



# Section 8 Homeownership Program Welcome Packet

Dear LMHA Participant,

Thank you for inquiring about the Homeownership Program at the Louisville Metro Housing Authority. We would like to invite you to an orientation to learn more about this great opportunity. You have the choice to attend an orientation online through Zoom or in person at our Section 8 office.

### Dates for the Orientation:

Please choose and attend ONE of the dates below.

## ZOOM Orientation Dates

You will need to use the following Meeting ID and Password to access the orientation once you get into ZOOM:

Wednesday, January 10 <sup>th</sup> at 10:30 am (ZOOM) <b>Meeting ID:</b> 502 232 3745 <b>Password:</b> 123321	Tuesday, January 23 <sup>rd</sup> at 5:30 pm (ZOOM) <b>Meeting ID:</b> 392 960 5053 <b>Password:</b> 459632
Thursday, February 8 <sup>th</sup> at 10:30 am (ZOOM) <b>Meeting ID:</b> 392 960 5053 <b>Password:</b> 459632	Tuesday, February 27 <sup>th</sup> at 5:30 pm (ZOOM) <b>Meeting ID:</b> 502 232 3745 <b>Password:</b> 123321

### How to Prepare for the Orientation Using ZOOM:

Please make sure you have added the app to your phone or computer prior to the orientation date. It is a free app. Or you may just dial in and listen over the phone. **Instructions are on the back of this letter.** I will be doing all the talking, but I'll give you the opportunity to ask questions at the end of the meeting.

## In-Person Orientation Date

You do not need to register for this orientation. You must be on time in order to attend. Adults only because no childcare is available.

Tuesday, December 5 <sup>th</sup> at 10:30 am <b>Section 8 Office</b> <b>600 S. 7<sup>th</sup> Street</b>
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If you are not able to attend one of the above orientations, please go online to download a new schedule at [lmha1.org](http://lmha1.org) and click on Special Programs. Or you may call the Homeownership Hotline and request a new schedule. (502) 569-6060 extension 6960.

*Enclosed are some notes to follow along with the presentation. Attending the orientation by no means locks you into the program or signs you up for anything. This orientation is for information only.*

# Instructions for Joining the Zoom Meeting

There are 3 different ways you can join our Zoom meeting – using your computer, smart phone or by calling in.

## Join the Zoom meeting with your computer:

Option 1:     Download the Zoom app from the website: Zoom.com  
                  Open the Zoom app  
                  Click “Join a Meeting”  
                  Enter the meeting ID and your name  
                  Set up audio/video permissions  
                  Join the meeting!

Option 2:     You can join the Zoom meeting just through your web browser.  
                  Go to Zoom.com  
                  Ignore the step that asks you to download the app and skip down to the small print: “If you cannot download or run the application, join from your browser.”  
                  Click the highlighted text  
                  Enter the meeting ID and your name  
                  Set up audio/video permissions  
                  Join the meeting!

## Join the Zoom meeting using your smart phone:

                  Download the Zoom app to your phone  
                  Android users: app found under Play store  
                  I-phone users: app found under Apple store  
                  Open the app  
                  Tap on “Join a Meeting”  
                  Enter the meeting ID and your name  
                  Set up audio/video permissions

If you see a window/dialogue box displaying ‘Waiting for the host to start this meeting’ it means that you have joined the meeting earlier than it was supposed to commence. You will see the start time for the meeting below this alert. Once your host starts the meeting, this dialogue box will disappear, and you will be able to join the Zoom meeting in real-time.

## Join the Zoom meeting by just calling in:

                  Dial 1-929-436-2866  
                  Enter the Meeting ID



# Section 8 Homeownership Program Orientation Notes

Refer to these notes for your step-by-step directions.

## Step 1: Attend a Section 8 Homeownership Orientation with the LMHA.

### The next step is up to you!

## Step 2: Complete Homeownership Counseling

- Become mortgage ready by completing homeownership counseling and education through a HUD approved counseling agency.
- See [Page 7 and 8](#) for available options.

## Step 3: Apply for the Section 8 Homeownership Program

- Fill out the Section 8 Homeownership Application completely. This will be mailed to you after you complete the homeownership counseling.
- You must meet the **Eligibility Requirements**. Can you check these off?
  - You are currently “served” by Louisville Metro Housing Authority
  - First-time homeowner (hasn’t owned a home in the last three years)
  - Meet the minimum income requirement:
    - Earn at least \$14,500 annually AND be working at least 30 hours per week OR
    - Earn at least \$16,494 annually AND be working at least 25 hours per week OR
    - If the head of household is disabled, you must receive at least \$10,968 in income annually
  - The head of household must be continuously employed at the above requirement for the past year (exceptions made for elderly and disabled)
  - All members of the household 18+ must be employed full time OR in school full time OR a combination of school and work OR elderly OR disabled
  - Has not defaulted on a mortgage to purchase a home under the Homeownership option
  - Does not have a present ownership interest in another residence
  - Has not been in the termination of assistance process more than once in the last two years
  - Has a stable family composition of at least one year
  - Has completed one-year under lease through Section 8 or Public Housing
  - Has been under the current rental lease, in the same unit, for over one year and must be a month-to-month tenant (a letter from the landlord could be acceptable)
  - Does not owe the Louisville Metro Housing Authority or any other Housing Authority an outstanding debt
  - Has saved at least \$2,000 (This is for the home buying process, but you may need more!)
- If approved, you will be scheduled for a Homeownership Briefing.

*Important Reminder!!!*

*Keep all your Rental Section 8 or Public Housing in good standing while completing the Homeownership Program until the day we close on your house: Keep appointments, complete re-certifications, report changes, allow inspections, etc.*

# Now, the Home Buying Process

## Step 4: Attend the Briefing

- You will get your voucher, list of lenders, list of approved inspectors and all the instructions.
- You will now have 8 months to purchase your home.

## Step 5: Select and Apply with a Lender

- This is when you are told how much you can afford.

## Step 6: Look for Your House

- Get a realtor. Look for a house. Sign a Sales Contract (and our Addendum).
- Have the house inspected.
- Seller must make repairs that are required by Section 8.

## Step 7: Cancel Your Lease

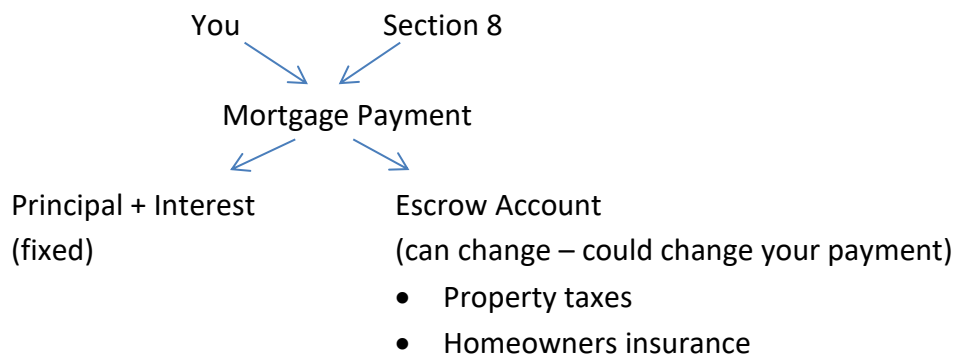
- At the closing you will sign a document to cancel your lease.

## How much will you pay towards your utilities and mortgage?

Your annual income	_____	
(minus) Section 8 deductions	- _____	(children, childcare, medical)
(equals) Adjust annual income	= _____	
(divided by) 12 months	/ _____	
(multiply by) 30%	x <u>.30</u>	
Minimum out of pocket	= _____	(towards <u>utilities</u> and mortgage)

*(This is just an estimate...Section 8 will complete this calculation using their guidelines. **And** this assumes you purchase spending only 30% out of your pocket!)*

## How the Mortgage Payment Works:



## How long will the subsidy last?

The term of assistance is 15 years if the mortgage has a term of over 20 years and 10 years in all other cases. There is an exception made for elderly and disabled families.

### Post Purchase:

#### On-going Obligations:

- ❑ Residence in the home
- ❑ Participation in Post-Purchase Counseling and Individual Development Account for repairs and maintenance
- ❑ Compliance with the terms of the mortgage
- ❑ Prohibition against conveyance or transfer of the home
- ❑ Compliance with all rules and regulations of Housing Choice Voucher program
- ❑ Prohibition on ownership interest on a second residence
- ❑ Maintain ongoing “full-time” employment (average of 25-30 hours per week). Except for disabled and elderly households, each household must demonstrate that each person 18 years or older is either employed full-time, or is a full-time student, or is medically required to care for a child or disabled person on a full-time basis. The head of household must be employed; for other adults, a combination is allowed as long as the total is not less than an average of 30 hours per week. Self-employment requires a net income (income after business expenses have been deducted) that equals the federal minimum hourly wage multiplied by 2,000 hours.
- ❑ May not refinance or incur additional debt secured by the home without prior written approval by the Louisville Metro Housing Authority
- ❑ Must allow the Louisville Metro Housing Authority to conduct annual home inspections for the first five years of assistance

### Do you have what it takes?

- ✓ Are you organized?
- ✓ Do you pay attention to details?
- ✓ Do you know how to set up and follow a budget?
- ✓ Do you have the ability to save money for repairs and emergencies?

## Current Down Payment Assistance Available:

- Kentucky Housing Corporation Down Payment Assistance LOAN (10-year loan): [kyhousing.org](http://kyhousing.org)
- Louisville Metro Government's Homebuyer Assistance Program (partially forgivable loan): 574-1974 or [louisvilleky.gov](http://louisvilleky.gov)
- The lender you choose may have down payment assistance available.
- Some community programs provide down payment assistance and rehab homes or build homes such as: River City Housing, REBOUND, Community Ventures, etc. Learn about these through the Urban League or your real estate agent.
- You! Save, save, save!

Do you have more questions?

Contact a Homeownership Specialist:

Michele Johnson | (502) 569-3776 | [mjohnson@LMHA1.org](mailto:mjohnson@LMHA1.org)

Stephanie Payne | (502) 569-4900 | [spayne@LMHA1.org](mailto:spayne@LMHA1.org)

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### *Family Self Sufficiency Program (FSS)*

*If you are currently in the Family Self Sufficiency Program and need workshop credit for this class, please email Michele or Stephanie with your name and the date and time you attended this orientation. We will inform your case manager of your attendance.*

*If you are interested in joining the Family Self Sufficiency Program, you can call (502) 569-6900. The FSS program is a voluntary program designed to assist clients with employment and goal setting.*

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# HUD Approved Homeownership Counseling Agencies

## Which one is right for you?

### Louisville Urban League

www.lul.org | 1535 W. Broadway | Louisville | KY | 40203 | (502) 585-4622 ext. 6

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**Fee:** One-time membership fee is based on total gross income for all family members.

\$50: (\$0—\$20,000)                      \$200: (\$30,001—\$40,000)

\$100: (\$20,001—\$25,000)              \$250: (\$40,001—\$48,550)

\$150: (\$25,001—\$30,000)              \$300: (\$48,551—and up)

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#### Steps:

- Attend a “Financially-In-Tune” (FIT) class at the Louisville Urban League. Register online at [www.lul.org/housing/fit/](http://www.lul.org/housing/fit/). Follow instructions to register.
- After you complete the “FIT” class, the Louisville Urban League will email you the application and instruction on how to pay the fee.
- A counselor will contact you for an appointment. The counselor will assist you with credit and budget counseling.
- The counselor will schedule 3 workshops for you to attend on the home buying process.
- Upon completion of the program, your counselor will send a completion letter to Section 8 to start your homeownership application.

### Apprisen

www.apprisen.com | 11492 Bluegrass Pkwy #105 | Louisville | KY | 40299 | (502) 266-9692

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**Fee:** One-time fee of \$300

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#### Steps:

- Complete on-demand online education course designed for Section 8 homebuyers at your own pace. Email Stephanie ([spayne@lmha1.org](mailto:spayne@lmha1.org)) or Michele ([mjohnson@lmha1.org](mailto:mjohnson@lmha1.org)) to request the direct website link.
- Apprisen will be notified that you have completed the on-demand classes, and a coach will reach out to you via email/phone to schedule your first financial coaching session. You may also send an email to [coaching@apprisen.com](mailto:coaching@apprisen.com) to expedite the process.
- You will work with your coach through a series of coaching sessions and check-ins for 3-12 months to financially prepare for your home purchase. Your coach will help with building credit, understanding the home buying process, growing savings, creating a budget, and preparing for home maintenance costs.
- Upon completion of the program, your coach will send a completion letter to Section 8 to start your homeownership application.

## The Housing Partnership, Inc.

www.wearehpi.org | 1512 Crums Lane, Suite 401 | Louisville | KY | 40203 | (502) 585-5451 ext. 2701

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**Fee:** One-time fee of \$200

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### **Steps:**

- Contact The Housing Partnership, Inc. directly by telephone at (502) 585-5451, ext.2701 or email Martina Surma at msurma@wearehpi.org.
- A Housing Counselor will email or mail a hard copy of the Housing Partnership, Inc. Homebuyer Education application to your attention. Once received, the participant should complete the application and provide copies of the supporting documents requested on the front page of the application. The participant must include a check or money order for the \$200 program fee with the application. All checks or money orders should be made out to: The Housing Partnership Inc. Applicants can bring in their completed application to the office Monday through Friday 8:30 a.m. to 4:30 p.m. Applications are also accepted by mail.
- Once The Housing Partnership, Inc. has reviewed the application and supporting documents, a HUD Certified Housing Counselor will call to schedule the first appointment.
- In the First appointment the Housing Counselor and Client will review budget, credit, and schedule classes. Each client is required to complete at least a combined 8 hours of Budget, Credit, and Homebuyer Education classes.
- Upon the completion of the program with the Client meeting all requirements, a graduate letter will be sent to the client and Section 8 to start your homeownership application.