

What is the Section 8 Home Ownership Program?

The Section 8 Homeownership Program is funded by the U.S. Department of Housing and Urban Development (HUD). Participants in the New Jersey Department of Community Affairs' (DCA) Section 8 Housing Choice Voucher Program are eligible for this program and could become homeowners provided they meet all Section 8 Homeownership Program eligibility requirements.

The Housing Choice Voucher that is currently used towards rental payments will be applied towards homeownership expenses including principal and interest on mortgage debt, insurance, taxes, utilities and other homeownership expenses if the voucher holder is approved for the program.

Who can participate?

The program is available to DCA Housing Choice Voucher participants meeting the following criteria:

- Applicant is in good standing with DCA's Housing Choice Voucher Program
- Applicant is a first-time homebuyer (No one in the household has owned a home for at least three years)
- Applicant has been continuously employed on a full-time basis for at least one year before applying to the program
- Applicant has an annual earned income of at least \$20,800. This amount does not apply to elderly and disabled head of households
- Applicant must be willing to attend homeownership counseling assigned by DCA (The family must attend and satisfactorily complete DCA's housing counseling program)

In order to become a homeowner, you must:

- Contact 609-292-4080 press #5 and inquire about applying or info on this program
- Submit an application
- Once deemed eligible, DCA will refer you to a housing counselor who will work with you to set up a personal plan of action

Once deemed mortgage ready:

- Attend a briefing at the local Field Office, obtain a homeownership voucher and required program materials, and commence housing search
- Work with the NJ Housing and Mortgage Finance Agency to become pre-qualified for a mortgage
- Locate a “potential” home – submit the sales contract and sales addendum to DCA for review and approval
- Schedule a private professional home inspection – submit report to DCA for review
- DCA conducts a Housing Quality Standards Inspection
- Based on the inspections and sales contract, DCA will approve or disapprove the unit
- DCA will reexamine your household income and composition on an annual basis and make appropriate adjustments to the amount of the monthly housing assistance payment

THINGS TO KNOW:

- Not all Public Housing Agencies (PHAs) participate in this program but there are participating programs in every state. New Jersey PHA’s that may participate are attached.
- You may be able to apply for this program in a participating PHA even if you don’t live in that zone. However, preference is given to residents and you may be required to live in the new zone for 1 year before receiving services. Contact your nearest PHA for more information.
- Families who qualify can receive up to 15 years of Section 8 Home Ownership Assistance (on a 20+ year mortgage; only 10 years for mortgages for less than 20 years). If your household includes a disabled or elderly member, these limits do not apply.
- Participants usually need to make a down payment toward the purchase. You will be required to provide at least three percent (3%) of the home purchase price. At least one percent (1%) of the purchase price must come from the family’s personal resource, such as a savings account, IDA account or S8A Savings account. The remaining 2% can be made up with contributions from other programs.

Central Jersey Housing Resource Center (CJHRC)
does not handle this program.