

Participant Qualification [24 CFR 982.626,982.627]

Any Housing Choice Voucher (HCV) also known as (Section 8) eligible program participant who has completed one year of satisfactory compliance with the HCV program and meets the additional eligibility requirements may use their Section 8 housing choice voucher to purchase rather than rent a home, subject to the following:

- 1) A family must meet the requirements for continued participation in the HACFM tenant-based HCV Program (Section 8).
- 2) The Family must be a current participant in the HACFM HCV program and been a participant for at least one year in good standing.
- 3) A family must participate in the Family Self-Sufficiency (FSS) Program for one year prior to being referred to the Homeownership Voucher Program through the Housing Authority of the City of Fort Myers' Family Self-Sufficiency Coordinator. The FSS Coordinator will determine that the participant has met the initial requirements for referral to the Program. Funds accumulated in the escrow account may be advanced for resolving credit in order to qualify for the purchase of the home, or financing provisions, subject to the guidelines of the FSS Program and approval by HACFM.
- 4) Only current participants receiving HCV tenant-based assistance are eligible for the HCV Homeownership Program. Families enrolled in the public housing must become a HACFM HCV tenant-based program participant prior to enrollment in the HCV Homeownership Program. If the family is a compliant participant in the HCV program PH, FSS, ROSS or HOPE VI Relocation Program, the 1-year participation in the HCV program may be waived by HACFM. The family must have met all the conditions of the PH, FSS, ROSS Homeownership Program or PH HOPE VI Relocation and not be in violation of any HACFM or HUD requirements.
- 5) The family must qualify as a first-time homeowner as defined by HCV HO regulations, or may be a cooperative member.

Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has present ownership interest in a residence at the commencement of homeownership assistance for purchase of any home.

- 6) The non-disabled/non-elderly family must meet the Federal minimum income requirement of \$11,700. The family must have a gross annual income equal to the Federal minimum wage (\$5.85 effective July 24, 2007) multiplied by 2,000 hours, based on the income of adult family members who will own the home. Welfare assistance cannot be used to determine the minimum income requirement.
- 7) For an elderly or disabled family, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.

For an elderly or disabled family, welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement. It will not be included for other families.

- 8) The family must satisfy the employment requirements by demonstrating that one or more adult members of the family who will own the home at commencement of homeownership assistance is currently employed on a full-time basis (not less than an average of 30 hours per week); and has been continuously so employed during the year before commencement of homeownership assistance for the family. HACFM's policy is that continuously employed is defined as if the break in employment does not exceed two months.
- 9) The employment requirements do not apply to elderly and disabled families. For a non-elderly/non-disabled family that includes a person with disabilities, HACFM will grant an exemption from the employment requirement if the family requests and provides adequate verification that it is needed as a reasonable accommodation.
- 10) The family has not previously defaulted on a mortgage secured debt to purchase a home under the HCV homeownership program.
- 11) Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale in accordance with 24 CFR 982.631(c).
- 12) HACFM requires the participant to have no indebtedness to the HACFM or any other PHA, nor be in a current repayment agreement with HACFM or a PHA.
- 13) The family has not committed any serious or repeated violations of a HACFM assisted lease within the past year.
- 14) The family is in good standing with all terms of the family obligations and has been so far at least one year.
- 15) Prior to the issuance of the Voucher, the participants must meet the eligible lending practices on credit requirements for the area. HCV HO Voucher participants should not have any bankruptcy or foreclosures within the past five years.
- 16) At the time of closing a unit for the program, the participant will be required to provide one percent (1%) of the purchase price as a down payment from the family's resources. The remaining down payment amounts need to meet the three percent (3%) of the total purchase price may come from local first time affordable housing assistance programs.
- 17) The participant will be required to provide adequate notice to the landlord at the time of transitioning from the rental unit that they are residing in to the homeownership unit that they will be acquiring.

18) Participants in the HCV Homeownership Program must attend, satisfactorily complete, and receive written certification of the pre-purchase homeownership counseling program through HACFM or other approvable housing counseling provider, and be deemed to be “mortgage ready” before a homeownership voucher will be issued. At a minimum, the counseling will cover the following:

- Home maintenance
- Budgeting and money management
- Credit Counseling
- Negotiating the purchase price of a home
- Financing
- Locating the home
- Sales Contract Provisions
- De-concentration issues
- Fair housing, predatory lending
- Truth in lending, RESPA
- Family must only purchase a home that passes HQS inspection and has been satisfactory according to the independent inspection.
- PHA option determinations

The Counseling Certification is acceptable to HACFM for a 1-year period from the date of graduation. If exceeding one-year then HACFM will require the family to an acceptable refreshment course.