

## FINANCIAL STRUCTURE

Although the applicant family is responsible for securing its own financing, RACB'S Review Committee will reserve the right in each instance to determine whether the family can or cannot afford the proposed financing. In order to protect the applicant family, RACB will prohibit any financing, which includes balloon payments, variable interest rates, or private seller financing. A requirement that the maximum interest rate be no more than one percent point above the current Fannie Mae ninety-day delivery note rate, will also provide structure to the financing arrangement. The HOP review team will peruse applicant each on a case-by-case basis

### INSPECTION



In accordance with HUD policy, RACB will conduct an initial Housing Quality Standards (HQS) inspection. This inspection will be conducted early in the process, so that our inspectors may advise participants of potential problems with the home. It is intended that the early inspection would allow the participant to make an informed decision, whether or not to proceed with that particular selection and pay for a professional independent home inspector, or to continue their search. The final rule requires an independent professional home inspection, paid for by the family, to identify physical defects and inspect the condition of the major building systems and components. Such inspection will require the independent inspector to compile a report, which would include a list of items that are likely to need repair or replacement within the subsequent five-year period. A copy of the independent inspection report must be given to RACB. RACB and the family will then determine if any pre-purchase repairs are necessary.



## HOMEOWNERSHIP OPTION PROGRAM



**HOME SWEET HOME !!**

**RENTAL ASSISTANCE CORPORATION OF BUFFALO**

**470 FRANKLIN STREET**

**BUFFALO, NEW YORK 14202**

**(716) 882-0063**

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**The mission of this program is to expand housing opportunities for Section 8 participants by providing homeownership possibilities in conjunction with self-sufficiency training and support. This program will provide assistance for first-time homebuyers as defined by HUD policy (no ownership interest.) Such as title to any residence for the previous three years.**

## ELIGIBILITY

**Families must these requirements:**

### First-Time Homeowner.

Must not have owned or had ownership interest in the past three years.

### Minimum income requirement.

RACB has set a minimum income requirement of \$15,000. A family may also obtain bank pre-approval for a mortgage loan and meet HUD's minimum income of \$12,000. For disabled families, the family must obtain bank pre-approval for a mortgage loan and the income must not be less than the Federal SSI benefit for an individual living alone, multiplied by 12 (currently \$8,520). Except in the case of an elderly or disabled family, welfare assistance is not counted when determining the minimum income requirement.

### Employment requirement.

Except in the case of elderly and disabled families, one or more adults in the family who will own the home must currently be employed on a full-time basis, and has been continuously so employed for at least one year before commencement of homeownership assistance.

### Additional PHA requirement.

Except in the case of elderly and disabled families, the family must actively be participating in the FSS Program.

## Homeownership Counseling

The family must attend and satisfactorily complete pre-purchase homeownership counseling through an RACB approved counseling agency.



## APPLICATION

\* Eligible FSS families who indicate interest in the HOP will be briefed as to the program features/requirements, and will have their eligibility determined by the HOP Review Committee. Families deemed eligible will execute a "Statement of Homeownership Obligations" with RACB and will be given a timeline in which to complete activities prior to receiving assistance under HOP. Upon completion of the homeownership counseling, the timeline will begin.

\* Participants will be given 180 days to complete the process; 90 days to search for housing and 90 days to secure financing and close on the property.

\* Participants may go over the 180 days only if documentation is provided regarding sufficient efforts at completing the process. Participants must be far enough into the process to justify the extension (i.e. With a commitment letter, closing date, etc...)

\* The 90/90 days will begin upon completion of the Homebuyer's class.

\* If a participant reached 180 days with no proof of "process completion", he/she will remain a rental voucher participant and will not be able to reapply for the HOP for a period of at least one year.

\* Participants are entitled to a Fair Hearing upon being denied HOP assistance due to failure to meet established deadlines.



## PROGRAM REQUIREMENTS

\* Once a participant in RACB's Homeownership Program, requirements for continuation of assistance are as follows:

- \* The family must reside in the home purchased;
- \* The family must comply with the terms of the mortgage;
- \* The family must attend and complete post-purchase counseling;
- \* The family must complete all the RACB reporting requirements.



**THE FORMULA FOR ACHIEVING  
HOMEOWNERSHIP IS PERSISTENCE,  
PATIENCE, AND PRESERVERANCE.**

**THE CHOICE IS YOURS !!!!**