- Habitat homeowners should only work with construction volunteers and under the supervision of the Construction Manager.
- Habitat homeowners will not be given a key or private access to their home until dedication day.
- Habitat homeowners may only work at the ReStore if approved by the board.
- Homeowners' family members must be 12 years of age or older to work at the home site.

Disclaimer

- Definition and maximum number of “donated hours”: The Habitat for Humanity of the Ponca City Area maintains homeowners’ children under 18 can be brought to the worksite. However, volunteer’s children under 18 years of age will not be brought to the work site due to legal liability and the potential for injury situations.

Prospective homeowners should never perform more than eight to ten hours of sweat equity during the application process.

Ability to Repay

Ability to Repay – Homeowners must demonstrate the ability to repay the home. Habitat homes are not free. It is expected that homeowners must make monthly house payments. This includes the knowledge that insurance and taxes will increase yearly and homeowners be aware that this could increase their yearly

house payments. The ability to pay determination will be performed at least twice on an applicant before the house closing in order to ensure that the applicant is financially ready for homeownership.

Sources of Income – when an applicant relies on alimony, child support or separate maintenance payments, the Habitat will consider such payments as income to the extent that they are likely to be consistently made and how long they are expected to continue.

Home Building Timeline

- **How long will it take to build my home?** In general, new home builds take approximately one year or more.

Home Design Steps

When working on a home design, consider the following steps in your building-a-house checklist:

- What features are most important to me? How many bedrooms and/or bathrooms?
- Will there be any potential issues or expenses? Ask your designer about any potential issues in your desired design. Homeowners wanting different appliances, paint, carpeting/hardwood floors, etc. must be willing to pay the difference upfront to the Financial person.
- Habitat for Humanity homes are NOT CUSTOM HOMES.

Making Selections

- There are a few features you can add to your home. Selections could include the following:

- **Color selections** — When building a new home, you select your features based upon your preferences. Select colors that fit your family’s personality for both inside and outside of your home. Unsure of where to start? Ask your builder for ideas. Habitat for Humanity will offer two house plans upon which homeowners decide. All appliances will be white.

Homeowner Responsibilities

- The Ponca City Area Habitat for Humanity does not provide free maintenance if a home develops problems. Homeowners should plan for eventual problems by establishing a fund for housing maintenance. This includes roofing, painting, etc. that need to be addressed.
- Appliances wear out. That is a fact. Homeowners should plan for when an appliance wears out or if not functioning to its fullest capability. Replacement appliances are not a provision of the Ponca City Area Habitat for Humanity. Homeowners are encouraged to check the stock of potential new appliances at the ReStore.
- All appliances are the traditional color of white.
- Homeowners can pick the color of exterior and interior walls (within reason), color of flooring (in one price range), but all of the trim inside of the dwelling and out is painted semi-gloss white.
- Only the Construction Manager or one of his/her workers will make purchases with the Lowe’s credit card, not volunteers, future homeowners, or board members.
- Before a homeowner can claim ownership of the house, they must proceed with a closing with the financial officer of the Ponca City Area Habitat for Humanity, the President, and any members of the Family Selection Committee in attendance. Discussion includes the ability to repay the house. Homeowners should be mindful that taxes and insurance increase yearly and must utilize a plan to pay for these items.
- Homeowners will obtain homeowner’s insurance prior to the closing of the home.
- Homeowners will repay the Ponca City Area Habitat for Humanity any and all costs associated with the home including special features. Again, Habitat for Humanity homes are NOT custom homes.

Moving In

Once your home is built, congratulations! It's time to move in. Moving in can commence once the closing and dedication is over. During this process, it's important to take care of the final steps:

- The Habitat for Humanity chapter of Ponca City conducts a dedication at the new home. At this time, house keys are given to the homeowner.
- Moving is not provided by Habitat for Humanity but rather the homeowner.

Most importantly, enjoy your new home! Consider throwing a housewarming party to welcome friends into your new home and get to know your new neighbors.

Now is the perfect time to get started on building your new home. Follow the checklist above for best results!