

*What is the
Homeownership program?*

The Housing Choice Voucher Homeownership

Program is a program funded by HUD to assist first-time homebuyers. This is similar to our rental voucher program. Instead of payments going to a landlord, however, they go to your mortgage lender. Your benefits are calculated similar to how they are for the rental voucher program. Not all Public Housing Authorities (PHAs) participate in this program so this is a great opportunity within the City of Dubuque.



**City of Dubuque Housing
& Community
Development**

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City of Dubuque Housing & Community
Development

**HOUSING CHOICE
VOUCHER
HOMEOWNERSHIP**

*Helping you to
own your home*



www.cityofdubuque.org

563-589-4230

Answering Questions About the Program



How do I qualify for the Homeownership Program?

- Must have a Housing Choice Voucher.
- Must not owe any monies to any Housing Authority or be in violation of family obligations while receiving housing assistance.
- Must be a first-time homeowner. This means that no member of the household had an ownership interest in any residence three years prior to the homeownership program. A single parent or displaced homemaker who, while married, owned a home with a spouse is considered a first-time homeowner.
- Must satisfy the income requirement. The head of household, and/or other adult who will own the home, must have a gross annual income of at least the Federal minimum hourly wage multiplied by 2,000 hours. For disabled persons, the gross annual income must be a minimum of the monthly Federal SSI benefits of an individual multiplied by 12.
- Must satisfy the employment requirements. One or more of the adult members in the family who will own the home must be employed fulltime (no less than an average of 30 hours a week) and has been continuously employed for at least one year prior to being eligible for the program. Elderly and disabled families are exempt.
- Must not have defaulted on a mortgage securing debt to purchase a home under any previous HUD program.
- Must be financially capable to qualify for approved financing and be able to

provide at least 3% of the purchase price as a minimum homeowner down payment.

- Must attend and complete the pre-assistance Home Ownership and housing counseling program which is required by the City of Dubuque Housing & Community Development.

How long is assistance available to purchase a home?

- If the mortgage loan is 20 years or more, you may be eligible to receive benefits for fifteen years
- If the mortgage loan is less than 20 years, you may be eligible to receive benefits for ten years
- If your income changes so that you are paying the total amount of the mortgage for at least 180 days, your benefits will end.
- There is no time limit for elderly or disabled households



How are payments calculated?

- The amount of the monthly assistance payment will be based on three factors: the voucher payment standard for which the family is eligible, the monthly homeownership expense, and the family's household income. The HA shall pay a monthly homeownership assistance payment directly to the lender on behalf of the family that is equal to the *lower* of:
 - 1) The payment standard minus the total payment, or
 - 2) The family's monthly homeownership expenses minus the total tenant payment



What are monthly homeownership expenses?

- Mortgage principal and interest
- Mortgage insurance premium
- Real estate taxes and homeowner insurance
- PHA allowance for utilities, maintenance costs,

and major repairs and replacements

- Principal and interest on debt to finance major repairs and replacements for the home
- Principal and interest on debt to finance costs to make the home handicap-accessible if the PHA determines it is needed as a reasonable accommodation

What else do I need to do?

- After being pre-qualified by your caseworker, you need to attend and complete City of Dubuque's Home Ownership Made Easy classes, work with a lender of your choice to obtain a mortgage loan, arrange for proper inspections of the property you intend to buy (one conducted by the City of Dubuque's Housing Department and one independent home inspection), and complete other steps as necessary to become a homeowner. We will work with you to make the transition from renter to homeowner!



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