

## Section 8 Home Ownership Program

### General Provisions

The Housing Authority City of Yuma (HACY) Housing Choice Voucher Homeownership Program is designed to expand homeownership opportunities for voucher participants. This program will help HCV participants to transition from rental assistance to homeownership assistance using their voucher offering eligible participants, a monthly mortgage assistance payment.

The HCV Homeownership Program is now available to all voucher holders who meet the minimum qualifications set forth in this plan and who have the ability to independently secure a mortgage loan. HACY is committed to informing families of the benefits of home ownership. Before commencing the homeownership process, participants must attend pre-purchase homeownership counseling.

The homeownership option is limited not to exceed five percent (5%) of the total Section 8 voucher program administered by HACY provided that the disabled and elderly families shall not be subject to the 5% limit. Participants actively involved in the Family Self-Sufficiency Program will be given a preference.

Eligible applicants for the Section 8 Home Ownership program must have completed an initial Section 8 lease term, may not owe HACY or any other housing authority an outstanding debt, and must meet the eligibility criteria set forth herein.

Section 8 homeownership assistance may be used to purchase the following types of homes within the City of Yuma:

1. Single Family (new or existing)
2. Condominiums
3. Planned Developments
4. Site-installed manufactured homes

HACY may permit portability of Section 8 homeownership assistance to another jurisdiction, provided the receiving jurisdiction operates a Section 8 Home Ownership Program for which the Section 8 homeownership applicant qualifies or authorizes HACY to administer the homeownership assistance in their jurisdiction.

### I. Family Eligibility Requirements

Participation in the Section 8 Home Ownership program is voluntary. Each Section 8 homeownership participant must meet the general requirements for admission to the Section 8 Housing Choice Voucher Program as set forth in HACY's Administrative Plan. Such Section 8 family also must be "eligible" to participate in the homeownership program. The additional eligibility requirements for participation in HACY's Section 8 Home Ownership Program include that the family must:

1. Participate in a Family Self-Sufficiency Program. If previously participated, Family Self-Sufficiency Program graduates must wait three consecutive months from graduation, before re-enrollment. This requirement is optional for Elderly and disabled participants.
2. Be a first-time homeowner, a person with disabilities, or an elderly person.
3. Meet a minimum income requirement without counting income from "welfare assistance" sources.
4. Meet a minimum employment requisite without counting income from welfare assistance sources. Elderly and disabled families are exempt from the minimum employment requirement.
5. Meet the requisite employment criteria, with the exception of elderly and disabled families.
6. Must have completed an initial lease term in the Section 8 housing choice voucher program.
7. Must have fully repaid any outstanding debt owed to HACY or any other housing authority.
8. Must have not defaulted on a mortgage-securing debt to purchase a home under the homeownership option.

9. Present family members must not have any present ownership interest in a residence at the commencement of homeownership assistance.
10. As part of the family contribution towards the homeownership purchase client will provide an out-of-pocket contribution of 1% of the purchase price. This includes paying for the private inspection fee and other expenses.

**A. First-Time Homeowner**

Each Section 8 family, except families with a disabled member, must be a first-time homeowner. A “first-time homeowner” means that no member of the household has had an ownership interest in any residence during the three years preceding the commencement of homeownership assistance. However, a single parent or displaced homemaker who, while married, owned a home with a spouse (or resided in a home owned by a spouse) is considered a “first-time homeowner” for purposes of the Section 8 homeownership option; and the right to purchase title to a residence under a lease-purchase agreement is not considered an “ownership interest.”

**B. Minimum Income Requirement**

(1) Amount of Income

At the time the family begins receiving homeownership assistance, the head of household, spouse, and/or other adult household members who will own the home must meet the minimum annual income of the local minimum wage for the City of Yuma multiplied 30 hours per week. Disabled participants must meet the minimum income standard for a such family that will be equal to the monthly Federal Supplemental Income (SSI) benefit for an individual living alone (or paying his or her share of food and housing costs) multiplied by twelve. Refer to the Social Security Administration for the current amount.

(2) Exclusion of Welfare Assistance Income

With the exception of elderly and disabled families, HACY will disregard any “welfare assistance” income in determining whether the family meets the minimum income requirement. In determining whether an elderly or disabled family meets the minimum income requirements, welfare assistance shall be included only for those adult elderly or disabled family members who will own the home. Welfare assistance includes assistance from Temporary Assistance for Needy Families (TANF); Supplemental Security Income (SSI) that is subject to an income eligibility test; food stamps; general assistance; or other welfare assistance income under this section affects the determination of minimum monthly income in determining initial qualification for the homeownership program. It does not affect the determination of income eligibility for admission to the Section 8 Housing Choice Voucher Program, the calculation of the family’s total tenant payment, or the calculation of the amount of homeownership assistance payments.

**C. Employment History**

This program exempts persons with disabilities and the elderly from employment requirements. Each family must demonstrate that one or more adult members of the family who will own the home at the commencement of homeownership assistance are employed full-time (an average of 30 hours per week) and has been so continuously employed for one year prior to execution of the sales agreement. In order to reasonably accommodate a family’s participation in the program, HACY will exempt families whose income is derived from agriculture. To qualify for the exemption, the family must demonstrate a consecutive two-year agricultural employment history, meeting the aforementioned minimum income requirements. HACY’s Executive Director may also consider whether and to what extent an employment interruption is considered permissible in satisfying the employment requirement. The Executive Director may also consider successive employment during the one-year period and self-employment in a business.

**D. Completion of Initial Lease Term**

Applicants and new participants in the Section 8 Housing Choice Voucher monthly mortgage assistance program shall be ineligible for participation in the Section 8 Home Ownership Program until execution of a Family Self-Sufficiency Program contract (elderly and disabled families are exempt from this requirement). And the completion of an initial one-year Section 8 lease term and the participant's first annual recertification. Nothing in this provision will preclude Section 8 participants that have completed an initial lease term in another jurisdiction and who transfer the Family Self-Sufficiency contract from participating in the Section 8 Home Ownership Program.

**E. Repayment of Any Housing Authority Debts**

Participants in the Section 8 Housing Choice Voucher monthly mortgage assistance program shall be ineligible for participation in the Section 8 Home Ownership Program until execution of an FSS contract, completion of an initial Section 8 lease term, and first annual re-certification. Nothing in this provision will preclude Section 8 participants that have executed an FSS contract, and completed an initial lease term in another jurisdiction from participating in the Section 8 Home Ownership Program. Participants applying for the monthly mortgage assistance program must be in good standing, comply with all lease, rules and regulations, and not owe any money to HACY or any other housing authority.

**F. Additional Eligibility Factors**

**1. Elderly and Disabled Households**

Elderly and disabled families are exempt from the employment requirement set for in Section 2.C above. In the case of an elderly or disabled family, HACY will consider income from all sources, including welfare assistance but only for those adult elderly or disabled family members who will own the home.

**2. Preference for Participation in the FSS Program**

Applicants for the homeownership program are required to participate in the HACY's Family Self-Sufficiency Program in order to participate in the Section 8 Home Ownership Program. However, in the event applications for homeownership assistance exceed five percent (5%) of the HACY's total voucher program in months following the first year, non-FSS eligible Section 8 participants will be considered for the Section 8 Home Ownership Program.

**3. Prior Mortgage Defaults**

If a head of household, spouse, or other adult household member executes the contract of sale and mortgage loan documents and has previously defaulted on a mortgage obtained through the Section 8 Home Ownership Program, the family will be ineligible to participate in the homeownership program.

**4. Family Participation Requirements**

Once a family is determined to be eligible to participate in the program, it must comply with the following additional requirements:

- a. Complete a pre and post-home ownership-counseling program approved by HACY prior to the commencement of the homeownership assistance.
- b. Within a specified time, locate the home it proposes to purchase.
- c. Prior to purchasing a home, the family must enter into a purchase contract containing specific provisions set forth by regulation. This purchase contract must receive prior agency approval. The provisions included, but are not limited to: price and other terms of sale agreed to by the seller and the buyer, pre-purchase inspection described above, and provide that the buyer is not obligated to pay for repairs or purchase the home unless the pre-purchase inspections are satisfactory. The contract must also provide a certification from the seller stating the seller has

not been disbarred, suspended, or subject to a limited denial of participation by HUD. Therefore, the contract must be submitted for HACY's approval.

- d. Allow HACY to inspect the proposed dwelling unit to assure that the dwelling meets appropriate housing quality standards. The dwelling must pass both the HQS and private inspections. If the property is existing, both the private inspection and the HACY HQS inspection must be completed within the first 10 calendar days of contract approval and acceptance. The client will be responsible to pay for private inspection and can be part of the 1% contribution of the purchase price.
- e. The independent inspection will cover all major building systems. This inspection is not a warranty for the home. HACY requires that participants purchasing an existing property, two years or older, shall purchase a one-year home warranty at the buyer's expense.
- f. Obtain HACY's approval for the proposed mortgage (which must comply with generally accepted mortgage underwriting requirements).
- g. Enter into a written agreement with HACY to comply with all of its obligations under the Section 8 program.

## **II. Home Ownership Counseling Program/Locating a Home**

### **A. Home Ownership Counseling Program**

A family's participation in the homeownership program is conditioned on the family attending and successfully completing the homeownership pre and post-counseling program by HACY or a provider approved by HACY. Certification of completion of pre-purchase counseling must be submitted before the commencement of homeownership assistance. Participating families will be required to take a refresher pre-purchase homeownership counseling course, provided by HACY or a provider approved by HACY if twelve months or more have elapsed from the date on the course certificate. Post-purchase counseling is required; the client must complete it within 10 months of the closing of the home.

The homeownership and counseling program will cover home maintenance, budgeting, money management, credit counseling, negotiating the purchase price, securing mortgage financing, fair housing, RESPA obligations, predatory lending issues, and how to find a home. Post-purchase counseling shall be consistent with HUD's Housing Counseling Program and should include topics such as; avoiding late payments, default prevention, saving for major home repairs, and home maintenance.

HACY shall approve the counseling agency providing the counseling program or the program shall be consistent with the homeownership counseling program provided under HUD's Housing Counseling Program. HACY may require families to participate in a HACY-approved home ownership-counseling program on a continuing basis.

### **B. Locating and Purchasing a Home**

Upon approval for the Section 8 Home Ownership Program, a family shall have one hundred eighty (180) days to locate a home to purchase. A home shall be considered located if the family submits a proposed sales contract agreement with the requisite components required by HACY. For good cause, HACY may extend a Section 8 family's time to locate the home for additional thirty-day increments. During a Section 8 participant's search for a home to purchase, their Section 8 rental assistance shall continue pursuant to the Administrative Plan. If a Section 8 participant family is unable to locate a home within the time approved by HACY, their Section 8 rental assistance through the Section 8 housing choice voucher program shall continue.

**C. Type of Home**

A family approved for Section 8 homeownership assistance may purchase the following types of home within the City of Yuma: a new or existing home, a single-family home, a condominium, a home in a planned use development, or manufactured units. Eligibility of housing where the family will not also own fee title to the real property on which the home is located is eligible for Section 8 homeownership assistance. However, the family must have the right to occupy the site for a period of at least forty years and the home must have a permanent foundation. The home must be an existing home or one under construction at the time HACY determines the family is eligible for homeownership assistance. The family also may purchase a home in a jurisdiction other than the City of Yuma, provided the Housing Authority in the receiving jurisdiction operates a Section 8 Home Ownership Program for which the Section 8 homeownership applicant qualifies or authorizes HACY to administer the homeownership assistance in their jurisdiction. In the former case, a family's participation in the Section 8 Home Ownership Program will be subject to the Section 8 Home Ownership Program and policies of the receiving jurisdiction.

**D. Purchasing a Home**

Once a home is located and a sales agreement is approved by HACY and is signed by the family, the family shall have up to three (3) months, or such other time as is approved by HACY's Executive Director or set forth in the HACY-approved sales agreement, to purchase the home.

**E. Failure to Complete Purchase**

If a Section 8 participant is unable to purchase the home within the maximum time permitted by HACY, HACY shall continue the family's participation in the Section 8 Housing Choice Voucher Program. The family may not re-apply for the Section 8 Home Ownership Program until they have completed an additional year of participation in the Section 8 Housing Choice Voucher Program following the initial determination of their eligibility for the homeownership option.

**F. Sales Agreement**

Prior to the execution of the offer to purchase or sales agreement, the family must provide financing terms to HACY for approval. The sales agreement must provide for inspection by HACY and the independent inspection referred to in Section I (4C) and must state that the purchaser is not obligated to purchase unless such inspections are satisfactory to HACY. The contract also must provide that the purchaser is not obligated to pay for any necessary repairs without approval by HACY. The sales agreement must provide that the purchaser is not obligated to purchase if the mortgage financing terms are not approved by HACY. The sales agreement must also contain a seller certification that the seller is not debarred, suspended, or subject to a limited denial of Participation by HUD.

**G. Independent Initial Inspection Conducted**

To assure the home complies with the housing quality standards of the Section 8 program, home ownership assistance payments may not commence until HACY first inspects the home. An existing home shall be inspected by both the private inspector and the HACY inspector within the first 10 days of contract acceptance. A professional selected by the family and approved by HACY also must complete an independent inspection of existing homes covering major building systems. HACY will not pay for the independent inspection. The independent inspection report must be provided to HACY. HACY may disapprove the unit due to information contained in the report or for failure to meet federal housing quality standards. HACY reserves the right to conduct annual monthly HQS inspections.

**H. Financing Requirements**

The proposed financing terms must be submitted to and approved by HACY prior to the close of escrow. HACY shall determine the affordability of the family's proposed financing. In making such a determination, HACY may take into account other family expenses, including but not limited to child care, un-reimbursed medical expenses, education and training expenses, and the like. Certain types of financing, including but not limited to, balloon payment mortgages, unless convertible to a variable rate mortgage, are prohibited and will not be approved by HACY. If a mortgage is not FHA-insured, HACY will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/ FHA, Ginnie Mae, Fannie Mae, Freddie Mac, USDA Rural Housing Services, the Federal Home Loan Bank, or other private lending institution.

For participation in the Section 8 Home Ownership Program, the program participant must meet the minimum down payment requirement of at least three (3%) percent of the purchase price. At least one (1%) percent of the purchase price must come from the family's personal resources.

The Section 8 homeownership program requires that financing for purchases under this program be insured or guaranteed by the state or Federal government, comply with the secondary mortgage market underwriting requirements, or comply with generally accepted private sector underwriting standards.

**I. Compliance with Family Obligations**

A family must agree, in writing, to comply with all family obligations under the Section 8 program and HACY's homeownership policies. These obligations include (1) attending ongoing homeownership counseling if required by HACY; (2) complying with the mortgage terms; (3) not selling or transferring the home to anyone other than a member of the assisted family who resides in the home while receiving homeownership assistance; (4) not refinancing or adding debt secured by the home without prior approval by HACY; (5) not obtaining a present ownership interest in another residence while receiving homeownership assistance; and (6) supplying all required information to HACY, including but not limited to annual verification of household income, verification of all household members, reporting adding or deletion of household members, a notice of changes in home ownership expenses, a notice of move-out, and notice of mortgage default. HACY's Home Ownership Family Obligation policies are set forth in Appendix A hereto, (7) program participants must sign an authorization form allowing the mortgage lender to advise HACY of any late or missed mortgage payments.

The HACY will authorize the homeownership program participants to transfer to another home in the same PHA jurisdiction, as well as buy a home in another PHA jurisdiction a maximum of once per year. Upon transferring, all-adult family members must not have any current interest in any other property.

**III. AMOUNT OF ASSISTANCE**

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. HACY will pay the lower of either the payment standard minus the total family contribution ("TFC") or the family's monthly homeownership expenses minus the TFC. The Section 8 family will pay the difference.

**A. Determining the Payment Standard**

The voucher payment standard is the fixed amount the HACY annually establishes as the "fair market" rent for a unit of a particular size located within the HACY jurisdiction. In the homeownership program, the initial payment standard will be the lower of either (1) the payment standard for which the family is eligible based on family size; or (2) the payment standard which is applicable to the size of the home the family decides to purchase. The payment standard for subsequent years will be based on the higher of: (1) the payment standard in effect at the commencement of the homeownership assistance; or (2) the payment standard in effect at the most recent regular reexamination of the family's income and size. The initial payment standard, for purposes of this comparison, shall not be adjusted even if there is a subsequent decrease in family size. HACY will request HUD approval of a higher payment standard, up to 120% of the published Fair Market Rent limit, where warranted as a reasonable accommodation for a family that includes a person with disabilities.

**B. Determining the Monthly Home Ownership Expense.**

Monthly homeownership expense includes all of the following: principal and interest on the initial mortgage, mortgage insurance premium (MIP) incurred to finance the purchase, land lease payments if applicable, real estate taxes; homeowner's insurance; maintenance expenses per HACY allowance; utility allowance per HACY's schedule of utility allowances; homeowner association dues.

**C. Determining the Total Family Contribution**

The TFC is that portion of the homeownership expense that the family must pay. It is generally 30% percent of the family's adjusted income, plus any gap between the payment standard and the actual housing cost. All family income (including public assistance) will be counted to determine the family's adjusted monthly income for purposes of determining the amount of assistance.

**D. Payment to Family or Lender**

HACY will provide the lender with notice of the amount of the housing assistance payment prior to the close of escrow. HACY will pay the Housing Assistance Payment (HAP) as required by the lender. The family will be responsible to submit their portion of the homeowner's expense as required by the lender.

**IV. TERMINATION OF SECTION 8 HOMEOWNERSHIP ASSISTANCE**

**Grounds for Termination of Home Ownership Assistance**

**A. Failure to Comply with Family Obligations under Section 8 Program or HACY's Home Ownership Policies**

A family's homeownership assistance may be terminated if the family fails to comply with its obligations under the Section 8 program, HACY home ownership policies, or if the family defaults on the mortgage. If required, the family must attend and complete ongoing home ownership and housing counseling classes. The family must comply with the terms of any mortgage incurred to purchase and/or refinance the home. The family must provide HACY with written notice of any sale or transfer of any interest in the home; any plan to move out of the home prior to the move; the family's household income; home ownership expenses on an annual basis; any notice of mortgage default received by the family; and any other notices which may be required pursuant to HACY homeownership policies. Except as otherwise provided in this Section, the family may not convey or transfer the home to any entity or person other than a member of the assisted family while receiving homeownership assistance.

Upon death of a family member who holds, in whole or part, the title of the home, the homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding the transfer of title by operation of law to the decedent's executor or legal representative, so long as the home is solely occupied by the remaining family members in accordance with administrative plan.

**B Occupancy of Home**

Homeownership assistance will only be provided while the family resides in the home. If the family moves out of the home, HACY will not continue home ownership assistance commencing the month after the family moves out. Neither the family nor the lender is obligated to reimburse the HACY home ownership assistance paid for the month the family moves out.

**C Changes in Income Eligibility**

A family's home ownership assistance may be changed in the month following annual re-certification of the household income, but participation in the Section 8 Home Ownership program shall continue until such time as the assistance payment amounts to \$0 for a period of six (6) consecutive months.

**D Maximum Term of Home Ownership Assistance.**

A family may receive Section 8 homeownership assistance for not longer than ten (10) years from the date of close of escrow unless the initial mortgage incurred to finance the purchase of the home has a term that is 20 years or longer, in which case the maximum term is 15 years. Families that qualify as elderly or disabled at the commencement of homeownership assistance are not subject to a maximum term limitation. Families that qualify as elderly or disabled at the commencement of homeownership assistance or at any time during the provision of homeownership assistance are not subject to a maximum term limitation. If an elderly or disabled family ceases to qualify as disabled or elderly, the appropriate maximum term becomes applicable from the date home ownership assistance commenced; provided, however, that such family shall be eligible for at least six additional months of home ownership assistance after the maximum term becomes applicable. The time limit applies to any member of the household who has an ownership interest in the unit during any time that home ownership payments are made, or is a spouse of any member of the household who has an ownership interest or is an adult household member who has ownership interest.

**E Procedure for Termination of Home Ownership Assistance.**

A participant in the Section 8 Home Ownership program shall be entitled to the same termination notice and informal hearing procedures as set forth in the Administrative Plan of the HACY for the Section 8 housing choice voucher program.

**V. CONTINUED PARTICIPATION IN THE SECTION 8 HOUSING CHOICE VOUCHER PROGRAM**

1. Return to tenant-based Assistance.
2. Future Receipt of Homeownership Assistance.

Future receipt of homeownership assistance provides that only adult family members are subject to the restrictions on the future receipt of homeownership assistance. Specifically, a family that includes an individual who was an adult family member of a family that previously received either of the two forms of homeownership assistance may not receive the other form of homeownership assistance



from any other Housing Authority. HACY will not provide homeownership assistance for a family if any member was an adult member of a family at the time such family received assistance under the homeownership option and defaulted on the mortgage securing the purchase of the home.

3. Default on FHA-Insured Mortgage.

If the family defaults on an FHA-insured mortgage, HACY may permit the family to move with continued Section 8 housing choice rental assistance if the family demonstrates that it has (a) conveyed title to the home to HUD or its designee, as required by HUD; and (b) moved from the home within the period established or approved by HUD.

4. Default on non-FHA-Insured Mortgage.

If the family defaults on a mortgage that is not FHA-insured, HACY may permit the family to move with continued Section 8 housing choice voucher rental assistance if the family demonstrates that it has (a) conveyed title to the home to the lender, to HACY or to its designee, as may be permitted or required by the lender; and (b) moved from the home within the period established or approved by the lender and/or HACY.

## VI. HACY ADMINISTRATIVE FEE

For each month that monthly homeownership assistance is paid by HACY on behalf of the family, HACY shall be paid the ongoing administrative fee described in 24 C.F.R. §982.152(b).

For the single one-time down payment assistance grant, a one-time administrative fee equal to six months of the HACY's ongoing regular administrative fee will be paid as described in 24 CFR part 982, Docket No. FR\_4670-F-02, RIN 2577-AC28.

## VII. WAIVER OR MODIFICATION OF HOMEOWNERSHIP POLICIES

The Executive Director of HACY shall have the discretion to waive or modify any provision of the Section 8 Home Ownership Program or policies not governed by statute or regulation for good cause or to comply with changes in HUD regulations or directives.

## APPENDIX A: SECTION 8 HOMEOWNERSHIP OBLIGATIONS

This form is to be signed by the home buyer(s) in the presence of the Housing Authority City of Yuma (HACY) Family Self Sufficiency Coordinator. The Coordinator will explain any and all clauses which you, the home buyer(s), may not understand.

The following paragraphs describe your responsibilities under the Section 8 Home Ownership Program. If you or members of your household do not meet these responsibilities, through your actions or your failure to act, you may be terminated from the Section 8 Home Ownership Program.

1. **Family Obligations:** You must comply with all Family Obligations of the Section 8 Housing Choice Voucher Program, except only the prohibition against owning or having an interest in the unit. Family Obligations §§ 982.551(c), (d), (e), (f), (g), and (j) do not apply to the Section 8 home ownership program.
2. **Housing Counseling:** All participating family members (i.e. those signing the purchase offer and loan documents) must satisfactorily complete a HACY-provided or approved counseling program prior to the commencement of homeownership assistance. HACY may require any or all participating family members to attend additional housing counseling classes as a condition of continued assistance.
3. **Purchase Contract:** You must include contract conditions in any Offer to Purchase and give HACY a reasonable time (a) to inspect the home for compliance with HUD's Housing Quality Standards; (b)

to review and approve a professional home inspection report obtained by you from a HACY approved inspector; and (c) approve the terms of your proposed financing. Advise your Realtor of these requirements.

4. **Mortgage Obligations:** You must comply with the terms of any mortgage incurred in the purchase of the property and must notify HACY's Family Self-Sufficiency Coordinator within five (5) days of receipt of any late payment or default notice.
5. **Occupancy:** You must occupy the unit as your principal residence. You may not transfer, sell, or assign any interest in the property without HACY's prior written consent. You may not rent or lease any part of the premises without HACY's prior written consent. You must notify HACY in writing at least 30 days prior to moving out of the house for a period of 30 days or longer or prior to any sale, transfer, assignment, lease, or other form of alienation of the assisted property.
6. **Maintenance:** You must maintain the property in a decent, safe, and sanitary manner. You must allow HACY to inspect the property within one week of a demand by HACY to conduct an inspection. You must correct any notice of deficiency issued by HACY within the time limit specified in the notice. If you fail to adequately maintain the property, HACY may divert the maintenance and replacement reserves portions of the Home Ownership Assistance Payment to an escrow account to be used to pay for reasonable and necessary maintenance expenses.
7. **Annual Re-examination:** You must annually provide HACY with current information regarding family income and composition in a format required by HACY.
8. **Refinancing:** You must notify HACY in writing of any proposal to refinance the original purchase mortgage or of any proposal to encumber the property with secondary financing and obtain HACY's written approval of such financing prior to executing any loan documents.
9. **Default:** In the event of a default on your mortgage obligation, you must cooperate with HACY and the lender to minimize any loss to the lender in order to maintain your eligibility to continue as a participant in the Section 8 Housing Choice Voucher Program.

By signing below, I attest that I have read and understood my obligations as a participant in the Section 8 Home Ownership Program and I agree to abide by these responsibilities. I understand that HACY may terminate my home ownership assistance if I violate any of these obligations, but that I may request an informal review of any proposed notice of termination prior to it becoming effective.

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Head of Household

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Other Adult Member