Making Homeownership A Reality

In March 2005, the CDA launched a two-year demonstration program aimed at making homeownership a reality for participants of the Housing Choice Voucher Program. So far, the Voucher Homeownership (VHO) Program has helped five families achieve the American Dream of owning a home.

The program allows participants to use their monthly voucher assistance towards expenses related to purchasing a home including paying a portion of the mortgage payment, association dues, etc. The assistance is available for a maximum of 15 years. Annually, participants are screened to determine continued eligibility for the program.

To qualify, households must have been assisted through the CDA’s Housing Choice Voucher Program for at least one year, be in good standing with the CDA and meet income and employment requirements. Participants attend intense pre-purchase counseling and homebuyer education to set goals to become homeowners, improve credit histories and scores and establish a household budget.

Program Successes

Earlier this year, Kijana and Yolanda Gant purchased a five-bedroom home in Burnsville giving them much needed room for their family of seven. Kijana is a self-employed painter and Yolanda is a personal banker for U.S. Bank.

“I love my house,” stated Yolanda. “We can now do what we want and the kids have a lot of space.” After moving in, the Gants re-painted the entire inside of the house.

Their five children range in age from 14 to 4 and “fought over which bedroom was going to be their room,” says Yolanda. “Each of them wanted the biggest room.”

This is their first home and in addition to the VHO Program, the Gant’s also received downpayment assistance through the Family Assets for Independence in Minnesota program which helps income eligible families reach financial goals by providing a $3 match to every $1 saved.

Teresa Pastorius is the proud homeowner of a townhouse in Eagan where she lives with her two children, Baily (8) and Logan (4).

“The location is awesome and there are plenty of other families here with children,” said Teresa. “The boys love it and have made a lot of new friends.”

Teresa works as an intake coordinator in Psychological Services at Children’s Hospital and is also pursuing a Master’s degree in Public & Non-Profit Administration at Metropolitan State University. In addition to the VHO program, she also participated in the CDA’s Family Self Sufficiency program which enabled her to save towards the downpayment on her home.

“Without these programs, I don’t think I would have been able to own a home,” she said. “I plan on staying here for a long time.”

Program Funding

The VHO Program was created by the U.S. Department of Housing and Urban Development (HUD) in 2000. Nationally, there are 450 public housing agencies offering this program and over 4,000 purchases have been made by participating households.

Vouchers for the VHO Program are allotted from the CDA’s pool of housing choice vouchers. For this demonstration period, the CDA set aside 10 vouchers out of the overall allocation of 2,202. Voucher assistance is funded by HUD along with administrative funding for the pre-purchase counseling.

For more information about the VHO Program, contact the CDA’s Homeownership Coordinator Rachel Smith at (651) 675-4471.