

## Criteria for Prospective Owner Selection

**Most HONK opportunities are available to households with incomes under:**

| Household Size | Income Under | Household Size | Income Under |
|----------------|--------------|----------------|--------------|
| 1              | \$41,850     | 5              | \$64,550     |
| 2              | \$47,800     | 6              | \$69,350     |
| 3              | \$53,800     | 7              | \$74,100     |
| 4              | \$59,750     | 8              | \$78,900     |

*Note: Limits based on HUD's 80% AMI limits as of December 31, 2017 (subject to change). Some opportunities may be available to those with incomes slightly higher. Please enquire for details.*

**In addition to income guidelines, the prospective owner must:**

1. Have a strong desire to be a homeowner and demonstrate a need for HONK's help
2. Have a steady income that can support a mortgage
3. Demonstrate that if they are not currently able to get a loan due to credit, that they have the ability to improve their credit to achieve a loan within 12-18 months
4. Demonstrate the ability to live within their means
5. Demonstrate through current living space that their home will be properly maintained
6. Work with HONK to perform 500 hours of service in:
 

|  |                                       |
|--|---------------------------------------|
| Improvement of self and family                   | Repair and maintenance of property    |
| Community and/or church projects                 | Helping to stabilize the neighborhood |
| Participating in HONK's program of homeownership | Assisting others to become homeowners |

## The HONK Process and Program

**Apply to HONK:** applicant completes application and returns to Housing Opportunities of Northern Kentucky

**Interview by HONK:** staff or volunteers conduct an interview explaining the program in more detail and answering questions

**Selection Committee:** application and interview are reviewed by committee who makes recommendations as to the feasibility of homeownership for the applicant

**Approval / Rejection:** HONK staff notifies applicant

**Match Approved Client with house:** HONK staff works with approved client-family to identify housing needs and types of houses HONK currently has available

**Lease agreement:** HONK and client-family enter into a lease agreement

**Purchase agreement:** HONK agrees to sell and client-family agrees to purchase the property contingent on successful completion of HONK's homeownership program

**Lease phase:** 12-18 months, but may be shorter; family pays rent on time, pays all utilities, does all normal routine household tasks and maintenance, participates in HONK homeowner workshops, completes other homebuyer education and / or credit counseling programs

**Purchase:** By 18<sup>th</sup> month HONK sells house to Client-family