

SECTION 8 HOUSING CHOICE VOUCHER (HCV) HOMEOWNERSHIP PROGRAM APPROVAL AND CLOSING PROCESS

NOTE: BCHD must have all paperwork (underlined below) in order to make a mortgage payment on behalf of homebuyer.

- Housing coordinator briefs family interested in homeownership.
- Eligible family fills out Pre-Qualifying Application, Income, Assets and Obligations, Certification of Section 8 Homeownership Eligibility and Total Tenant Payment and Estimated Housing Assistance Payment Worksheet.
- Family schedules appointment with Homeownership Counseling Agency
- Once the family completes their First-time Homebuyers training, paperwork is sent to a HUD Approved Lender, to begin the pre-qualification process.
- Lender pre-qualifies the homebuyer based on documentation required by lender.
- Family receives First-Time Homebuyers Training Certificate and pre-qualify letter from lender. Family then schedules an appointment with the Housing coordinator to be issued a Homeownership Voucher and an Addendum to the Purchase Agreement.
- Homebuyer begins working with real estate professional to find home; **(Lender submits breakdown of estimated mortgage payment to include taxes and insurance to BCHD. BCHD verifies payment is within allowed range and gives approval to move forward)** family makes an offer on the home – offer is accepted.
- Real Estate Agent/homebuyer sends copy of Purchase Agreement and Addendum to Purchase Agreement to BCHD.
- LENDER makes reservation for funding.
- Lender submits Good Faith Estimate of Settlement Costs to family.
- Realtor/Homebuyer contacts professional home inspector to conduct inspection.
- Homebuyer sends completed inspection report to BCHD; BCHD reviews/approves inspection report.
- Realtors/Homebuyer schedules Housing Quality Standards Inspection with BCHD.
- Housing Quality Standard (HQS) inspection completed by housing inspector. NOTE: This MUST be completed prior to homebuyer taking occupancy of home. **Home must pass HQS.**
- Lender submits Principal, Interest Taxes and Insurance (P.I.T.I.) to BCHD for final calculations of payment standard by BCHD. BCHD submits Total Tenant Payment and Housing Assistance Payment to lender.
- Lender submits paperwork to underwriter for final approval
- Appraisal is ordered by lender and estimated closing date is given to family.
- Family submits 30-day notice to vacate to their landlord, landlord signs off and a copy is sent to BCHD.
- Lender notifies BCHD of closing date. Homeownership Coordinator schedules appointment with BCHD for recertification and setup of Homeownership payment within one week after closing.
- Homeowners close on home, and insure that BCHD receives copies of HUD1 Settlement Statement, Promissory Note and first payment letter.
- BCHD and homebuyer begin mortgage payments.

Any questions? Contact Marilyn Ayala by phone at (505) 314-0224 or by email at mayala@bernco.gov or Cheryl Delgarito by phone at (505) 314-0215 or by email at cdelgarito@bernco.gov