

What is the Homeownership Option Program (HOP)?

The HOP is a program offered to eligible participants of the County of Maui's Housing Choice Voucher (Section 8 Rental Assistance) Program.

The HOP allows first time homeowners to use their rental assistance to help pay for monthly homeownership expenses. Under the HOP, monthly subsidy is paid to a mortgage lender instead of a landlord.



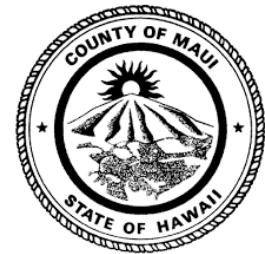
What are Considered Monthly Homeownership Expenses?

A few examples are:

- * Mortgage principal and interest
- * Taxes
- * Insurance
- * PHA allowance for routine maintenance
- * PHA allowance for major repairs
- * Land lease amounts
- * PHA allowance for utilities

County of Maui
Department of Housing and Human Concerns
Section 8 Rental Assistance Program
2065 Main Street, Suite 108
Wailuku, Maui, Hawaii 96793

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HOP Preliminary Eligibility Requirements ~ Families That:

- * Are current participants of the Section 8 Housing Choice Voucher (HCV) Program who are in compliance with their Lease and the rules of the HCV Program.
- * Are not within the initial one year period of a HAP Contract.
- * Are first time homeowners.
- * Do not have any outstanding debt with the County of Maui Housing Division.
- * Have not previously defaulted on a mortgage securing debt to purchase a home under the HOP.

For elderly/disabled households:

- * Have a minimum gross annual income of \$9,528.

For non-elderly/non-disabled households:

- * Have a minimum gross annual income of \$14,500 (not including any welfare benefits.)
- * Have **at least** one member that has been employed for at least 30 hours per week for at least one year.

Additional Requirements

After preliminary eligibility requirements are met, the next steps are:

- * All adult members of household must complete a homebuyer education class (Certificate of Completion **must** be turned in to our office)
- * Secure a pre-approved loan with a bank or other lending institution.
- * Have at least 3% of the purchase price of the home for a down payment (1% of which must come from the family's personal resources.)
- * To have the financial means to pay for any closing costs and private inspection.

CONTACT INFORMATION

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Frequently Asked Questions

How much financial assistance will I receive?

Normal voucher program

payment standards are used to determine the amount of subsidy. The Housing Assistance Payment (HAP) is the lesser of either **(A)** the payment standard minus the Total Tenant Payment (TTP) or **(B)** the family's monthly homeownership expense minus the TTP.

What is the TTP?

Monthly TTP is generally 30% of the family's adjusted monthly income.

What do I have to pay each month?

You have to pay at least the amount of TTP toward monthly homeownership expenses. However, if you purchase a home that has monthly expenses higher than your approved payment standard, any additional amount will have to be paid by the family.

How long can a family receive assistance under this program?

There is no time limit for an elderly or disabled household. For all other families, there is a mandatory term limit of 15 years if the initial mortgage incurred to finance the purchase of the home has a term that is 20 years or longer, for all other cases, the maximum term of homeownership assistance is 10 years.