



Guidelines for Owning a JD Sheth Home

The Home of the Brave Program is a new initiative by the JD Sheth Foundation (JDSF) to assist local veterans in becoming homeowners. Phase 1 of the project will include building three homes in the Jacobsville Community of Evansville, IN with ground breaking in 2022 (funding dependent). JDSF is currently screening applicants to be considered for home ownership.

Home of the Brave Requirements

1. Client must be an honorably discharged veteran of the U.S. Military. DD214 form is required.
2. Client must be a current resident of Vanderburgh, Posey, Warrick, Spencer, Gibson, or Pike Counties in Indiana or Henderson County, KY.
3. Client must demonstrate a need for housing:
 - a. Unable to get a secondary market loan.
 - b. Current living situation is overcrowded.
 - c. Current living situation has unsafe issues the landlord will not fix.
 - d. Overburdened by the cost of current rent.
 - e. Current living situation is not a safe environment.
4. Client must be willing to volunteer at least 25 hours towards the completion of their JDSF home.
5. Client must be willing to volunteer at least 25 hours with another local nonprofit whose mission is something other than affordable housing.
6. Client must attend a financial literacy class through Fannie Mae, Hope of Evansville, Evansville Christian Life Center, or other HUD approved program. Client must cover the cost of the class.
7. Client must have a credit score of at least 640. Credit scores between 600 - 639 may be considered.
8. Client has not owned a home in the past three years.
9. Client must work towards a goal of saving \$1,500.
10. Client must have the ability to pay the mortgage, including insurance and property taxes. Client's income must be no less than 50% (very low income) and no more than 80% (low income) of AMI.
11. Client must qualify for and acquire a mortgage. The lender may not charge excessive fees, high and/or variable interest rates, or balloon payments. A reputable mortgage lender may require:
 - a. The monthly payment (including principal, interest, taxes, homeowner's insurance, and PMI) not exceed 30% of the client's monthly gross income.
 - b. A credit score of at least 600, with an ideal score of 640.
 - c. At least two years of continuous employment and/or, if disabled, currently receiving the minimal requirements through disability payments.
 - d. A maximum of \$1,000 in general collections.
 - e. A disqualification if a previous foreclosure.

- f. The ability to be able to pay necessary utilities.
 - g. No current liens or judgements.
 - h. No bankruptcy in the last 4 years.
 - i. A total monthly debt to income ratio of no more than 11% (excluding mortgage, homeowner's insurance, and property taxes). Debt examples include, but are not limited to: car payments, student loans, credit card debt, and/or medical debt.
12. Client must contribute at least \$1000 toward either closing costs or down payment. Closing costs must be covered in full by either client or through additional third party assistance at closing (family member, nonprofit, own funding or seller).
13. The JDSF house must remain as the Client's primary residence for at least seven years from the date of closing. The Client must agree to not sell or refinance the property in that time frame.
14. JDSF reserves the right to require an annual review of the property to confirm primary residence, up to date homeowner's insurance, and general maintenance of the property during the first five years of home ownership.

JDSF encourages all potential clients to:

- Consider additional education in the areas of home maintenance and/or ownership, life skills, and/or financial planning to be better prepared for home ownership. JDSF is willing to provide resources for local programs with our partner organizations.
- Review Hope of Evansville's First Time Homebuyer Program requirements to see if they qualify for additional down payment assistance. Those requirements can be found here:
<https://hopeofevansville.org/qualifications>

JDSF's Commitments to Our Clients

The JDSF Team wants to set all clients up for success and to help them thrive as homeowners. JDSF is willing and able to assist clients in making connections with other nonprofits for educational opportunities, social work services, and potential down payment assistance, as well as assisting clients in finding the necessary services to help them be successful following closing. While homeownership is a big step and ultimately, it is the client's responsibility to meet the obligations and requirements from companies and/or organizations providing: mortgage assistance, additional financial aid, educational training, and/or post-closing services, JDSF is committed to providing resources and assistance to our clients that are beyond the purchase of one of our homes. We encourage our clients to reach out to us as needed throughout the process of buying and owning their home. Please know that if you don't currently meet all of the guidelines, JDSF is committed to providing resources to help remove any barriers you have for homeownership. For additional information, please visit our website, www.jdshethfoundation.org/, or email us at info@jdsheth.org.