

Mortgage Ready

- **Meets all guidelines and qualifies for Oregon Residential Bond Program and/or conventional mortgage loan**
- 620 credit score or higher*
- Habitat-specific for Modified partnership program: pre-qualified for pre-determined mortgage amount (updated annually)
- Attended Information Session/Watched Information Videos on website
- Debt-to-Income Ratio 8% or below
- Understands/Accepts program requirements
- Within Habitat Income guidelines
- Savings account or budget showing ability to save \$4,000 or more toward closing costs
- History of on-time payments (utility, rent)
- Verifiable income and rent history
- 2 years of employment history (3 years if self-employed)
- Proof of Legal Status
- Return of all required documentation including 2-3 years of most current tax returns
- No Judgments or Liens

Near Ready (0-3 months to Mortgage Ready)

- Credit Score at 620 but has clean-up work (such as 1-2 accounts in collection or misinformation, past due accounts)
- Attended Information Session/Watched Information Videos on website
- Attended Mortgage Readiness Counseling Session with staff (not required, but helpful).
- Debt-to income Ratio (short-term) 10% or below (no more than \$1500 of collection debt)
- Understands/Accepts program requirements
- Within income guidelines
- Ability to save \$2000-\$4000 toward closing costs with minor adjustments
- History of on-time payments (utility, rent) or acceptable reason for a short lapse
- Established household spending plan (budget) for at least 2 months
- Return of all required documentation
- No Judgments or Liens

Short Term (4-9 months)

- Credit Score to be brought up within 3-6 months
- Attended an Information Session/Watched Information Videos on website
- Attended Mortgage Readiness Counseling Session with staff (not required, but helpful).
- Debt-to income Ratio (short-term) 10-13% (with ability to adjust within 3-6 months). No more than \$2000 debt
- Understands/Accepts program requirements
- Within income guidelines
- Ability to save \$2,000 - \$4000 toward closing costs with minor adjustments
- Must present at least 1 1/2 year of verifiable employment
- History of on-time payments (utility, rent) or acceptable reason for a short lapse
- Established household spending plan (budget) for at least 2 months
- Return of all required documentation
- No Judgments or Liens
- No past due accounts (excluding medical)

Long-Term (10 months or more to Mortgage Ready)

- Needs 6 months or more to increase credit score to 620 or above (multiple accounts in collections or judgements)
- Still needs to attend Information Session
- Debt-to-Income ratio needs to be lowered (too much debt, debts over \$5,000)
- Unsure about program requirements (such as location, sweat equity, type of home)
- Below income minimum (needs more income)
- Revolving or Utility payments not stable (many late in recent)
- Unable to provide all documentation to verify readiness
- Might have a bankruptcy or foreclosure or short sale that has not met time requirement from discharge date (see brochure)
- No employment history (or unable to verify)
- Will be referred to other agencies (NeighborImpact) for 1:1 budget counseling