Home Ownership for Individuals with Disabilities

Factors in Mortgage Decisions

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Owning one’s own home has long been a core value in the United States, and in recent years, Americans with disabilities have become increasingly interested in pursuing home ownership. A sample of 148 underwriters rated the probability that an applicant with a disability would be approved for a residential mortgage. Mailed applicant scenarios were randomized across type of disability (physical or developmental), intensity of supports (live-in or occasional), and source of income (earnings or public benefits). Type of disability alone was statistically significant, with approval more likely for the applicant with a physical disability. Respondents also provided explanations of their decision rationale, and these narratives were analyzed qualitatively. Implications for understanding the mortgage application process and for helping individuals with disabilities enter the housing market are discussed.

Owning one’s own home has long been a core value in the United States (Hughes & Zimmerman, 1993), yet Americans with disabilities have historically been substantially less likely than non-disabled adults to live in residences that they control (Klein & Nelson, 2000) and more likely to live in severely inadequate housing (Consortium of Citizens with Disabilities, 1996). In recent years, many individuals with significant disabilities have become increasingly interested in home ownership (O’Brien, 1994). The advantages typically associated with owning one’s own home include (a) a greater degree of choice and control (Abery & Standcliffe, 1996; Galbraith, 2001), (b) more housing and neighborhood stability (Everson & Wilson, 2000), (c) an improved sense of community attachment (Cuba & Hummon, 1993; Mesch & Manor, 1998; O’Brien, 1994), (d) greater economic security and opportunity to accumulate equity (Page-Adams & Sherraden, 1997; Wilson & Everson, 2000), (e) enhanced community status (Everson & Wilson, 2000), and (f) increased social and community involvement (Howe, Horner & Newton, 1998; Rohe & Basalo, 1997).

Several initiatives have demonstrated the viability of home ownership for people with significant disabilities. As perhaps the most notable example, between 1994 and 1998, an estimated 900 individuals were assisted in purchasing their own homes through state coalitions affiliated with the National Home of Your Own Alliance (Klein, 2000; Klein & Nelson, 2000).

These initiatives identified a number of obstacles to home ownership for individuals with disabilities. Not surprisingly, some of the most formidable obstacles are economic (Robertson & Dufresne, 2000). A home is typically the most expensive purchase a person makes in his or her lifetime, and many individuals with disabilities have particularly limited resources and earning capacity (Galbraith, 2001). The median income of individuals with disabilities is about 60% of the median income of individuals without disabilities, and an individual with a disability is three to four times more likely to live in poverty as an individual without a disability (Batavia & Beaulaurier, 2001).

For most people, a key step in the process of purchasing a home is obtaining a residential mortgage loan from a lending institution. An underwriter at the institution approves or disapproves a customer application for a loan, using approval guidelines and practices that keep the risk of customer default below a specified threshold level. Thus, like any other applicant, an individual with a disability seeking a mortgage must demonstrate to the lender’s satisfaction an ability to make monthly payments and maintain the home’s value. The items that are evaluated in reviewing mortgage applications are often referred to as the “Four C’s” (Fannie Mae, 1998): capacity (i.e., income potential), credit and capital (i.e., current savings for down payment and closing), and collateral.

In recent years, lenders have begun to adopt automated underwriting (Buist, Linneman, & Megbolugbe, 1999) as a standard practice for mortgage decision-making. Buist et al. noted that many in the industry believe that automated underwriting “answers the needs for a fair decision framework” (p. 298) because relevant information about an applicant’s ca-
pacity, credit, capital, and collateral is assessed mechanically, without adding other factors or creating bias. In this interpretation, disability is irrelevant to the mortgage approval process, and any observed discrepancies in mortgage approvals across particular groups of people are due to nothing but objectively evaluated differences in the creditworthiness of those applicants. However, some disability advocates (Jackson, 2001; Klein, Wilson, & Nelson, 2000; Robertson, Armand, Anderson, & Mee, 2000) have raised a concern, based on anecdotal experiences, that such underwriting practices may be a potential obstacle to home ownership for some individuals with disabilities.

Several potential sources of bias against particular groups of applicants—especially members of racial or ethnic groups—have been associated with the residential mortgage approval process. At one extreme, a lender might engage in outright discrimination by refusing to approve a mortgage to a qualified applicant out of prejudice. This form of discrimination is illegal and is believed to be relatively rare (Wachter, 1997). According to Wachter, a second form of "statistical discrimination" can occur as well. Statistical discrimination refers to the practice of using a relatively easy-to-assess characteristic of an applicant, such as race, gender, or disability, as a signal or a proxy for one or more relatively more expensive or difficult-to-assess characteristics, such as job stability (LaCour-Little, 1999; Ladd, 1998; Wachter, 1997). This form of lending discrimination, also illegal, is more subtle and therefore more difficult to detect.

Another, still more subtle, form of bias that may occur in the approval process relates to differences in the way information can be evaluated in different cases, or information bias. Most likely to be affected by this third type of bias are those "marginal" loans (LaCour-Little, 1999) that are neither unequivocally acceptable nor unequivocally unacceptable.

The most frequently mentioned source of information bias in the lending process is the "thicker file" syndrome (Wachter, 1997). In marginal cases, a thicker file—that is, possession of more detailed information about an applicant—has been associated with more positive lending decisions (LaCour-Little, 1999; Wachter, 1997). Buist et al. (1999) theorized that lenders respond to cases in which one or more standard applicant factors used in the assessment process (e.g., the ratio of loan amount to appraised value) is at or slightly below an established approval guideline by searching for one or more positive factors that compensate for the increased risk. If a compensating factor is found, the loan can be approved; without a compensating factor, the loan will be denied. A thicker file results in a higher probability of discovering such a factor.

A mortgage underwriter may have a thicker file on Applicant A than Applicant B for several reasons. B's information may be more difficult to obtain and verify than A's (Buist et al., 1999). A lender may also view the type or source of information about B as less familiar or less credible than the source or type of information about A (Ladd, 1998) and err on the side of caution by evaluating the information less positively.

Individuals with disabilities may be subject to any or all of these three types of bias. Although no specific data are available regarding mortgage lending complaints, the U.S. Department of Housing and Urban Development (HUD) has reported that complaints of housing discrimination by individuals with disabilities in general—in relation to all aspects of housing purchase and rental—appear to be on the increase. In 2000, individuals with disabilities represented the largest percentage of housing discrimination complaints received by HUD (National Council on Disability, 2001).

Empirical data are not available about the relationship, if any, between disability factors and mortgage loan approval. The available anecdotal evidence has focused on several sources of potential information bias. Income from nontraditional sources (e.g., Supplemental Security Income) may be less familiar to lenders and therefore viewed with suspicion (Klein, 2000). Alternatively, the earned income of an individual with a disability, particularly from part-time employment, may be seen as subject to greater fluctuation and instability (Batiea & Beaulaurier, 2001). Disability variables may also enter directly into mortgage decision-making, because a lender feels that an applicant with a disability, or with a particular disability, has additional expenses that increase the risk of default, is likely to experience less stable employment, or might be less able to care for himself or herself and the home (Jackson, 2001). On the other hand, the fact that supports are in place for an individual might lessen a lender's worry about the risk of default (Robertson et al., 2000).

In this study, we assessed the impact of disability variables on the probability of obtaining a mortgage loan for an applicant with a disability. For purposes of analysis, we selected three variables: type of disability, intensity of supports, and source of income. We hypothesized that differences in these variables, given identical information regarding the Four C's, would result in different probabilities of success for a mortgage applicant.

Method

We created written scenarios describing a hypothetical mortgage applicant who was both gender-neutral ("Pat") and a marginal loan applicant. The home and home sale price, total income, applicant debt, and type of mortgage sought were constant across each scenario. To ensure that the loan was considered marginal, financial information was generated, using the Desktop Home Counselor software program published by Fannie Mae (1997), to ensure that Pat barely met minimally acceptable qualifications for obtaining the desired loan.

The scenarios differed from one another on three factors, which served as the independent variables for the study:

1. In some scenarios, Pat was an individual with a physical disability (paraplegia); in others, Pat had a developmental disability (autism).
2. In some scenarios, Pat received intensive supports (a live-in assistant); in other scenarios, Pat received less intensive supports (8 hours per week).

3. In some scenarios, Pat’s monthly income was primarily through earnings from a full-time job; in other scenarios, Pat’s earnings were primarily from public benefits supplemented by a part-time job.

These three variables generated eight different scenarios ($2 \times 2 \times 2$). For quantitative analysis, the dependent variable was the probability of success in obtaining a mortgage to buy the home. In addition, respondents were asked to provide a brief narrative explanation of the rationale for, or significant factors in, their decision, and these responses were analyzed qualitatively.

Draft scenarios were piloted in two stages. The first drafts were reviewed by two mortgage loan officers and a third individual whose job responsibilities included statewide training of mortgage underwriters. Based on the feedback from these individuals, we revised these scenarios for clarity. The second drafts were mailed to a random national sample of 80 underwriters. We developed the final version of eight scenarios based on responses from this pilot mailing. A composite version of these scenarios is included as an Appendix. The most important change at this final stage was inclusion of a credit score for Pat. We assigned Pat a credit, or FICO, score (Fair, Isaac, & Co., 2002) of 700, a score near the low end of the range generally considered acceptable by lending institutions.

Surveys were mailed to the mortgage underwriter at each member organization of the Mortgage Bankers Association of America (MBA), except to the individuals who had been previously sent the pilot mailing ($N = 1,128$). Each mailing included a cover letter to the underwriter about the purpose of the study, an applicant scenario, and a postage-paid return envelope. The eight scenarios were randomized by zip code prior to mailing. The first mailing was followed 4 weeks later by a second mailing to nonrespondents.

### Results

A total of 148 surveys was returned, a response rate of 13.1%. Of these, 11 indicated no clear choice of a mortgage probability (although several of these responses contained comments that were added to the qualitative analysis) and 137 respondents indicated a rating of probability of success. Although this low response rate was disappointing, Neumann (2000) suggested that response rates as low as 10% are to be expected in this type of survey. Underwriters were essentially being asked to do something voluntarily for which they normally receive substantial remuneration. In addition, some names and addresses on the mailing list probably were no longer valid, and some individuals did not respond either because they did not originate mortgages (e.g., they worked in the secondary mortgage market) or did not handle residential mortgages. Information about the community types, number of home mortgages, and dollar volume of home mortgages of respondent organizations is provided in Table 1. The average residential mortgage volume reported by survey respondents was $628.9 million annually. This figure is not significantly different from the average volume across all MBA member organizations, calculated at $637.4 million per year (Mortgage Bankers Association of America, 2003). This provides a rough indication that respondents and nonrespondents engaged in similar levels of mortgage lending activity.

### Quantitative Analysis

Underwriters were asked to estimate the probability that Pat would be successful in obtaining a home mortgage. The distribution of responses approximated a U shape, in which extreme scores were most frequent and few middle responses were chosen. In all, 102 respondents (74.5%) indicated that Pat had a 60% or better chance of success, and 23 respondents (16.8%) indicated that Pat had a less than 40% chance of success, with only 12 responses (8.7%) selecting a response between 40% and 60%. This finding is in accordance with LaCour–Little’s (1999) observation that lending is best viewed as a binary (“yes/no”) process.

Because the observed distribution did not meet the normality of distribution assumption required for parametric analysis, we used chi-square, a nonparametric statistic, to evaluate the responses. We performed separate chi-square tests of the relationship between each independent variable as to the likelihood of obtaining a mortgage, with likely (60% or better

### TABLE 1

Characteristics of Mortgage Lender Respondents

<table>
<thead>
<tr>
<th>Variable</th>
<th>$n$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community type&lt;br&gt;&lt;br&gt;Rural</td>
<td>10</td>
<td>6.9</td>
</tr>
<tr>
<td>Suburban</td>
<td>87</td>
<td>60.0</td>
</tr>
<tr>
<td>Urban</td>
<td>48</td>
<td>33.1</td>
</tr>
<tr>
<td>Annual number of residential mortgages&lt;br&gt;&lt;br&gt;approved, 2001&lt;br&gt;&lt;br&gt;0–3,000</td>
<td>97</td>
<td>85.8</td>
</tr>
<tr>
<td>3,001–6,000</td>
<td>5</td>
<td>4.4</td>
</tr>
<tr>
<td>6,001–9,000</td>
<td>2</td>
<td>1.8</td>
</tr>
<tr>
<td>9,001 +</td>
<td>9</td>
<td>8.0</td>
</tr>
<tr>
<td>Annual $ amount of residential mortgage loans, 2001&lt;br&gt;&lt;br&gt;1–300</td>
<td>87</td>
<td>78.4</td>
</tr>
<tr>
<td>301–600</td>
<td>10</td>
<td>9.0</td>
</tr>
<tr>
<td>601–900</td>
<td>2</td>
<td>1.8</td>
</tr>
<tr>
<td>901 +</td>
<td>12</td>
<td>10.8</td>
</tr>
</tbody>
</table>

*Several bank service areas cross more than one community type. *In millions.
chance) or unlikely (less than 40% chance) as the binary values of the dependent variable.

The findings of this analysis are presented in Table 2. Type of disability reached statistical significance, with the applicant with a physical disability more likely to obtain a loan than the applicant with a developmental disability. Neither intensity of support nor source of income had a significant relationship with higher or lower probabilities of obtaining a mortgage.

**Qualitative Analysis**

We content-analyzed written comments using inductive techniques (Bogdan & Biklen, 1992). The two researchers independently read the full set of comments and coded them into categories by type of response. The two researchers then compared their codes to resolve discrepancies and arrive at a consolidated set of codes. Emergent themes within each category were ranked by their frequency of mention. A total of 118 respondents included comments about their decision-making process. Most of these mentioned more than one factor as relevant to their decision, resulting in a total number of comments higher than the number of respondents.

**Positive Comments and Facilitating Factors.** Underwriters mentioned an acceptable credit score (n = 39, 33%) and acceptably low ratios of monthly debt-to-income and loan-amount-to-home value (n = 22, 19%) as the most frequent positive factors in their mortgage decision. Other positive factors included the fact that Pat was able to offer an acceptable down payment (n = 13, 11%), had minimal other long-term debt (n = 9, 8%), and had ample savings or reserve funds (n = 6, 5%).

In some cases, underwriters used flexible criteria or applied nontraditional underwriting procedures or “products” to bear on their decision. Nine underwriters (8%) mentioned that they were able to “gross up” the nontaxable unearned income to a higher amount. This procedure is based on the fact that typical ratio calculations assume that a percentage of a person’s earned income will be paid in taxes and thus will be unavailable, so income not subject to taxes can be raised by some percentage, usually 25%. Four underwriters (3%) used what might be called nontraditional or flexible interpretations to view the stability of Pat’s unearned income, or the fact that Pat is a minimal user of credit, as positive factors. And 16 underwriters (14%) mentioned that they had access to one or more specific loan products or services designed for borrowers with low incomes or with disabilities. These included programs offering lower than usual interest rates, programs requiring a smaller than usual down payment, forgivable loans for down payment, and credit and budget counseling programs.

**Negative Comments and Inhibiting Factors.** The most common negative factor mentioned by underwriters (n = 26, 22%) was a debt-to-income ratio and/or a loan-to-value ratio that was too high. Other negative factors mentioned included insufficient cash reserves after closing (n = 10, 8%) and an insufficient down payment (n = 2, 1%). Two underwriters interpreted pieces of information in a way that counted against the applicant: One mentioned that it was not possible to consider food stamp benefits as income, and another believed that savings was less valuable as a down payment resource if inherited rather than accumulated on one’s own.

**Questions and Requests for More Information.** Several respondents indicated that they wanted more information or were basing their decision upon an assumption not directly addressed in the scenario. Most commonly mentioned (n = 18, 15%) was the need for documentation that Pat’s job and other income was stable. This was more important in scenarios where earned income was from a part-time job. For example, one respondent stated, “The primary issue is whether part-time hours are predictable enough to constitute acceptable income.”

The second piece of information requested was for Pat’s current or previous housing expenses (n = 9, 8%). Underwriters want to be able to compare current and projected expenses. In part, underwriters wanted to be able to assess the level of what is known as “payment shock.” One also noted that a history of making payments, such as for utility and phone bills, would be necessary to obtaining the required mortgage insurance. Another respondent put it bluntly: “If Pat has been living at home for free, the probability drops.” Finally, two underwriters (1%) wanted more specific information on credit history, such as whether there had been any recent bounced checks.

**Disability-Related Comments.** Ten underwriters (8%) specifically mentioned Pat’s disability status in their comments. Four of these pointed out that disability would not enter into the mortgage acceptance process. For example, one respondent commented, “Disability is not a factor in the qualifying process,” and another stated, “The personal details of a

**TABLE 2**

**Probability of Successful Mortgage Application**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Avg. %</th>
<th>High prob. n*</th>
<th>Low prob. n*</th>
<th>$\chi^2 (df)$</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of disability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developmental</td>
<td>63.79</td>
<td>44</td>
<td>16</td>
<td>5.25 (1)*</td>
<td>.02</td>
</tr>
<tr>
<td>Physical</td>
<td>75.96</td>
<td>58</td>
<td>7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intensity of support</td>
<td></td>
<td></td>
<td></td>
<td>0.54 (1)</td>
<td>.46</td>
</tr>
<tr>
<td>Low (8 hrs/wk)</td>
<td>68.41</td>
<td>58</td>
<td>15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High (live-in)</td>
<td>75.36</td>
<td>44</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income source</td>
<td></td>
<td></td>
<td></td>
<td>0.67 (1)*</td>
<td>.41</td>
</tr>
<tr>
<td>Primarily unearned</td>
<td>69.03</td>
<td>48</td>
<td>13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primarily earned</td>
<td>73.29</td>
<td>54</td>
<td>10</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*p < .05.

*Probability rating ≥ 60%.

*Probability rating ≤ 40%.
borrower would never be part of the mortgage file.” The remaining six comments, however, made it evident that some consideration of the applicant’s disability did overtly enter into some underwriters’ decision-making. Two respondents mentioned a need to ascertain the competency of the applicant to execute a legal contract, and one respondent wanted to be sure that Pat had experience in managing a budget. Four final comments related to the impact of disability are worth quoting in full. One respondent noted that the home in question was a ranch-style house and therefore “likely to be accessible.” A respondent commented that the applicant “may be able to manage a high ratio due to not having to incur all the expenses of a normal household.” Another respondent noted, “Her (sic) condition assures that she will devote a higher amount of her income for housing expenses.” All three of these respondents rated Pat’s chances of approval as high. Finally, a respondent rating the chance of approval as low gave the following assessment: “I worked as a mental health therapist for 12 years, and I never met an autistic individual who could live independently.” This respondent was reacting to a scenario in which an individual with autism would receive 8 hours per week of in-home support.

Discussion

It was clear that factors other than the Four C’s—capacity, credit, capital, and collateral—entered into the decision to approve a mortgage for an applicant with a disability. When these were held constant, an applicant with a physical disability was more likely to receive mortgage approval than an applicant with a developmental disability.

The finding that an applicant with a physical disability was given a better chance of approval than an applicant with a developmental disability is consistent with the findings of studies of employment decision-making, in which a hiring preference was indicated for an applicant with a physical disability as opposed to an applicant with a developmental disability (e.g., Callahan, 1994; Gilbride, 2000). Neither the amount of support an individual would receive in his or her home nor the source of the applicant’s income (earnings or benefits) appeared to affect the underwriting decision. Several underwriters took notice of source of income, as evidenced by their narrative comments, but it appeared that their interpretations of the relative advantages and disadvantages of each income source cancelled out one another.

The finding that the overwhelming majority of underwriters were inclined to approve Pat’s mortgage application should be regarded as positive. We should note, however, that Pat’s credit score was mentioned most often as a critical factor in Pat’s favor. Responses to pilot scenarios convinced us that Pat needed a credit score to ensure that respondents would have enough information to select a response. In establishing a score, we in effect gave Pat a credit record more substantial than many individuals with significant disabilities would have, however.

In responding to the information provided, underwriters attended to specific features of a scenario to help them interpret information, and many asked for additional information. This process is similar to the search for compensating factors in marginal cases as described by Buist et al. (1999). Underwriting decisions are based on seemingly objective criteria, but these criteria presuppose a particular context and a standard interpretation of available facts. In nontraditional contexts or marginal cases, differences in interpretation can affect the outcome.

Some of the considerations brought into the mortgage decision-making process by the respondents in this study, such as whether an applicant is mentally competent to enter into a legal contract, may seem legitimate. However, competence, and by extension any other factor influencing the mortgage decision, represents a “Fifth C” that mortgage lenders claim they are not evaluating, do not evaluate consistently across all applicants, and are not adequately prepared to evaluate.

Many underwriters demonstrated knowledge of and willingness to use creative strategies to approve the requested loan. Many banks offered specialized portfolio loans or other incentives (Robertson et al., 2000) and had access to affordable lending programs and risk- mitigation services, such as credit counseling (Wachter, 1997). Many underwriters also were familiar with the practice of “glossing up” benefits income to obtain a more favorable debt-to-income ratio.

The findings of this study suggest several recommendations for increasing access to home ownership for individuals with disabilities. First, these persons, when seeking entry into the housing market, need to establish a history of bill payment, including payment on a debt, if possible, to establish a credit history and obtain an acceptable credit score (Klein, 2000). A credit history can be readily established. For example, some household bills of a family or a group home can be put in the name of an individual who is seeking to establish credit, or he or she can use credit for a retail purchase and make timely payments. A second recommended strategy is the establishment of partnerships between disability organizations or advocates and mortgage lenders (Galbraith, 2001; Jackson, 2001). These partnerships provide lenders with access to information that might assist them in interpreting unfamiliar contexts (such as the difference between a diagnosis of autism and a judicial finding of incompetence), add clarifying or compensatory information as needed to thicken the file for an applicant, and ensure that lenders are familiar with specialized mortgage products and services. Third, residential mortgage applicants should actively investigate and comparison-shop across lending institutions, because a negative decision may be a function of a specific institution’s underwriting practices and interpretation of those practices and criteria. The same debt-to-income ratio, for example, was judged to be a positive factor by some underwriters and a negative factor by others.

Several limitations should be kept in mind in interpreting the findings of this study. The response rate to the survey was fairly low, and although this is not unusual in studies of this kind, caution should be used in assessing the external va-
lidity of these findings. The decisions of study respondents may not be representative of mortgage lenders in general. It may be, for example, that underwriters who were more favorably disposed toward a positive decision were also more likely to complete the survey. In addition, the scenarios that were presented concerned only mortgage applicants with disabilities. We do not know what the probability of approval would be if “Pat” did not have a disability. Finally, the study made use of hypothetical scenarios and asked mortgage lenders to respond to artificial decision situations that may not accurately reflect their real-life practices.

Home ownership is an option that may allow people with disabilities to avoid unnecessarily restrictive residential settings and gain access to the same range of housing options as other citizens. Future research should include comparative studies of the mortgage approval process for individuals with and without disabilities and examination of other barriers to home ownership, including accessibility and affordability.

Many of the economic obstacles to home ownership can be overcome through careful preparation and collaborative efforts of lenders, people with disabilities, and their advocates. These efforts will help dispel stereotypes and ensure that underwriting practices respond to the unique circumstances and needs of each potential home owner.

ABOUT THE AUTHORS

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REFERENCES


(Appendix follows)
Appendix:
Composite of Mortgage Scenarios

Pat has come into your office to apply for a home mortgage to purchase a two-bedroom ranch house in town.

**Physical Disability Scenario:** Pat has a spinal cord injury and gets around in a wheelchair.

**Developmental Disability Scenario:** Pat has autism and limited ability to speak.

**Low Support Scenario:** Pat will receive approximately 8 hours of assistance per week from a local disability support organization.

**High Support Scenario:** Live-in staff from a local disability support organization will assist Pat with daily activities.

The house has been well maintained and is in good condition. The seller has agreed to a price of $79,000, and the home is appraised at $83,000. Pat has about $12,000 saved from an inheritance to use for a down payment and closing costs and is interested in a 30-year fixed-rate mortgage loan for about $70,000. Pat’s financial situation is as follows:

**Credit Score:** 700

**Monthly Income:**

<table>
<thead>
<tr>
<th>Primarily Earned Income Scenario</th>
<th>Primarily Unearned Income Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part-time job at local library</td>
<td>Job as a computer data processor</td>
</tr>
<tr>
<td>Supplemental Security Income</td>
<td>754.00</td>
</tr>
<tr>
<td>Food Stamps</td>
<td>$1,284.00</td>
</tr>
<tr>
<td>Trust fund</td>
<td>Trust fund</td>
</tr>
<tr>
<td>Total</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td>$1,584.00</td>
</tr>
</tbody>
</table>

**Monthly payments on long-term debt:** 0

**Other projected monthly bills:** $350.00

**Pat’s principal, interest, taxes, and insurance estimate:**
- **Principal + Interest, based on $70,000 at 6.5% over 30 years:** $442.45
- **Real estate taxes:** 100.00
- **Home owner’s insurance:** 25.00
- **Mortgage insurance:** 30.33
- **Outstanding loans and debt:** 0.00
- **Total:** $597.78

Based on the information provided to you regarding Pat’s situation, please provide an estimate of the probability (0%–100%) that Pat would qualify for a mortgage.