

Frequently Asked Questions

1	How is purchasing a ULEC Home different from purchasing a market-rate home?	These homes are built for lasting affordability and as a wealth building asset for families. These homes were built with the financial support of a federal tax credit program and that does not support prepayments or outside lending financing for a limited period of time. The Urban League of Essex County Opportunity Corporation is the initial lender. These homes are income restricted. Eligible homebuyers must be willing to accept 20-year deed restrictions and maintain active participation in required ULEC pre-purchase and post-purchase homeownership and financial support programming.
2	How do I apply for a specific home I know is for sale or rent?	The intake packet is available for download on the website.
3	As a single individual with no children or partner would I qualify? Are there opportunities for households under three people?	Not currently. The “ULEC 2024 Fairmount Heights Housing and Homeownership Opportunity” is exclusively eligible to families of at least 3 people to a maximum of 6. Please join our mailing list for information on future projects.
4	I have a question about who counts as a member of my household. How do I determine household size when determining income and what size home I may qualify for?	<p>An applicant's household is composed of all permanent members of the household. The household composition will determine both the maximum income limit the household will need to be under and the size of the home needed (number of bedrooms). Some household members may be considered in the bedroom calculation, but not the maximum income calculation.</p> <p>Foster Children: Foster children are not counted in the household size when determining if the household is under the maximum income. Additionally, any payments that the household received related to the foster children are not considered income. Foster children are counted in the household size when determining how many bedrooms the household may qualify for. For example, a 3-person household made up of a husband, a wife, and a foster child must fall under the maximum income limit for a household of 2 but may qualify for a 2 or 3 bedroom home.</p>

		<p>Live In Health Aid or Nanny: Live in health aids or nannies are not counted in the household size when determining if the household is under the maximum income. Additionally, applicants must provide documentation that this is a paid position including a contract with the caregiver. Live in health aids or nannies are counted in the household size when determining how many bedrooms the household may qualify for. For example, a 5-person household made up of two parents, two children, and a nanny must fall under the maximum income limit for a household of 4, but may qualify for a 3 bedroom home.</p> <p>Child Whose Primary Residence is Not the Applicant's Household: Children whose primary residence is not the applicant's household are not counted in the household size when determining if the household is under the maximum income unless custody is 50/50. Children whose primary residence is not the applicant's household are counted in the household size when determining how many bedrooms the household may qualify for. For example, a 2 person household made up of a father and child (without 50/50 custody) must fall under the maximum income limit for a household of 1, but may qualify for a 1 or 2 bedroom home.</p> <p>Unborn Child: Unborn children are counted in the household size when determining if the household is under the maximum income and when determining how many bedrooms the household may qualify for. For example, a 3-person household made up of a husband and pregnant wife must fall under the maximum income limit for a household of 3. Additionally, they may qualify for a 2 or 3 bedroom home.</p> <p>Child Being Adopted: Children being adopted are counted in the household size when determining if the household is under the maximum income and when determining how many bedrooms the household may qualify for. For example, a 2-person household made up of a mother and child being adopted must fall under the maximum income limit for a household of 2. Additionally, they may qualify for a 1 or 2 bedroom home.</p> <p>Full Time College Student Not Living at Home: Full time college students not living at home are counted in the household size when</p>
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5	I own a home. Do I qualify?	The homeownership opportunity is only available to first-time homebuyers.
6	Is my credit score a factor? Is there a minimum credit score requirement?	If you are looking to purchase a home, you must be able to qualify for a mortgage. Therefore, we will check your credit. We require a minimum credit score of 580 as part of our credit requirements. We do not accept any bankruptcy settlements within two years. All collections, charge offs and judgments must be cleared prior to loan closing.
7	Can a cosigner sign my mortgage or lease to help me overcome an inadequate finding in my application?	<p>Rentals: An applicant may have a cosigner on a lease</p> <p>Ownership: No one outside of the household, as certified during the full income certification process, may cosign or otherwise be party to any financing or legal instruments which includes the mortgage.</p>
8	What documents may be requested for me to submit?	<p>With Homeownership Application: 2023 Federal Income Tax Return, latest pay stubs (or equivalent) for one full month, and ULEC's Credit Report Release and Disclosure</p> <p>After Random Selection, and if applicable: Personal identification (Driver's License, passport, birth certificate, social security card, etc.), IRS form W-2s for the prior two (2) years; 1040 Federal Income Tax Returns and State Tax Return for the prior three (3) years; bank statements for the prior three (3) calendar months; (4) most recent consecutive pay stubs (or equivalent) for all employed household members, minimally for the prior two (2) calendar months; investment account statements, if any, for the prior three (3) calendar months;</p>

		<p>Checking – six (6) months of statements; Savings Account (CD's, IRA's, etc) statements and current interest rates; Social Security: S.S. Computer Printout or Award Letter; Pension Letter received from pension fund; Verification of Temporary Assistance for Needy Families (TANF); Verification of Support (Child Support and/or Alimony); Verification of Military Pay; Workers' Compensation - Letter from Workmen's Compensation; Verification of Unemployment Benefits</p> <p>This list is limited, and other documents may arise for request without notice. We recommend you maintain multiple copies of these documents for prompt submission.</p>
9	What are the application requirements for my co-applicant?	Co-applicants must separately complete pre-purchase and lottery eligibility requirements. This includes but is not limited to attending the mandatory informational session, eight hours of HUD-approved homebuyers' education, ULEC's Financial Capability Workshop, and meeting with a ULEC Financial Coach. Co-applicants are also subject to the same credit requirements and post-purchase program requirements.
10	Can I submit my application before I attend the workshops?	If you believe your household falls within the advertised income limits and eligibility requirements, fill out and submit your intake application to our office as soon as you are comfortable. We do advise that you attend an informational session prior, to better understand the scope of this unique opportunity, and if it fits right for your family.
11	Where can I register for the next informational session?	Registration options are listed on the website under "HOW TO BECOME A ULEC HOMEOWNER?" Please refer to the first tab for the next available session. All available dates are listed there.
12	Can you provide me a list of housing counseling or credit counseling services?	The Urban League of Essex County uniquely offers both housing counseling and credit counseling services. And as part of the application process, you will have exposure to these services.
13	Do you accept NACA homeowner workshop certification?	Yes, NACA is a HUD approved counseling organization that provides 8-hour HUD certificate for homebuyer education. We accept valid certificates from any credible agency, obtained within 12 months of the application deadline.

14	Where can I register for ULEC's First Time Homebuyers Workshop?	Yes, ULEC is a HUD approved counseling organization that provides 8-hour HUD certificate for homebuyer education. Information to register for any of their workshops can be found here . We accept valid certificates from any credible agency, obtained within 12 months of the application deadline.
15	Where can I register for ULEC's Financial Literacy Workshop?	Registration options can be found here .
16	When can I meet with the ULEC Financial Coach?	The ability to meet with the ULEC Financial Coach for your pre-purchase and lottery eligibility depends on review of your intake packet and prerequisite attendance of ULEC's Financial Literacy Workshop. Once, confirmed, you will be contacted to schedule your appointment.
17	I'm looking to be a homeowner but have adult children (over the age of 18), do they have to complete the application process since they would be living with me?	Your adult children do not have to complete the application process, unless you wish for them to be included on the loan application with you and collectively agreeing to repay the loan. However, for household income eligibility purposes, income and assets for all household members over the age of 18 will be counted and reviewed based on the following U.H.A.C (Uniform Affordability Controls} N.J.A.C. 5:80-26.1 et seq. regulations.
18	Who will review the submissions before the lottery?	The preliminary review team is conducted by ULEC and ULEC's subsidiaries' experienced staff and HUD-approved housing counselors.
19	What happens after the lottery?	After homeownership random selection, a third-party Administrative Agent will certify your household income and size. ULEC OC will perform credit qualifying assessment.
20	Will the house be available to tour before purchase?	The house will not be available to tour prior to random selection. There are pictures posted on the website that showcase the interior layout.
21	What is the average downpayment for closing?	Each home has a downpayment requirement of 5%, to their respective sales price.
22	Can I apply for both the homeownership and rental opportunity?	Yes, we receive a greater number of applications than there are units available, so we encourage you apply for both if you believe you fall within the advertised household income limits.
23	What is the Deed Restriction?	The affordability period is 20 years. Therefore, within the first 20 years of homeownership, the owner has existing restrictions and limitations on property resale, refinancing, and occupancy requirements.

25	Do I need to have an attorney if I buy or sell a ULEC home?	<p>Most buyers and sellers utilize their own attorney to assist them in this important real estate transaction.</p> <p>Please notify your attorney that:</p> <ul style="list-style-type: none"> You are purchasing a deed restricted affordable housing unit. N.J.A. C. 5:80-26.1 et seq. are the Uniform Housing Affordability Controls (“UHAC”) which govern affordable units in NJ. CGP&H will prepare the deed and affordable housing closing documents required for the closing. Please keep CGP&H updated about when the closing date may occur so we have enough time to prepare the required documents and answer any questions the title company and mortgage company may have.
26	Who handles the credit card information for the ULEC home application?	Online payments for the application processing fee are completed using Stripe's payment processing platform. Stripe focuses on providing a secure payment gateway.
27	Is it mandatory to have a tenant?	All rental units are income-restricted through the deed-restriction period and should be available for rent. The owner will have to certify compliance annually with tenant eligibility and rent procedures.
28	Can I rent the owner’s unit?	The property must remain the family’s primary residence for entirety of compliance period. No exceptions. If the owner plans to relocate, they must contact the Administrative Agent.
29	Do the tenants make the rental check out to ULEC or to the homeowner?	The tenant will make payments to the homeowner. And the rental income will be reflected as part of the homeowner’s earned income. The bank account that is owned by the homeowner and will be controlled by the lender for the duration of the mortgage. The lender shall have the sole right to make or authorize withdrawals from the Controlled Account in accordance with the Loan Agreement. After the loan agreement is satisfied, the owner will have unrestricted use of the rental income.
30	Who is paying the property taxes?	The homeowner is responsible for property taxes.
31	Who can evict the rental tenants ULEC or the homeowner?	The homeowner is within their right to initiate legal action against the rental tenant, in accordance with the lease agreement. The Urban League of Essex County provides mandatory Landlord/Tenant training for

		homeowners. ULEC's Housing Counseling program also offers eviction mitigation services, available to renters and homeowners.
32	What happens if the homeowner dies? Can ownership of an affordable home be transferred to a non-income-certified buyer? Who can inherit the home?	Under the following circumstances, ownership of an Affordable Unit can be transferred to another owner without the new owner being income-certified. These circumstances include: <ul style="list-style-type: none"> i. Transfer of ownership between husband and wife; ii. The transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; or iii. The transfer of ownership through an executor's deed to a Class A beneficiary (father, mother, grandparents, grandchild, descendants, spouses, and, generally, civil union partners, or domestic partners). iv. This waiver will only apply to this transfer, and the original income restriction will remain for future sales.
33	Is the property insured based on the appraised value of the house or the price ULEC is selling it for?	The property is insured based on the market value of the house.