

**MICHIGAN AFFORDABLE HOUSING FUND (MAHF)
HABITAT FOR HUMANITY OF MICHIGAN**

Summary

LOCAL HABITAT AFFILIATE RESPONSIBILITIES:

- **Family Selection:** Select families in accordance with regular Habitat guidelines without considering MAHF eligibility/funding (i.e., MAHF eligibility/funding is NOT related to the family's selection). **DO NOT HAVE THE FAMILY COMPLETE THE HOUSEHOLD PROFILE - IT IS THE COUNSELOR'S RESPONSIBILITY TO HAVE THE HOUSEHOLD PROFILE COMPLETED.**
- **Screening Families:** After selection is made, screen families for principal reduction assistance of \$10,000 if household income is 45% of state median income or 50% of area median income, whichever is greater.

Make a referral to a local Michigan Homeownership Counseling Network agency utilizing both of the following eligibility criteria: **[NOTE: Only refer families actually selected to receive a Principal Reduction (referrals are not to exceed the number of allocations awarded)]** 45% of state median income or 50% of area median income, whichever is greater (\$10,000 Principal Reduction). NOTE: This income limit is less than other *Links to Homeownership* services/activities.

- **Family Referrals:** Refer eligible families (using the above criteria) to a local Michigan Homeownership Counseling Network counseling agency. **The referral must include copies of all of the following:**

T **The “Habitat Pre-Purchase Counseling Eligibility Checklist and Counseling Referral”.** Either the Habitat Homebuyer Education **OR** the Financial Management/Economic Literacy course(s) are required for all Habitat families receiving MAHF assistance. The Habitat Homebuyer Education program will be locally adapted and include information relative to credit and budgeting issues. Additional counseling services are also available. The local affiliate should participate in the development of an appropriate counseling plan with the family and counselor. It is strongly encouraged that the family participate in Home Maintenance Training. Counseling and Home Maintenance courses should be included toward the family's sweat equity requirements. The “Habitat Pre-Purchase Counseling Eligibility Checklist and Counseling Referral” form should identify the services recommended by the local affiliate.

T **All income verification documents** obtained from the family when determining income eligibility.

MICHIGAN AFFORDABLE HOUSING COUNSELOR RESPONSIBILITIES:

- **Verify Income:** Assist family in completing MSHDA Household Profile form and **verify all sources of income.**

T If the income verification documents provided by the local affiliate are dated **within 60 days** from the date of the Household Profile and subsequent eligibility determination is completed **by the counselor**, re-verification **IS NOT necessary.**

T If verification documents are **more than 60 days** from the date of the Household Profile, all sources of income **must be re-verified** to determine program eligibility. Since many Habitat families were selected in the fall of 2002, income verifications will be outdated and the household income may exceed the Habitat income limits. If the household income exceeds the Habitat income limits, an exception must be obtained from Anna Beningo of the Michigan Habitat Office before proceeding. This exception may or may not be granted. Anna Beningo may be reached at 517-485-1006 or email at abeningo@habitatmichigan.org. Written evidence of any exception obtained from Anna Beningo must accompany the Household Profile when submitting to MSHDA for payment. A copy must also be retained in the agency file.

- **Determine/Confirm Program Eligibility and Provide Appropriate Counseling Services:** Confirm that household meets income limit requirements, conduct appropriate counseling and notify Habitat local affiliate accordingly.

If the family is eligible:

T The counselor and family finalize a counseling plan which **must include** either Habitat Homebuyer Education **OR** Financial Management/Economic Literacy classes. The family may also receive additional counseling services.

T The counselor immediately bills MSHDA and forwards the original Household Profile form and all verification documents to Habitat for Humanity of Michigan (HFHM) to be retained for 7 years with a copy to the local affiliate. **THE COUNSELOR MUST ALSO RETAIN A COPY OF THE HOUSEHOLD PROFILE AND VERIFICATION DOCUMENTS IN THE AGENCY FILE.**

T The counselor provides the appropriate counseling and bills MSHDA direct via the Household Billing form along with a copy of the Household Profile. **NOTE: The initial Household Billing (and Household Profile) must be submitted immediately because HFHM cannot draw down the principal reduction funds until the Household Profile has been processed by MSHDA.** A copy of all Habitat Household Billings must be forwarded to HFHM at:

Habitat for Humanity of Michigan

1000 S. Washington
Lansing, Michigan 48910

T When family completes all counseling, counselor issues Certificate of Completion to family with copies to the local affiliate.

If the Family Is Not Eligible:

T The counselor returns the original Household Profile, corresponding income documentation and “Habitat Pre-Purchase Counseling Eligibility Checklist and Counseling Referral” (with reason why family is not eligible) to the Habitat local affiliate while simultaneously retaining copies for agency files.

- **Confirm Actual Counseling Hours:** At the completion of the agreed upon counseling, the counselor will issue a Certificate of Completion to the family with a copy to the local affiliate.