

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/19/2015**

Bill/Resolution No.: HB 1449

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB 1449 requires the housing finance agency to provide closing cost assistance to first time home buyers.  
 HB 1449 has no fiscal impact. The agency's current programs provide closing cost assistance in the form of a credit to the borrower at the loan closing.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*
- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*
- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

**Name:** Anita Hoffman

**Agency:** ND Housing Finance Agency

**Telephone:** 701-328-8076

**Date Prepared:** 01/21/2015

**2015 HOUSE INDUSTRY, BUSINESS AND LABOR**

**HB 1449**

# 2015 HOUSE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee Peace Garden Room, State Capitol

HB 1449  
1/28/2015  
22771

- Subcommittee  
 Conference Committee

Amanda Musola

### Explanation or reason for introduction of bill/resolution:

Relating to first-time home buyer closing assistance

### Minutes:

testimony 1, 2, 3

Mock: Introduces HB 1449(Attachment 1 & 2).

Representative Louser: Does the must provide assistance mean a grant?

Mock: They have to provide the loan closing cost assistance. The intent is not to change how it is currently provided it's to state that they provide it in those dollar amounts. If we need to change that word, the intent was not to change the form of the assistance but to instead to increase the amounts.

Representative Boschee: Can you share with us how you can to these increases?

Mock: In the NCL program I looked at a lot of different states and flip through over the last several of weeks visited back home with folks and one of the more consistent numbers of states with their first time home buying programs related to closing costs and down payments assistance was in the 5-6 appraised value. Some of them set that the ceiling on the cost of the home some of them set the assistance to the dollar amount and how much a house hole could receive. The one that we looked at that helped us come to the 6% not to exceed 10,000 dollars was the state of Arizona. We looked at many area programs that are similar to North Dakota and this one seemed viable to the state.

Representative Kasper: Article 10 of the constitution, finance and public debt section 18, 'The state or any county or city may make internal improvements and may engage in any industry, enterprise, or business not prohibited by article 20 of the constitution but neither the state nor any political subdivision there of shall otherwise loan or gives its credit or make donations to or in aid of any individual, association, or corporation, except for reasonable support of the poor, nor subscribe to or become the owner of capitol stock in any association or corporation.' How do you justify your bill in light of the constitution?

Mock: We are already doing this. This is an existing program. What we are looking at is changing the amount not the scope. If this bill as it is written would be a violation of the constitution then I have a feeling we are already skirting in violation of article 10.

Representative Becker: According to bankrate.com North Dakota has the 13<sup>th</sup> highest closing fees in the nation. The average closing fees including the origination and 3<sup>rd</sup> party fees in 2599.00, so it is already the average. Now I assume, since this is for people who need help, they are getting homes that cost less than average and therefore their closing cost would be less than average. My concern is that we are already with the laws that stand now will cover higher than the average closing costs are now. We go up to 10. If I am a bank and I see Joe walking into my office and he is going to go through this thing, you know what my closing costs are going to be. There are going to be a lot higher. I just closed on a loan for my house last week. Part of the negotiating was that they were able to do what they wanted with the closing costs. This incentivizes the bank to not lower or arbitrate their closing cost but actually encourages them to have higher costs because the state is going to pay for it.

Mock: I will check with the housing finance agency to see if that is a challenge they have had in the past. If I am not mistaken the primary lender, the home buyer, has to provide at least some (minimum of \$500) in order to secure the down payment in the assistance and then the existing program would kick in and provide 3% up 195,000 dollar value of the home. I don't know if I can properly answer the question but that is an interesting point that can address by a lending agent in the room, or a real-estate agent.

Chairman Keiser: The new language is putting in the start program at a higher rate?

Mock: NCSL mentions the start. The intent is to provide the assistance for the decay program, the down payment and closing cost assistance.

Chairman Keiser: Is that program in statute or rule? Where is it and why do we have this language if all we are changing is the amount? Where is the language that has this in it in statute? If the amendment would just be a percentage or dollar amount.

Mock: I will find it. Right.

Opposition:

Neutral:

**Jolene Kline~ Executive Director -Division of the State Industrial Commission:  
(Attachment 3)**

Representative Louser: What are we considering closing costs? Are we including prepaid such as property taxes or insurance or mortgage insurance as a closing cost?

Dave Flurer: With the DECA program and the start they can both used for your typical closing costs and then the prepaid items can be counted as part of that and it can also be used for part of the down payment requirement if that is the borrower.

Representative Louser: Closing costs as defined in respa are different and that is why they are separated on the settlement statement than prepaid, so housing finance is determining prepaid as a closing cost in this bill would allow for that money to go towards prepaid?

Flurer: Correct. The definition of closing costs within these programs is different than what respa and others may define them as.

Representative Louser: Are we going to have any problem referencing the appraised cost of the home as opposed to the purchase price or the mortgage amount, because you have to provide, the respa allows a required closure up front, if the appraisal doesn't come until 5 days before closing, there is another problem with the wording?

Flurer: I would agree with that. Most likely an example would be where the appraised value might come in at 200,000 but the purchases prices were 195,000. While then if you based the assistance on the appraised value you are giving somebody a lot more money than they need to cover those costs.

Representative Louser: It is common to have closing costs even with prepaid if we don't include discount points to be somewhere between 3 and 4 percent. Is 6% high?

Flurer: Yes. Representative Becker's example he had the numbers from bankrate.com. I am not going to question that. I think that is pretty close as an average and under the DECA program it is 3% of the purchase price of the home is the amount that someone can currently get and on a typical home that is about 2,600 dollars? That is our average sale price for people that use the DECA program. They are getting a little bit more than just covering the closing costs. We kind of had this conversation in the last hearing about this; both the STAR and DECA program have limited that to the 3% number for the assistance because we do want people to invest some of their own funds into the loan that they are getting. This is simply to help a young person buy their first home and get some assistance on the way.

Representative Kasper: Could you share you budget and source of funds? Where do your funds come from and what is your annual budget?

Kline: It's 37.7 million annually. Funds we use to purchase the mortgages from the lenders that originate them, that comes from a ware called mortgage revenue bonds that we sell on the capital markets to investors. The investors in those bonds are mutual funds insurance companies will invest that for their clients etc. We also can do a Jenny May mortgage back securities where we purchase the mortgage from lenders we then package those loans into a security that again an investor has agreed upfront to buy that from us. That is where we get our funds from.

Representative Kasper: Where do the funds come from for the giveaway programs? I can see where you are packaging the mortgages and that is going to be paid back and that is an investment. I am more interested in the money that is being given away and you heard me sight the constitution so I am trying to figure out how much money from the State of North Dakota is being used to fund the programs that are giveaway programs?

Flurer: Federal. The DECA programs that have been referenced, those funds come through the department of housing urban development, so the federal government provides the state of North Dakota with a home grant. It is a federal block grant much like SDBG. Home is focused on housing and that is administered by the commerce department. They provide a chunk of that block grant every year to us to offer this down payment, closing cost assistance program. Typically we put out 250,000-325,000 a year in assistance about 100 families use it in a year and those are federal dollars so they have federal rules with them. Mock mentioned the limit was 195,000 on the loan amount. That is a federal rule that we have no control over. We can control the % or amount of dollars we would give an individual and again we go back to that 3% that we feel that is enough ends in allowing that person to come up with their own also. The Start program that provides assistance for down payment and closing costs also that is actually funded through the bond issues that we do and those funds we referenced that the interest rate on the first mortgage is a little higher on those so the person that uses the program is actually that money back to us in the bond issue.

Representative Kasper: What areas does your budget include?

Flurer: I would say it is all inclusive. We do have other programs on a multifamily side that would be included also. I don't know how we account for the hiff fund but we have the low income housing tax credits which is a federal program so administrative funds are a part of that?

Representative Kasper: Interesting that the North Dakota funds to give to people of North Dakota. How much money is being given away out of the state funds? Maybe there is none which would make me feel real good.

Flurer: Legislature does not give us any funds outside of the hiff fund which we administrate for the legislative. The first home programs (Deca and Star) come from the federal dollars or within our own resources within the agency through our bond issues and what not.

Representative Beadle: In code where closing costs were covered, closing costs does not come up in that area so I am wondering if there is an additional area of code that has the definition or describes the programs that you offer as part of the housing finance agency that are being eluded to? I know in this section the housing finance program it lists 6 general program areas but nowhere does it mention start or deca. It doesn't mention the programs we talk about just a general framework. I am wondering if they are defined anywhere else that we should be looking in statute or if those are all administrative rules that we are not seeing.

Flurer: The start and deca are not defined in the language. The start program is part of that, the one that references the home mortgage finance program and it is what our advisory board and the industrial commission has approved as an option under that program. The Deca program because it comes from the federal government through the department of housing urban development there is a section in there about we can accept

grants from federal government and whoever else. I am not sure what section of the code it is in but that is where it would fall.

Representative Beadle: In this subsection the home mortgage finance program should be the start one, mobile home manufactured housing finance program, multifamily housing, mortgage loan finance program which is what this bill address and I don't see a grant reference in that one. Then there is the home improvement finance and 6 is the housing grand program so I don't know if that is where you are receiving grants in subsection 6.

Chairman Keiser: Right now we are using this program. Someone decided we would use 3% and 5000 the bill sponsor said that we will put into code what percent and total you will be using in the future even though they are federal dollars if this is through the deca program and this is what it is trying to do. What is the problem are we fixing by increasing these fees? Are we not able to get the sales?

Flurer: You are specifically looking at Grand Forks. They used to have a program for this purpose and it was using one of the sources that were the same (the home program) and they allowed for the 10,000 and stopped the program because it wasn't being used. That is the reason I was told.

Chairman Keiser: We are solving a problem that doesn't exist.

Flurer: Neutral

Jill CEO North Dakota Association of Realtors: We have looked at this bill many times. The language was very unclear to us as to what the intent was and we did not take a position. We are here to get more information and we can come back with a position of you would like.

Chairman Keiser: Did your agency set the three and five?

Flurer: Yes, the deca program provides 3% of the purchase price. The 5000, there is no limit like that. There is a bottom limit of 1000.

Chairman Keiser: If we put in the six percent we can still use the deca program.

Flurer: Yes, the industrial commission was the one that approves those programs.

Chairman Keiser: Could the industrial commission change it?

Flurer: Yes. That is within the rules of the home program so the industrial commission could do that. With the deca program we do have an issue with the amount of funding. Right now North Dakota is a minimum state. They get what they get and you can't get more or anything so the commerce department administers that. They only provide us so much each year. If we go to a higher amount we will help less people.

Representative Louser: How many times have the funds run out?

Flurer: They have not except in 1990. Some years we have used our reserved funds and then paid ourselves back to keep going so it wasn't shut down. Back in the 90's we ran out every year.

Kline: I just wanted to clarify. The 37 million that is in the 1014 the agencies budget is a biennium number not annual budget number.

Representative Becker: I move a do not pass

Representative Kasper: Second

A Roll Call Vote Was Taken: Yes 12, No 2, Absent 1 (Devlin)

Motion carries

Representative Boschee will carry the bill.

Date: Jan 28, 2014

Roll Call Vote: 1

**2015 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1449**

House Industry, Business & Labor Committee

Subcommittee  Conference Committee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass  Do Not Pass  Without Committee Recommendation  
 As Amended  Rerefer to Appropriations  
Other Actions:  Reconsider  \_\_\_\_\_

Motion Made By Rick C. Becker Seconded By Kasper

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser	x		Representative Lefor	x	
Vice Chairman Sukut	x		Representative Louser	x	
Representative Beadle	x		Representative Ruby	x	
Representative Becker	x		Representative Amerman		x
Representative Devlin	<u>Ab</u>		Representative Boschee	x	
Representative Frantsvog	x		Representative Hanson		x
Representative Kasper	x		Representative M Nelson	x	
Representative Laning	x				

Total (Yes) 12 No 2

Absent 1

Floor Assignment Boschee

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1449: Industry, Business and Labor Committee (Rep. Keiser, Chairman)**  
recommends **DO NOT PASS** (12 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING).  
HB 1449 was placed on the Eleventh order on the calendar.

**2015 TESTIMONY**

**HB 1449**



NATIONAL CONFERENCE  
of STATE LEGISLATURES

*The Forum for America's Ideas*

7700 EAST FIRST PLACE DENVER, COLORADO 80230  
303-364-7700 FAX: 303-364-7800

First Time Homebuyer Programs by State Housing Finance Agencies  
January 6, 2015

HRB 1449  
1/28/2015  
1.1

State:	Agency and Statutory Citation:	First-Time Homebuyer Programs:
Alabama	Alabama Housing Finance Authority Ala. Code §24-1A-1 <i>et seq.</i>	<p>Mortgage Credit Certificate (MCC) program</p> <ul style="list-style-type: none"><li>• May be paired with AHFA's Step Up program or any other 30-year, fixed-rate, amortizing mortgage offered by a participating lender.</li><li>• Provides a tax credit to reduce the amount of federal taxes owed, by a percentage of the annual mortgage interest paid each year.</li><li>• The remaining percentage of annual interest may be claimed as a mortgage interest deduction on the homebuyer's federal tax return.</li></ul> <p>What are the benefits?</p> <ul style="list-style-type: none"><li>• Qualified homebuyers pay lower federal income taxes.</li><li>• Qualified homebuyers can see immediate savings by updating the withholdings on the W-4 form.</li></ul> <p>The Mortgage Credit Rate is based on the loan amount:</p> <ul style="list-style-type: none"><li>• 20% MCC for loans of \$150,001 or greater - no cap</li><li>• 30% MCC for loans of \$100,001 to 150,000 - \$2,000/year cap</li></ul>

		<ul style="list-style-type: none"><li>• 50% MCC for loans of \$100,000 or less - \$2,000/year cap</li></ul> MCCs are available with conventional fixed-rate, FHA, VA, Rural Development, and privately insured mortgages. Applications are accepted on a first-come, first-served basis by a statewide network of participating lenders.  Participants must meet federally established income and sales price limits.
Alaska	Alaska Housing Finance Corporation Alaska Stat. §18.56.010 <i>et seq.</i>	<p><b>Tax-Exempt First-Time Homebuyer Program</b> The Tax-Exempt Program (TEP) offers lower interest rates to eligible first-time homebuyers who meet maximum income limits and acquisition cost limits.</p> <p><b>How the Program Works</b> To be eligible for the TEP for first-time homebuyers, borrowers may not have owned a primary residence in the last three years unless the house is within a targeted area (as defined below) or if they are qualified veterans. Targeted areas (HUD designated census tracts) have higher income and acquisition cost limits. To find out if a property is located in a targeted area census tract, go to factfinder and perform a street address search under Census 2000. Qualified veterans must have been retired, discharged or released from duty under conditions other than dishonorable, and active duty military borrowers must have completed their initial military obligation. Acceptable evidence of eligibility includes a copy of the veteran's Certificate of Eligibility or Title 38 letter and a DD214 or Statement of Service. No previous use of the TEP or Veterans Mortgage Program is allowed under the veterans' exception.</p> <p>Federal regulations establish maximum income limits and acquisition costs for this program. Income is determined by multiplying the borrower's gross monthly income by 12. Acquisition cost is the total cost of acquiring the property from the seller.</p>

1.3

		<p>Additional Considerations</p> <ul style="list-style-type: none"><li>• Eligible properties are limited to single-family homes, condominiums, Common Interest Community units, duplexes and Type I manufactured homes.</li><li>• A duplex must be at least five years old and occupied as a multi-family residence for at least the last five years.</li><li>• Borrowers must submit copies of federal income tax returns for the last three years.</li><li>• Borrowers who obtain a TEP loan may have to pay Federal "recapture" tax following the sale of their home. AHFC recommends consulting a tax professional to determine if the recapture penalty applies.</li><li>• Borrowers are required to read the Tax-Exempt Booklet.</li></ul> <p>Loan Options</p> <ul style="list-style-type: none"><li>• Affordable Housing Enhanced Loan Program</li><li>• Energy Efficiency Interest Rate Reduction</li><li>• Interest Rate Reduction for Low-Income Borrowers</li><li>• State Veterans Preference</li></ul> <p>Taxable First-Time Homebuyer Program</p> <p>This first-time homebuyer program offers a reduced interest rate to eligible borrowers. Unlike the tax-exempt program, there are no maximum income limits or acquisition cost limits.</p> <p>How the Program Works</p> <p>This program is designed for first-time homebuyers who wish to purchase a home that exceeds the acquisition cost limits or income limits of the Tax-Exempt Program (TEP) or whose income exceeds TEP income limits.</p> <p>Additional Considerations</p>
--	--	--

h1

		<ul style="list-style-type: none"><li>• First-time homebuyers have not owned a primary residence in the last three years.</li><li>• Eligible properties include owner-occupied single-family residences, condominiums, Common Interest Community units, duplexes and Type I manufactured homes.</li><li>• At least one unit in a duplex must be the principal residence of the borrower.</li><li>• Borrowers must submit copies of federal income tax returns for the last three years.</li></ul> <p>Loan Options</p> <ul style="list-style-type: none"><li>• Affordable Housing Enhanced Loan Program</li><li>• Energy Efficiency Interest Rate Reduction</li><li>• Interest Rate Reduction for Low-Income Borrowers</li><li>• State Veterans Preference</li></ul>
Arizona	Arizona Housing Finance Authority Ariz. Rev. Stat. Ann. §41-3901 <i>et seq.</i>	<p>“Home Plus” Mortgage Loan Program The AzHFA “HOME Plus” Mortgage Loan Origination Program provides a competitive 30-year fixed-rate mortgage with a down payment assistance (DPA) grant equal to 4% of the mortgage amount. Qualified U.S. military personnel may receive an additional 1% for a total of 5% DPA. DPA is only available in conjunction with a HOME Plus loan and is funded by AzHFA at the mortgage loan closing.</p> <p>Mortgage for the purchase of a Owner occupied, Primary Residences only. Household Income not to exceed \$88,340. Purchase Price limit not to exceed \$353,360. All homebuyers are required to complete a homebuyer education course, either online at: <a href="http://www.mgichome.com">www.mgichome.com</a> or through a HUD-approved homebuyer education provider. It is the homebuyer’s option to obtain a home inspection. This is for their benefit and does not need to be provided to the lender, master servicer or program administrator. The fee for the inspection can be covered by the</p>

1.5

		<p>DPA grant funds.</p> <p>FHA, VA or USDA mortgages – 30-year fixed rate, (poolable into GNMA Certificates).</p> <p>Minimum 640 FICO score (660 for manufactured housing) , maximum 45% debt-to-income ratio, and normal FHA/VA/USDA underwriting guidelines.</p> <p>Single Family Residences, Condos, Townhouses, 2 Unit residences and Manufactured Homes on their own land.</p> <p>Mortgages are provided to qualified borrowers purchasing homes throughout the state of Arizona, excluding Maricopa &amp; Pima County.</p> <p>Conforming – Fannie Mae HFA Preferred –30-year fixed rate, (LTV's from 95.01% to 97%)</p> <p>Minimum 680 FICO, maximum 45% debt-to-income ratio, and Fannie Mae HFA Preferred underwriting guidelines.</p> <p>Single-Family Residences only (includes attached PUDs/Townhomes). Interest rate includes all necessary LLPA &amp; AMDC.</p> <p>Three MI payment options: borrower paid monthly, single premium and split premium.</p> <p>Mortgages are provided to qualified borrowers purchasing homes throughout the state of Arizona, excluding only Pima County.</p>
Arkansas	Arkansas Development Finance Authority Ark. Stat. Ann. §15-5-101 <i>et seq.</i>	<p>Arkansas Dream Downpayment Initiative (ADDI)</p> <p>Purpose of Loan – Downpayment and closing costs. Amount up to 6% of the purchase price not to exceed \$10,000.</p> <p>To Qualify: Must be a First Time Homebuyer. Household Income Limits based on the county where the property is located and the number living in the home. Homebuyer counseling class (8 hours) is required prior to closing. “Soft” second mortgage – no monthly payment on second mortgage.</p>

		<p>ADDI loan is "forgivable" over a five year period.          No cash back to borrowers at closing when using ADDI funds.</p>
California	<p>California Housing Finance Agency          Cal. Health and Safety Code §50900 <i>et seq.</i></p>	<p>California Homebuyer's Downpayment Assistance Program (CHDAP)          The CHDAP provides a deferred-payment junior loan – up to 3% of the purchase price, or appraised value, whichever is less, to be used for their down payment and/or closing costs. This program may be combined with a CalHFA or non-CalHFA, first mortgage loan.</p> <p>Extra Credit Teacher Home Purchase Program (ECTP)          The ECTP provides a deferred-payment junior loan for eligible teachers, administrators, classified employees and staff members working in county/continuation or high priority schools in California. ECTP junior loans range from \$7,500 to \$15,000 depending on the area in which the home is being purchased, and can only be combined with an eligible CalHFA first mortgage loan. ECTP subordinate loans can only be used for down payment assistance.</p> <p>Mortgage Credit Certificate Tax Credit Program (MCC)          CalHFA is partnering with local counties to ensure all qualified Californians have access to a Mortgage Credit Certificate (MCC) program. The MCC Tax Credit is a federal credit which can reduce potential federal income tax liability, creating additional net spendable income which borrowers may use toward their monthly mortgage payment. This MCC Tax Credit program may enable first-time homebuyers to convert a portion of their annual mortgage interest into a direct dollar for dollar tax credit on their U.S. individual income tax returns.</p>
Colorado	<p>Colorado Housing and Finance Authority          Colo. Rev. Stat. §29-4-701 <i>et seq.</i></p>	<p>CHFA HomeAccess Program          Designed to help individuals with a permanent disability or parent(s) of a child or children with a permanent disability become first time homebuyers.</p>

1.6

		<p>CHFA HomeAccess qualifications:</p> <ul style="list-style-type: none"> <li>• Be a first time homebuyer*</li> <li>• Have a permanent disability (as defined by the Social Security Administration)</li> <li>• Meet income limits, including SSI or SSDI</li> <li>• Contribute a minimum of \$750 of borrower's own funds (or gift funds) towards the purchase of the home; may be reduced to \$500 if borrower opts to use CHFA's Automated Clearing House (ACH) payment program for future mortgage payments</li> <li>• Have a mid credit score of 620 or higher</li> <li>• Complete CHFA-approved homebuyer education class (online or in-person) prior to signing a purchase contract</li> </ul>
Connecticut	Connecticut Housing Finance Agency Conn. Gen. Stat. §	<p>The Homebuyer Mortgage Program offers home loans at below-market interest rates primarily to people that have never purchased a home before.</p> <p>Currently, the Homebuyer Mortgage Program is providing mortgages at the following rate:  Government Insured Interest Rate: 3.125%** (APR range 3.225 - 3.625%)  Non-Government Insured Interest Rate: 3.500%** (APR range 3.600% - 4.000%)  Fees: Additional fees may apply.  Term: 30 years, fixed rate  ** Please note, this rate is subject to change and additional fees may apply.</p>
Delaware	Delaware State Housing Authority Del. Code Ann. tit. 29, §8601 <i>et seq.</i>	<p>Delaware First-Time Homebuyer Tax Credit  Delaware First-Time Homebuyer Tax Credit is a federal income tax credit designed to help make home ownership more affordable to qualified homebuyers. Homebuyers who elect to use the federal tax credit are eligible to claim a portion of the annual interest paid on their mortgage as a special tax credit. The annual amount of the credit cannot exceed \$2,000 per year. The federal tax credit will be available as long as</p>

17

		<p>there is a mortgage loan on the property and the homebuyer occupies it as their primary residence.</p> <p>The amount of the federal tax credit will be based on a percentage of the mortgage interest paid each year. The Delaware First-Time Homebuyer Tax Credit is 35% of the mortgage interest paid.</p> <p>Fees</p> <ul style="list-style-type: none"> <li>• \$350 Delaware First-Time Homebuyer Tax Credit Application fee collected at closing, and</li> <li>• 1% Issuance fee based on the first mortgage loan amount*</li> </ul> <p>*The 1% Issuance fee is waived for borrowers who use DSHA's Welcome Home loan.</p>
District of Columbia	District of Columbia Housing Finance Agency D.C. Code Ann. §6-201 <i>et seq.</i>	
Florida	Florida Housing Finance Corporation Fla. Stat. §420.501 <i>et seq.</i>	<p>Florida Housing's First Time Homebuyer (FTHB) Program offers 30-year fixed rate first mortgage loans to first time homebuyers through participating lenders and lending institutions. However, if you are not a first time homebuyer, you may still be eligible if you are purchasing a home in a federally designated targeted area or are a qualified Veteran. This Program uses income and purchase price limits to determine eligibility. Additionally, a potential homebuyer must complete a 6-8 hour face to face homebuyer education class, be able to qualify for a first mortgage loan, and have a minimum 640 FICO score.</p> <p>Florida Housing Mortgage Credit Certificate Program The Florida Housing Mortgage Credit Certificate (MCC) Program can help first time homebuyers save money each year that they live in their home. With the MCC Program the homeowner can claim up to 50 percent of their paid mortgage interest each year as a tax credit on their federal IRS tax return. The credit is capped at \$2000 annually and any remaining mortgage interest not included as part of the tax credit is still</p>

1.8

		eligible for the home mortgage interest deduction on their federal tax return. Each year, a homeowner may claim a dollar-for-dollar reduction of income tax liability on 50 percent of the mortgage interest on their first mortgage, reducing the amount of federal taxes owed by as much as \$2000.
Georgia	Department of Community Affairs Ga. Code §50-26-1 <i>et seq.</i>	<p>Georgia Dream Homeownership Program Affordable first mortgage financing and down payment assistance for eligible home buyers.</p> <p>Borrowers who qualify for Georgia Dream First Mortgage Loans also qualify for down payment assistance. The borrower must:</p> <ul style="list-style-type: none"> <li>• use the loan in conjunction with a Georgia Dream First Mortgage Loan</li> <li>• complete home buyer counseling and provide a certificate of completion</li> <li>• contribute a minimum of \$1,000 to the purchase transaction</li> </ul> <p>Down Payment Loan Options Standard - All eligible home buyers qualify for \$5,000 Pen - Eligible home buyers who are employed in qualified public protection, military, health care or education qualify for \$7,500 Choice - Eligible home buyers whose household includes an individual living with a disability qualify for \$7,500</p>
Guam	Guam Housing and Urban Renewal Authority Guam Code Ann. tit. 12, §5101 <i>et seq.</i>	
Hawaii	Hawaii Housing Finance and Development Corporation Hawaii Rev. Stat. §201H-1 <i>et seq.</i>	<p>Hula Mae Program The Hula Mae Program offers eligible “first-time” homebuyers with 30-year mortgage loans at very competitive interest rates.</p> <p>The simple interest rate for a Mortgage Loan starts at 2.95% (3.27% APR*). The maximum term of the loan is 30 years. A total of 1.25% point</p>

19

		<p>is charged on a Hula Mae Loan. This is a one-time charge.</p> <p>Down Payment Assistance  Down Payment Assistance for up to 3% of the contract sales price under certain conditions. The simple interest rate for a Mortgage Loan with Down Payment Assistance starts at 3.45% (3.78% APR*). The maximum term of the loan is 30 years. A total of 1.25% point is charged on a Hula Mae Loan with Down Payment Assistance. This is a one-time charge.</p>
Idaho	Idaho Housing and Finance Association Idaho Code §67-6201 <i>et seq.</i>	<p>New Homebuyer Tax Credit Program Features:</p> <ul style="list-style-type: none"> <li>• Up to \$2,000 of the total mortgage interest paid in income tax credits each year.</li> <li>• Tax credit directly reduces income tax due.</li> <li>• Unused tax credit can be carried forward for up to three years.</li> <li>• Can be used with Idaho Housing home loan products.</li> <li>• First-time homebuyer requirements apply in non targeted areas.</li> <li>• Idaho Housing's First Loan program household income limits apply.</li> <li>• Owner occupancy is required to receive tax credit.</li> <li>• \$300 fee from borrower.</li> </ul>
Illinois	Illinois Housing Development Authority Ill. Rev. Stat. ch. 310, §5/1 <i>et seq.</i>	<p>SmartMove  IHDA's flagship mortgage program, SmartMove, offers first-time homebuyers an affordable 30-year fixed-rate mortgage and up to \$6,000 for down payment. SmartMove is the perfect solution for borrowers who have limited funds for down payment, yet have the financial means to maintain monthly mortgage payments.</p> <p>SmartMove includes:</p> <ul style="list-style-type: none"> <li>• Up to \$6,000 cash assistance to cover down payment</li> <li>• 30-year fixed-rate mortgage with a competitive interest rate</li> <li>• Variety of loan options to choose from, including FHA, Conventional, VA, and USDA</li> </ul>

110

		<p>Requirements:</p> <ul style="list-style-type: none"> <li>• Contribute one percent or \$1,000 of the purchase price, whichever is greater</li> <li>• Purchase a one- or two- unit property within Illinois</li> <li>• Live in property as primary residence</li> </ul> <p>SmartMove with MCC  Federal tax credit that reduces income tax liability by up to \$18,000 over the loan life*  30-year fixed rate mortgage with a competitive interest rate  Variety of loan options to choose from, including FHA, Conventional, VA, and USDA  * based on a 30-year, \$128,000 loan with a 4 percent interest rate</p> <p>Eligibility:  Buyers must be first-time homebuyers or qualified Veterans</p> <p>Requirements:</p> <ul style="list-style-type: none"> <li>• If purchasing, contribute one percent or \$1,000 of the purchase price, whichever is greater</li> <li>• Purchase or refinance one- or two- unit property within Illinois</li> <li>• Live in property as primary residence</li> </ul> <p>SmartMove Trio  Up to \$6,000 cash assistance to cover down payment  Federal tax credit that reduces income tax liability by up to \$18,000 over the loan life*  30-year fixed rate mortgage with a competitive interest rate  Variety of loan options to choose from, including FHA, Conventional, VA, and USDA  * based on a 30-year, \$128,000 loan with a 4 percent interest rate</p> <p>Eligibility:</p>
--	--	--

1.11

		<p>Buyers must be first-time homebuyers or qualified Veterans</p> <p>Requirements:</p> <ul style="list-style-type: none"> <li>• Contribute one percent or \$1,000 of the purchase price, whichever is greater</li> <li>• Purchase a one- or two- unit property within Illinois</li> <li>• Live in property as primary residence</li> </ul>
Indiana	Indiana Housing and Community Development Authority Ind. Code §	<p>Next Home with MCC Combo</p> <p>Details of Next Home with MCC combo include:</p> <ul style="list-style-type: none"> <li>• Must be a first-time homebuyer or have not had ownership in your primary residence in the past three years, unless purchasing in a targeted county</li> <li>• Purchase Price limits apply</li> <li>• MCC provides a 20-35% tax credit, not to exceed \$2,000, of your mortgage interest expense each year the property is your primary residence.</li> <li>• 3 - 4% down payment assistance (DPA) based on loan type</li> <li>• DPA is fully forgiven after 2 years if you remain the primary resident in the home</li> <li>• DPA has zero interest with no monthly payments</li> <li>• Loan types of FHA or Conventional</li> <li>• Minimum credit score of 650</li> <li>• Loan must be originated through an IHEDA Participating Lender</li> </ul> <p>Mortgage Credit Certificate The Mortgage Credit Certificate (MCC) program offers qualified Hoosiers a federal tax credit. The tax credit amount ranges between 20% and 35% of the interest paid on a mortgage each year, depending on the mortgage loan amount. The tax credit can be claimed each year, through the life of the mortgage, as long as the home remains the borrowers' principal place of residence. The maximum credit per year is \$2,000.</p>
Iowa	Iowa Finance Authority	FirstHome Program

1.12

	<p>Iowa Code §16.1 <i>et seq.</i></p>	<p>The Iowa Finance Authority's (IFA) FirstHome program offers first-time home buyers affordable, fixed rate mortgages as well as the convenience of working with a local lender.</p> <p><b>FirstHome Plus Program</b>  The FirstHome Plus grant provides up to \$2,500 to help eligible borrowers with entry cost assistance, such as down payment and closing costs. The grant must be used in conjunction with the FirstHome program and the same eligibility requirements apply. Grant subject to a one-time use.</p> <p><b>Benefits</b></p> <ul style="list-style-type: none"> <li>• The interest rates for FirstHome and FirstHome Plus loans are typically lower than the market rate, 30 year terms and have fewer mortgage fees.</li> <li>• Home mortgages financed with FirstHome or FirstHome Plus do not have a minimum down payment. The amount of down payment is determined by loan type.</li> <li>• Loans may be conventional loans or loans backed by the federal government.</li> <li>• The FirstHome and FirstHome Plus programs' interest rates do not change based on the qualified borrower's credit rating.</li> <li>• Borrowers may request a free Title Guaranty Owner's Certificate. This Certificate protects the borrower's interest in the property's title, even after the home is sold. What's more, if a title defect is identified, Title Guaranty becomes the borrower's free legal defense.</li> </ul> <p><b>Eligibility</b>  <b>First-Time Home Buyer Status:</b>  Must be a first-time home buyer (Defined as not owning your primary residence in the last three years).  OR</p>
--	---------------------------------------	--

1.13

		<p>Be a military veteran with discharge of other than dishonorable and not previously used a mortgage revenue bond program such as FirstHome previously to finance a home purchase.</p> <p>OR</p> <p>Purchase a home in a Targeted Area (please use the eligibility quick check tool to determine if you're purchasing in a Targeted Area).</p> <p>Other Eligibility Requirements:</p> <ul style="list-style-type: none"> <li>• Household income must meet the eligibility criteria.</li> <li>• The home must cost no more than \$250,000 and must be located in Iowa.</li> <li>• The home must be occupied by the borrower as a primary residence immediately after closing.</li> <li>• Must demonstrate an ability to repay the loan and have an acceptable credit history.</li> <li>• All loans subject to a minimum 640 credit score* (for cases where borrower has no credit score, non-traditional credit documentation allowed in accordance with agency guidelines for the loan type) and a maximum debt-to-income ratio of 45 percent. *Note: These are minimum requirements; a higher score may be required in some circumstances. Follow agency guidelines for loan type.</li> </ul> <p>Take Credit Mortgage Credit Certificate Program</p> <p>The Take Credit program allows eligible borrowers to receive a Mortgage Credit Certificate (MCC) from IFA, which can be used to reduce a household's federal tax liability every year for the life of the mortgage.</p> <p>To obtain a MCC, borrowers must receive mortgage financing that has closed in the name of a lender who is an IFA Take Credit Participating Lender. Funding may be reserved on behalf of qualified borrowers making new purchases. Only borrowers with a written Commitment</p>
--	--	---

1.14

		<p>Notice from IFA prior to closing will be eligible to receive a MCC.</p> <p>About Take Credit</p> <ul style="list-style-type: none"> <li>• Take Credit allows a participating home buyer to claim 30% of their mortgage interest, up to a maximum of \$2,000, as a federal income tax credit each year for the life of the mortgage, up to a maximum of 30 years.</li> <li>• Unused credit may be carried forward for up to three years.</li> <li>• Eligible financing is limited to 30-year, fixed-rate, fully amortizing mortgage loans.</li> <li>• A limited amount of funds are available and will be provided by the Iowa Finance Authority on a first-come, first-serve basis.</li> <li>• A MCC is transferrable under certain conditions upon sale or refinance, if reissued by IFA in accordance with the Program requirements. Reissuances of a MCC under these circumstances must be requested by the lender within 45 days of the refinance or sale.</li> </ul>
Kansas	<p>Kansas Housing Resources Corporation          Kan. Stat. Ann. §12-5219 <i>et seq.</i></p>	<p>First Time Homebuyer Program          Approved applicants will receive a soft loan that is forgiven over time. The loan may range from 15 to 20 percent of the purchase price of the home, depending on your amount of income. Buyers are required to make a minimum investment of two percent of the sale price.</p>
Kentucky	<p>Kentucky Housing Corporation          Ky. Rev. Stat. §198A.010 <i>et seq.</i></p>	<p>Home Buyer Tax Credit          You may qualify for the program if:</p> <ul style="list-style-type: none"> <li>• You are purchasing your first home.</li> <li>• You have not owned a home in the last three years.</li> <li>• The home you wish to buy is located in an area of the state which is exempt from the first-time home buyer rule. (Your local lender can determine those “targeted areas.”)</li> </ul> <p>Maximum home sales price is \$243,000.</p> <p>Maximum income limits:</p>

1.15

		<p>1-2 person household : Up to \$85,560 3-4 person household : Up to \$99,820</p> <p>You must meet lender, KHC, FHA, VA, RHS, Fannie Mae, and/or Freddie Mac standards for creditworthiness. You must occupy the property.</p> <p>It cannot be used for business, commercial, or rental purposes.</p> <p>Applicants need a sales contract with a legal description of the property, a \$500 MCC fee, and copies of federal income tax returns for the past three years.</p>
Louisiana	Louisiana Housing Corporation La. Rev. Stat. Ann. §600.86 <i>et seq.</i>	<p>Targeted Unassisted Program</p> <p>The Targeted Unassisted Program offers a lower than market rate and does not provide any assistance for down-payment. Applicants must be first-time homebuyers and properties must be one (1) or two (2) family homes located in the following designated parishes: Acadia, Bienville, Calcasieu, Cameron, Claiborne, Concordia, East Carroll, Franklin, Iberia, Jefferson, Madison, Morehouse, Natchitoches, Plaquemines, St. Landry, St. Tammany, Tangipahoa, Tensas, Terrebonne, Vermilion and Washington. Income limits vary depending on the parish.</p>
Maine	Maine State Housing Authority Me. Rev. Stat. Ann. tit. 30-A, §4701 <i>et seq.</i>	<p>First Home Program</p> <p>MaineHousing mortgage options include:</p> <ul style="list-style-type: none"> <li>• No point and low point options - Discount points may be paid at closing to reduce your interest rate. MaineHousing offers both a zero point and a two point mortgage option. Whether payment of points makes financial sense for you may depend on how long you think you'll stay in your home without refinancing your mortgage.</li> <li>• Advantage - down payment and closing cost assistance - For a 0.25% add-on to the 0 point rate options, Advantage can provide \$2,000 toward the cash you need for closing. A minimum</li> </ul>

1.16

		<p>borrower contribution of 1% of the loan amount is required and may be a gift. Borrowers choosing Advantage also must take a hoMEworks-approved homebuyer education class.</p> <ul style="list-style-type: none"> <li>• Home improvements included in your loan amount - The Purchase Plus Improvement option finances the purchase and repair of a home with one loan. If you are eligible, you may include between \$500 and \$35,000 for home improvements in your mortgage, as long as the cost of the home plus improvements does not exceed program purchase price limits.</li> <li>• Financing for mobile homes - MaineHousing offers mortgages for single- and double-wide mobile homes located on owned or leased land. The Mobile Home Self-Insured option provides financing for mobile home property types that are ineligible for private or federal mortgage insurance. With this program option, there is a purchase price limit of \$150,000 statewide, interest rates will be a little higher, and the term of the loan is based on the age of the mobile home.</li> </ul>
Maryland	Maryland Department of Housing and Community Development Md. [subject] Code Ann. §	<p>Maryland HomeCredit Program</p> <p>DHCD's Maryland HomeCredit Program provides eligible homebuyers with a federal tax credit that may be claimed annually, the value of which is equal to 25% of the value of mortgage interest payments (up to \$2,000) paid each year, for the life of the loan (i.e. until payoff, sale, refinance or transfer).</p>
Massachusetts	MassHousing Mass. Gen. Laws Ann. ch. 121B, §1 <i>et seq.</i>	<p>MassHousing Mortgage with No MI</p> <p>A fixed-rate, low-downpayment loan that does not require mortgage insurance. Learn about our No-MI loan.</p> <p>MassHousing Mortgage</p> <p>Affordable, 30-year fixed rate MassHousing loans.</p>
Michigan	Michigan State Housing Development Authority Mich. Comp. Laws §125.1401 <i>et seq.</i>	<p>Mi First Home</p> <p>MSHDA offers programs that assist both first-time homebuyers and repeat buyers in targeted areas with down payment assistance up to</p>

1.17

		<p>\$7,500. These funds can be used towards the down payment, closing costs, taxes and insurance that are due at closing. This greatly reduces the cash needed to close on a home purchase.</p>
Minnesota	Minnesota Housing Finance Agency Minn. Stat. §462A.01 <i>et seq.</i>	<p>Start Up for First-time Homebuyers</p> <p>Downpayment and Closing Cost Assistance Loans Loans available for up to 5% of purchase price for downpayment and closing costs Borrowers must also get a Minnesota Housing first mortgage loan</p> <p>Monthly Payment Loan Must be used with Start Up, Step Up or MCC (with First Mortgage) Loan amount up to the greater of \$5,000 or 5% of the purchase price or loan amount Minimum 640 credit score Start Up or Step Up home cost limits • 11-County Metro: \$310,000 Balance of State: \$265,000</p> <p>Meet income limits 10-year loan term with monthly payments, interest rate equal to first mortgage rate</p> <p>Homebuyer education required if using Start Up. Attend Home Stretch for in-person training, or Framework for online training.</p> <p>Deferred Payment Loan For first-time homebuyers only, must be used with Start Up Two loan options Deferred Payment Loan - maximum loan amount up to of \$7,500 Deferred Payment Loan Plus - maximum loan amount up to \$10,000 for borrowers who meet targeting criteria</p> <p>Deferred loan with 0% interest, repaid when property is sold, refinanced, or is no longer primary residence</p>

119

		<p>Minimum 640 credit score  Start Up home cost limits • 11-County Metro: \$310,000  Balance of State: \$265,000</p> <p>Meet income limits  Loan term equal to first mortgage term with 0% interest, repaid when property is sold, refinanced, or is no longer primary residence  Homebuyer education required. Attend Home Stretch for in-person training, or Framework for online training.</p> <p>First-time Homebuyer Tax Credit through the Mortgage Credit Certificate (MCC) Program  Allows you to claim 35% of the mortgage interest you pay each year as a federal income tax credit, providing up to \$2,000 per year in tax savings</p>
Mississippi	Mississippi Home Corporation Miss. Code Ann. §43-33-1 et seq.	<p>Down Payment Assistance Program</p> <ul style="list-style-type: none"> <li>• (1st Mortgage) FHA, VA, or RD qualifying guidelines.</li> <li>• (2nd Mortgage) 10-year fixed rate of 7%, no prepayment penalty.</li> <li>• Maximum down payment assistance is 3% of loan amount (not sales price).</li> <li>• Sales price of property being purchased or built must be at or below \$198,000.</li> <li>• Down payment assistance can be used for down payment and closing costs (no pre-paid fees).</li> </ul> <p>Mortgage Credit Certificate  The Mortgage Credit Certificate (MCC) reduces the amount of federal income tax the borrower must pay, which in turn, frees up income to qualify for a mortgage. Homebuyers must not exceed household income and home purchase price limits set according to federal tax law and MHC guidelines.</p> <p>The federal government allows every homebuyer to claim an itemized federal income tax deduction for all of the mortgage interest paid each</p>

1.19

		<p>year on a mortgage loan. The MCC will allow the borrower to take a tax credit equal to 40% of the annual interest paid on the mortgage loan. That is a dollar-for-dollar reduction of their federal tax liability. The remainder 60% of the mortgage interest will continue to qualify as an itemized tax deduction. The specific dollar amount of the tax credit depends on how much interest the borrower pays on a mortgage loan. The amount of the credit cannot be more than their annual federal income tax liability after all other credits and deductions have been taken into account. In no case can the tax credit exceed \$2,000 per year.</p>
Missouri	<p>Missouri Housing Development Commission Mo. Rev. Stat. §215.010 <i>et seq.</i></p>	<p>First Place Loan Program</p> <p>Types of First Place Loans</p> <p>Cash Assistance Loan (CAL) provides cash assistance to first-time homebuyers for down payment and closing costs. Qualified first-time homebuyers are eligible to receive a second mortgage of 3% of the loan amount to be used for down payment and closing costs. The second mortgage is a five-year, diminishing loan at 0% interest. The second mortgage is forgiven after five years of occupancy by the owner and monthly payments are not required. No junk fees are allowed. The lender may charge standard closing costs.</p> <p>Non Cash Assistance Loan (Non CAL) provides first-time homebuyers who do not need down payment and closing cost assistance a lower interest rate. Qualified first-time homebuyers are eligible for lower interest rates than those who use the CAL program.</p> <p>Mortgage Credit Certificate MCC's provide income eligible first-time home buyers* an opportunity to reduce the amount of federal income tax owed each year they own and live in their homes. The MCC program gives qualified borrowers a non-refundable federal tax credit of 25 percent of the total amount of mortgage interest they pay each year. This tax credit allows prospective buyers to obtain mortgage financing in a competitive market.</p>

1.20

Montana	Montana Housing Division, Department of Commerce Mont. Code Ann. §	<p><b>Mortgage Loans and Down Payment Assistance</b> We offer 30-year, fixed-rate FHA, VA, USDA, and HUD 184 mortgages at interest rates that are below or competitive with market rates to first-time home buyers. FHA loans are insured by the Federal Housing Administration; VA loans are guaranteed by the Department of Veterans Affairs for eligible veterans; USDA loans are guaranteed by U.S. Department of Agriculture for rural areas; and HUD 184 are insured by the Native American Programs Division of the Federal Housing and Urban Development Administration. This insurance is paid to the lender if the buyer defaults on the loan. Loans are available through participating lenders.</p> <p>Down payments are usually 0% to 3.5% of the sales price. VA and USDA loans offer 100% financing to qualified buyers.</p> <p><b>Mortgage Credit Certificates</b> Homebuyers who meet our qualifying income requirements, sales price, and first-time home buyer guidelines may be eligible for a Mortgage Credit Certificate (MCC). This federal tax credit was authorized by Congress to assist homebuyers with moderate and low incomes.</p> <p>While all homeowners can claim an itemized tax deduction for mortgage interest, you can go a step further with an MCC. An MCC reduces your tax liability, dollar-for-dollar, by a percentage of the mortgage interest you pay.</p> <p>If you qualify for an MCC, you will be able to claim 20% of the interest you pay on your mortgage as a credit on your federal income taxes. You can save up to \$2,000 per year on your federal taxes, money that can be put toward your mortgage payment.</p>
Nebraska	Nebraska Investment Finance Authority Neb. Rev. Stat. §58-226 <i>et seq.</i>	<p><b>First Home Plus</b> The First Home Plus Program provides a low-interest rate first mortgage loan for first-time homebuyers purchasing a home within the state of Nebraska.</p>

12.1

		<p>NIFA's definition of a first-time buyer is someone that has not owned and lived in a home within the past 3 years. Certain exceptions apply if a home was lost by divorce, forced job relocation or natural disaster. There are maximum income and purchase price limits that apply to all homebuyers. You must live in the home as your principal residence.</p> <p>All homebuyers must have a minimum credit score of 640 to qualify for a NIFA loan. If you do not have a credit score, you may still qualify. There is a maximum debt to income ratio requirement of 45% for all loans. Contact a participating lender for more information.</p> <p>The First Home Plus interest rate is subject to change from time to time. Homebuyers have the option of choosing a government or conventional loan product.</p> <p>Homebuyer Assistance (HBA) The Homebuyer Assistance (HBA) Program combines the benefits of a first mortgage loan with a second mortgage loan for homebuyers purchasing a home within the state of Nebraska. The second mortgage loan provides down payment and closing cost assistance.</p> <p>You must be a first-time homebuyer; unless the home is located in a federally designated target area or you meet the definition of a qualified veteran. A first-time homebuyer is someone that has not owned and lived in a home within the past 3 years. Certain exceptions apply if a home was lost by divorce, forced job relocation or natural disaster. There are maximum income and purchase price limits that apply to all homebuyers. You must live in the home as your principal residence.</p> <p>The second mortgage loan provides assistance in an amount up to 5% of the purchase price of the home. NIFA requires the homebuyer to have a minimum investment of \$1,000. The term of the second mortgage loan is 10 years (120 months). Homebuyers must make principal and interest</p>
--	--	--

1.22

		<p>payments on the second loan.</p> <p>All homebuyers must have a minimum credit score of 640 to qualify for a NIFA loan. If you do not have a credit score, you may still qualify. There is a maximum debt to income ratio requirement of 45% for all loans. Contact a participating lender for more information.</p> <p>The HBA interest rate is subject to change from time to time. Homebuyers have the option of choosing a government or conventional loan product.</p>
Nevada	Nevada Housing Division, Department of Business & Industry Nev. Rev. Stat. §315.007 <i>et seq.</i>	<p>Home at Last Mortgage Credit Certificate</p> <p>Home at Last MCC is a mortgage credit certificate program offering qualified first time buyers the best option to lower their monthly payment. Home At Last MCC provides a federal income tax credit equal to 40% of the interest paid on a mortgage loan. It provides a refund on your mortgage interest every year, plus you can still claim the remaining interest as a tax deduction.</p> <p>Income limits range from \$64,700 - \$85,675 for a family of two or fewer to \$74,500 - \$97,025 for a family of three or more. Income limits are determined by the county in which you are purchasing and the number of people in the household.</p> <p>Offers:</p> <ul style="list-style-type: none"> <li>• Federal income tax credit equal to 40% of the interest paid on</li> <li>• a mortgage loan (maximum \$2,000 tax credit per year)</li> <li>• Savings estimated at \$2,000, or \$166 a month,</li> <li>• a year per household</li> <li>• Savings continue each year based on actual interest paid on</li> <li>• the home</li> <li>• No asset limits for homebuyers</li> </ul>
New Hampshire	New Hampshire Housing Finance Authority	<p>Home Start Homebuyer Tax Credit Program</p> <p>The Home Start Homebuyer Tax Credit makes homeownership more</p>

123

	N.H. Rev. Stat. Ann. §204-C:1 <i>et seq.</i>	<p>affordable for first-time homebuyers.</p> <p>The Homebuyer Tax Credit is a direct dollar-for-dollar reduction in your federal taxes worth 10% to 50% of the interest you pay on your mortgage.</p> <p>The Homebuyer Tax Credit may be combined with many of New Hampshire Housing's great mortgage programs.</p>
New Jersey	<p>New Jersey Housing and Mortgage Finance Agency</p> <p>N.J. Rev. Stat. §55:14K-1 <i>et seq.</i></p>	<p><b>First-Time Homebuyer</b></p> <p>A below-market, fixed interest rate is offered to First-Time Homebuyers and Urban Target Area buyers. Downpayments of as little as 3.5% are required and must come from the borrower's own assets. Loans are 30-year fixed rate. Certain closing costs can be gifted by family members, non-profit organizations or government agencies. Debt-to-income ratios are as high as 33 percent (housing debt, i.e., mortgage, taxes, insurance) and up to 38 percent (total monthly debt load).</p> <p><b>Smart Start</b></p> <p>Accumulating the funds for downpayment and closing costs is a common barrier to potential homeowners.</p> <p>The Smart Start Program is available to participants in the Agency's First-Time Homebuyer program who are purchasing homes in Smart Growth Areas. The program helps these families by offering a second mortgage for downpayment and/or closing costs up to 4% of the first mortgage.</p> <p><b>Live Where You Work (LWYW) Homebuyer Program</b></p> <p>LWYW provides low-interest mortgage loans to homebuyers purchasing homes in the municipalities in which they work. LWYW is a program that provides a forgivable downpayment and closing cost assistance partnered with low-interest fixed rate mortgage loans and greater buying power because of expanded income ratios.</p>
New Mexico	New Mexico Mortgage Finance	MortgageSaver Program

	<p>Authority N.M. Stat. Ann. §6-21-1 <i>et seq.</i></p>	<p>MFA's Mortgage\$aver Program offers first mortgage loans with competitive interest rates to first-time homebuyers. First-time homebuyers are individuals who have not owned and occupied a home as their primary residence (including a manufactured home on a permanent foundation) in the past three years. Programs include Mortgage\$aver, Mortgage\$aver Zero, and Mortgage\$aver Plus. Eligibility for each program is based upon household income, family size and the sales price of the home.</p> <p>About the Mortgage\$aver Programs</p> <ul style="list-style-type: none"> <li>• All of the Mortgage\$aver program loans offer safe and affordable 30 year, fixed rate terms.</li> <li>• The "original" Mortgage\$aver program features the lowest rate offered in the Mortgage\$aver program. The Mortgage\$aver program requires a 1% origination fee and 1% discount point.</li> <li>• The Mortgage\$aver Zero has a slightly higher interest rate, but has no origination fees.</li> <li>• The Mortgage\$aver Plus loan has no origination fees and features a grant of 3.5% of the total loan amount that can be used to cover the required down payment, closing costs, and prepaid expenses.</li> </ul> <p>Helping Hand Down Payment Assistance Program Helping Hand provides down payment and closing cost assistance to low-income families in which at least one family member has an ADA disability. The program provides an \$8,000 loan at zero percent interest and does not require a monthly payment.</p> <p>The Helping Hand loan is a "soft second" mortgage loan that does not need to be paid back until the property is sold, refinanced, or transferred.</p> <p>Mortgage Booster Program MFA's Mortgage Booster program is a second mortgage loan that provides down payment and closing cost assistance to first-time</p>
--	---	---

125

borrowers who qualify for an MFA Mortgage\$aver first mortgage loan.

The Mortgage Booster must be used in conjunction with an MFA Mortgage\$aver, Mortgage\$aver Xtra, Mortgage\$aver Green or Mortgage\$aver Zero first mortgage loan.

Who can qualify for Mortgage Booster?

The Mortgage Booster program is designed to serve low-to-moderate income first-time homebuyers who need down payment and/or closing cost assistance. You must be able to qualify for an MFA Mortgage\$aver first mortgage loan to receive a Mortgage Booster loan. Qualifying criteria for the Mortgage\$aver program can be provided through an MFA-approved participating lender.

What is the maximum loan amount?

An MFA-approved participating lender can help you determine the amount of Mortgage Booster loan that you qualify for, based upon your needs. The maximum Mortgage Booster loan amount is \$8,000.

How do I repay this loan?

The Mortgage Booster second mortgage loan is paid each month, in addition to your Mortgage\$aver first mortgage loan. The Mortgage Booster features a 30-year, fixed rate term at a 6.00% interest rate. The Mortgage Booster does not have pre-payment penalty.

Payment\$aver Program

The Payment\$aver is a "soft second" mortgage loan, which features a zero percent interest rate and does not require a monthly payment. The Payment\$aver loan amount may not exceed 8% of the purchase price of the home or \$8,000 whichever is less. The loan does not need to be paid back until the property is sold, refinanced or transferred. The Payment\$aver loan is combined with a below-market rate first mortgage loan and can offset many upfront costs related to the purchase of a home, including down payment, closing costs and interest rate buy downs.

1.26

<p>New York</p>	<p>New York State Homes and Community Renewal          State of New New York Mortgage Agency          N.Y. Private Housing Finance Law §1 et seq.</p>	<p>The State of New York Mortgage Agency (SONYMA) offers five mortgage programs to assist first-time homebuyers with the purchase of a home in New York State.</p> <p>The five mortgage programs feature competitive interest rates, low down payment requirements, flexible underwriting guidelines, no prepayment penalties and down payment assistance. Each of these features is designed to make your home purchase more affordable. All SONYMA loans are financed through the sale of tax exempt bonds.</p> <p>Mortgage Programs:</p> <p>Homes for Veterans Program          A program specifically designed for military veterans and active duty U.S. military personnel. Allows a qualified veteran or active duty U.S. military personnel to apply for any of the below listed SONYMA programs with more favorable terms. Click here to learn how to get one mortgage for both the purchase and to make minor repairs under the Own it, Fix it New York! Mortgage option. SONYMA offers a mortgage product that finances both the purchase and renovation of a home in need of improvements or repairs.</p> <p>Remodel New York          First-time homebuyers* can buy an existing home and finance the cost of renovating it with one low, fixed rate mortgage.</p> <p>Achieving the Dream          Features lower interest rates than other SONYMA programs. Available to lower income first-time homebuyers. SONYMA offers a mortgage product that finances both the purchase and renovation of a home in need of improvements or repairs.</p> <p>Construction Incentive Program          First-time homebuyers* can use this program to buy a home under</p>
-----------------	---	---

127

		<p>construction or rehabilitation.</p> <p>Low Interest Rate Program SONYMA's standard mortgage program for a first-time homebuyer* purchasing a newly constructed or existing home. SONYMA offers a mortgage product that finances both the purchase and renovation of a home in need of improvements or repairs.</p>
North Carolina	<p>North Carolina Housing Finance Agency N.C. Gen. Stat. §122a-1 et seq.</p>	<p>N.C. Home Advantage Mortgage offers competitive interest rates along with down payment assistance up to 5% of the mortgage loan amount – fully forgiven after 15 years – for first-time and move-up buyers.</p> <p>Mortgage Credit Certificate (MCC) enables first-time buyers to save up to \$2,000 a year on their federal taxes. If you qualify, you will be able to claim 30% of the interest you pay on your mortgage if you purchase an existing home or 50% of the interest for a new home (never occupied) – up to \$2,000 for every year you live in your home – as a tax credit on your federal income taxes.</p>
North Dakota	<p>North Dakota Housing Finance Agency N.D. Cent. Code §</p>	<p>First Time Homebuyer Programs</p> <p>FirstHome Program NDHFA provides reduced interest rate mortgage loans to first-time homebuyers through the FirstHome Program.</p> <p>Start Program The Start Program provides first-time buyers with an affordable mortgage and help with out-of-pocket cash requirements. The assistance is equal to three percent of the first mortgage, and is provided in the form of a credit to the borrower(s) at the time of loan closing.</p> <p>Down Payment and Closing Cost Assistance Program The Downpayment and Closing Cost Assistance (DCA) Program provides zero interest, deferred payment loans to help modest income first-time homebuyers meet their out-of-pocket cash requirements.</p>

128

		<p>HomeKey Program The HomeKey Program increases the purchasing power of modest-income borrowers by providing them with an interest rate reduction of approximately one percent the first year of an NDHFA mortgage loan. The interest rate and monthly payments are stepped up twice during the next two years, holding constant for the remaining term of the mortgage.</p> <p>HomeSmart Program To encourage first-time homebuyers to make decisions carefully and learn more about the home buying process and the responsibilities of homeownership, NDHFA offers the HomeSmart Program. HomeSmart provides a \$100 grant that may be used for closing costs or other housing expenses.</p>
N. Mariana Islands	Northern Marianas Housing Corporation <i>Statutes unavailable</i>	
Ohio	Ohio Housing Finance Agency Ohio Rev. Code Ann. §175.01 <i>et seq.</i>	<p>OHFA's First-Time Homebuyer program offers several loan products for buyers based on their needs. Products that fall under the First-Time Homebuyer program include:</p> <p>Ohio Heroes product Through OHFA's Ohio Heroes product Ohio's heroes can receive all the benefits of our First-Time Homebuyer program at interest rate up to .25% lower. The Ohio Heroes product is available to the following full-time employees who are active military and veterans; fire fighter/emergency medical technician/paramedic; health care workers; police officers or teachers.</p> <p>Down Payment Assistance If you qualify for one of OHFA's home loan products, you can choose to take advantage of the Down Payment Assistance. OHFA will issue assistance in an amount of 2.5% of your home's purchase price. You can use the assistance to pay for the down payment, closing costs, or</p>

1.29

other prepaid expenses incurred prior to closing. Keep in mind that while the assistance will greatly reduce your expenses, you may still be required to pay for some costs out of pocket.

If you take advantage of the assistance, your mortgage interest rate will be up to .5% higher than OHFA's current mortgage rates.

The down payment assistance will be issued as a second mortgage with a 0% interest rate and no payment due. The loan is forgivable after five years. However, if you sell or refinance prior to the five-year mark, you are responsible for paying the assistance back to OHFA.

#### Grants for Grads product

If you are an income-eligible first-time homebuyer, have graduated from high school or have a GED and have earned an associate's, bachelor's, master's, doctorate or other postgraduate degree within the last 24 months and have not had ownership interest in a principal residence in the past 3 years, you can take advantage of the Grants for Grads product. OHFA will issue a grant in an amount of 2.5% of your home's purchase price.

You can use the grant to pay for the down payment, closing costs, or other prepaid expenses incurred prior to closing. Keep in mind that while the grant will help cover some of your up-front costs, you may still be required to contribute some money as well.

The grant will be issued as a second mortgage with a 0% interest rate with no payment due. The loan is forgivable after five years. However, if you move out of Ohio prior to the five-year mark, you are responsible for paying a portion of the grant back to OHFA as specified.

#### Mortgage Tax Credit product

With an MTC, a percentage of what you pay in mortgage interest (20%, 25%, 30%, or 40%) becomes a tax credit that you can deduct dollar-for-dollar from your income tax liability. The remaining 80%, 75%, 70%, or 60% of your mortgage interest continues to qualify as an itemized tax deduction, as long as you have sufficient tax liability.

1.30

		<p>203(ks) Loan product</p> <p>By using the 203(ks) Loan product, you can combine the repair loan and the mortgage loan into one long-term, fixed-rate mortgage to finance both the acquisition and the rehabilitation of the property. The total mortgage amount is based on the projected value of the property after all of the repairs and updates have been completed, including the labor costs. The streamlined 203(ks) Loan product is available to finance modest repairs up to \$35,000 and the full loan provides funding for more extensive work such as structural change. The property being purchased must be a one- to four-family dwelling that has been completed for at least one year.</p>
Oklahoma	Oklahoma Housing Finance Agency Okla. Stat. tit. X, §	<p>OHFA Advantage Program</p> <p>Key features of an OHFA Advantage loan:</p> <ul style="list-style-type: none"> <li>• 3.5% down payment grant assistance</li> <li>• 30-year, fixed rate mortgages</li> <li>• Available statewide</li> <li>• May be used for an existing or a new home</li> <li>• Requires minimum credit score of 640 (680 on Manufactured)</li> </ul> <p>OHFA Gold</p> <p>Since 1980, OHFA has assisted first-time homebuyers overcome this barrier with OHFA Gold, which provides a down payment grant.</p> <p>OHFA 4 Teachers</p> <p>OHFA 4 Teachers provides, a low-interest home loan program for Oklahoma educators. Through OHFA 4 Teachers, eligible borrowers may apply for a fixed-rate mortgage loan and receive a down payment grant.</p> <p>OHFA Shield</p> <p>OHFA Shield provides a low-interest home loan program for Oklahoma fire fighters and police officers. Through OHFA Shield, eligible borrowers may apply for a fixed-rate mortgage loan and receive a down</p>

1.31

		<p>payment grant. Any new or existing home may be purchased. Homes may be located anywhere in the state of Oklahoma.</p> <p>OHFA MCC (Mortgage Credit Certificate)          Borrowers reduce the amount of federal taxes they owe by claiming 40% of their mortgage interest as a tax credit on their tax return. The maximum amount of the tax credit cannot exceed \$2,000 per year, and it can be claimed each year for the life of the mortgage loan as long as the home remains the borrower's primary residence.</p>
Oregon	Oregon Housing and Community Services Or. Rev. Stat. §456.005 <i>et seq.</i>	<p>Residential Loan Program          Two Loan Options          The Program offers eligible borrowers a choice between cash (down payment assistance) or our best rate. For both loan options, the eligibility and program requirements are the same.</p> <p>Cash Advantage          Borrowers will get a low fixed interest rate on their home loan along with cash assistance equal to 3% of their loan amount. The cash assistance will help reduce the total closing costs needed to purchase the home. Cash Advantage funds cannot be used for the minimum investment required for an FHA Loan.</p> <p>Rate Advantage          Eligible borrowers will get the lowest fixed rate possible to maximize their home purchasing power with an affordable payment.</p> <p>Down Payment Assistance Programs for First Time Homebuyers          OHCS has awarded \$750,000 to thirteen organizations for providing down payment assistance to first-time homebuyers. The awards are funded by the state's document recording fee, which we use to expand the state's supply of homeownership housing for low- and very low-income families and individuals, with particular focus on underserved populations. The newly awarded funds will allow the organizations to continue or expand their existing down payment assistance programs.</p>

132

		Homebuyers, who have completed a homeownership education program, may qualify for up to \$5,000 for a down payment and/or closing costs.
Pennsylvania	Pennsylvania Housing Finance Agency Pa. Stat. tit. 35, §1680.101 <i>et seq.</i>	Mortgage Credit Certificate A PHFA Mortgage Credit Certificate (MCC) allows homebuyers to claim a tax credit for 50 percent (50%) of the mortgage interest paid per year, capped at \$2,000 annually. It is a dollar-for-dollar reduction against your federal tax liability.
Puerto Rico	Puerto Rico Housing Finance Authority P.R. Code Ann. tit. X, §	
Rhode Island	Rhode Island Housing R.I. Gen. Laws §42-55-1 <i>et seq.</i>	<p>First-time homebuyer loans If you're buying your first home, then the FirstHomes100 loan is perfect for you. This loan offers low, fixed rate 30-year mortgages with options for no money down and closing cost assistance.</p> <p>First-time homebuyer loans, homes needing repairs Our FirstHomes100+ loan is a great option for first-time homebuyers looking to buy a home in need of repairs. This loan offers all the great benefits of FirstHomes100 and allows buyers to roll repair costs into the life of the loan.</p> <p>First-time homebuyer tax credit Our FirstHomes Tax Credit is a great way to receive an additional benefit on a new home purchase. If you're an eligible buyer purchasing your first home, you could receive a tax credit worth up to \$2,000 a year for the life of your mortgage.</p>
South Carolina	South Carolina State Housing Finance and Development Authority S.C. Code Ann. §31-1-10 <i>et seq.</i>	South Carolina State Housing Finance and Development Authority First-Time Home Buyer Mortgage Loan Program assists low-to-moderate income S.C. families and individuals by offering a competitive market fixed interest rate mortgage loan. SC Housing also offers down payment assistance based on availability, which may be used toward down payment and closing costs.

133

		<p>The SC Mortgage Tax Credit Program (“MCC”) also known as a Mortgage Credit Certificate is made available by the South Carolina State Housing Finance and Development Authority (“SC Housing”). The MCC is a certificate that allows a homebuyer to take a federal income tax credit for a portion of the annual interest paid on their mortgage loan. The MCC allows eligible borrowers to take a dollar for dollar federal tax credit of 30% of the mortgage interest they pay annually or \$2,000.00, whichever is less. This can save borrower up to \$2,000 each year they have a mortgage and occupy the home as their legal residence. The remaining 70% of the mortgage interest can still be deducted from their annual income on their tax return. The MCC can be taken each year for the life of the loan as long it is their primary residence. A borrower can never deduct more than their actual tax liability after other deductions.</p>
South Dakota	<p>South Dakota Housing Development Authority S.D. Codified Laws Ann. §11-11-1 <i>et seq.</i></p>	<p>The First-time Homebuyer Program provides low interest fixed rate mortgage loans and cash assistance for homebuyers purchasing their first home.</p> <p>SDHDA's Tax Credit is available through a Mortgage Credit Certificate (MCC), which reduces the amount of federal income tax you pay, giving you more disposable income. With SDHDA's Tax Credit (MCC), a percentage of your mortgage interest can be used as a dollar-for-dollar reduction in your tax bill and the remaining interest paid is still eligible for the home mortgage interest deduction.</p>
Tennessee	<p>Tennessee Housing Development Agency Tenn. Code Ann. §</p>	<p>Great Choice Mortgage Loan Program THDA offers 30-year, fixed rate mortgages and an option for downpayment assistance to qualified first-time homebuyers in Tennessee. The Great Choice Loan Program provides qualified Tennesseans up to 4% downpayment assistance to be used with FHA, VA, USDA-Rural Development and uninsured conventional loans.</p>
Texas	<p>Texas Department of Housing and Community Affairs Tex. Government Code Ann.</p>	<p>My First Texas Home's "Taxable Mortgage Program" (TMP-79) offers more competitive fixed interest and annual percentage rates while providing down payment and closing cost assistance of 5 percent of the</p>

	\$2306.001 <i>et seq.</i>	<p>mortgage loan. Plus, TMP funds can be combined with the Department's Mortgage Credit Certificate Program, further increasing the home's affordability.</p> <p>Texas Mortgage Credit Certificate Program How much of a tax credit can be issued under the MCC program? The size of the annual tax credit will be 40% of the annual interest paid on the mortgage loan. However, the maximum amount of the tax credit shall not exceed \$2,000 per year. The credit cannot be larger than the annual federal income tax liability, after all other credits and deductions have been taken into account. MCC credits in excess of the current year tax liability may, however, be carried forward for use in the subsequent three years.</p>
Utah	Utah Housing Corporation Utah Code Ann. §35A-7-101 <i>et seq.</i>	<p>FirstHome Loan Down Payment Assistance If cash at closing is your challenge, our Down Payment Assistance Second Mortgage can help. When combined with our first mortgage, qualified borrowers can purchase a home with little or no cash investment.</p> <p>Homebuyer Tax Credit The Homebuyer Tax Credit is a dollar-for-dollar reduction in your federal taxes worth 25% of the interest you pay on your mortgage annually, up to \$2,000.</p>
Vermont	Vermont Housing Finance Agency Vt. Stat. Ann. tit. 10, §601 <i>et seq.</i>	<p>The VHFA Advantage program combines the unique advantages of a VHFA Conventional or Government loan product with expanded eligibility from VHFA's traditional offerings. The Advantage program serves first time and non-first time homebuyers, increased income limits, and loans are not subject to purchase price limits present for other VHFA programs. The VHFA Advantage program may not be used in conjunction with a MCC.</p> <p>VHFA's MOVE program combines a Conventional or Government mortgage with the traditional benefits of a VHFA mortgage. While you may not combine the MOVE program with a Mortgage Credit</p>

1.35

1.36

		<p>Certificate or ASSIST down payment grants, the MOVE program is a great option for borrowers seeking the lowest interest rate that VHFA offers.</p> <p>VHFA's MOVE MCC program combines a Conventional or Government mortgage with a Mortgage Credit Certificate (MCC). With the MOVE MCC program you receive all of the benefits of a VHFA first mortgage, in addition to the annual tax credit created by a MCC. As long as you retain the first mortgage associated with the MCC, you may be eligible for a tax credit up to 20% of the mortgage interest paid over a year!</p>	
Virginia	Virginia Housing Development Authority Va. Code §36-55.24 <i>et seq.</i>	Conventional, FHA, VA, Rural Housing, FHA (All Fixed Rates) These programs are designed to assist creditworthy first-time homebuyers or those who have not owned and occupied a home in the last three years. In addition to the requirements as specified, borrowers must meet the Sales Price and Income limits.	
Virgin Islands	Virgin Islands Housing Finance Authority V.I. Code Ann. tit. 29, §1 <i>et seq.</i>	Single Family Loan Program The single family loan program is designed to assist first-time home buyers. It provides secondary financing that features up to 40-year loan terms with below market interest rates. This program specifically targets those borrowers who are unable to qualify for assistance under the Federal HOME program administered by the Authority.	Program features: <ul style="list-style-type: none"><li>• Available interest rate below market rate with terms that extend up to 40 years.</li><li>• Payments deferred up to three years for eligible borrowers*.</li><li>• Pay roll deduction payment option</li><li>• Combined loan-to-value ratio cannot exceed 100% of the appraised value or purchase price, whichever is less.</li></ul> *Deferred payment option is based on need. Loans \$10,000 and under will be deferred for 1 year only with a 10-year term.
Washington	Washington State Housing Finance Commission	Home Advantage First Mortgage Loan Program	

	Wash. Rev. Code §43.180.010 <i>et seq.</i>	<p>Downpayment Assistance Programs</p> <p>The Commission's Downpayment Assistance Programs provide loans for assistance with downpayment and closing costs and can only be used with the Commission's first mortgage loan programs. These loans are due and payable upon sale, transfer, non-occupancy or refinance of property and cannot be subordinated upon refinance of the first mortgage.</p>
West Virginia	<p>West Virginia Housing Development Fund</p> <p>W. Va. Code §31-18-1 <i>et seq.</i></p>	<p>Homeownership Program Loan</p> <p>A Homeownership Program Loan is a 30-year, fixed rate mortgage loan. Up to 100% of the purchase price of the home can be financed.</p> <p>Down Payment/Closing Cost Assistance Loans</p> <p>Down payment and closing cost assistance loans are available in conjunction with the Homeownership program to reduce the amount of upfront money needed to purchase a home.</p> <p>Options for our Homeownership program:</p> <p>\$10,000 for loans with a loan-to-value ratio greater than 90% of the purchase price</p> <p>\$15,000 for loans with a loan-to-value ratio less than 90% of the purchase price</p>
Wisconsin	<p>Wisconsin Housing and Economic Development Authority</p> <p>Wis. Stat. §234.01 <i>et seq.</i></p>	<p>Home Loans</p> <p>WHEDA ADVANTAGE</p> <p>When you use the WHEDA Advantage, you need less cash to close your loan and you will have lower monthly house payments than with most mortgages. What's more, you'll have peace of mind that your rate will never change with our 30-year-fixed rates.</p> <p>WHEDA FHA ADVANTAGE</p> <p>With the WHEDA FHA Advantage, Wisconsin residents have the flexibility to leverage down payment assistance and other advantages to buy a home with an affordable mortgage.</p> <p>Down Payment Assistance</p>

1.37

1.34

		<p>EASY CLOSE ADVANTAGE The Easy Close Advantage is a 10-year, low-cost loan designed specifically for WHEDA Advantage borrowers to help pay for down payment, closing costs and home buyer education expenses.</p> <p>More Advantages</p> <p>WHEDA TAX ADVANTAGE The WHEDA Tax Advantage is an exclusive program that provides a special tax credit to qualified borrowers, which reduces their federal income tax liability over the life of the mortgage.</p> <p>FIRST-TIME HOME BUYER (FTHB) ADVANTAGE The FTHB Advantage offers a preferred fixed, interest rate for qualified first-time home buyers.</p>
Wyoming	Wyoming Community Development Authority Wyo. Stat. §	<p>First-time Homebuyer Program You must be a first-time homebuyer or you may not have owned a home, as your principal residence, in the last three years</p> <p>You must be able to qualify for one of the three following loan types:</p> <ul style="list-style-type: none"><li>• FHA - Federal Housing Administration</li><li>• VA - Veterans Administration</li><li>• RD - Rural Development Guaranteed loan program</li></ul> <p>Your total annual family income must be at or below the income limits. The home you are purchasing must meet the WCDA purchase price limitations.</p> <p>Manufactured homes on permanent foundations that meet the requirements of FHA Mortgage Insurance are eligible. WCDA will finance a manufactured home under the FHA program only.</p> <p>You must be purchasing a home on six (6) acres or less or on not more</p>

		<p>than one legal building site.</p> <p>Home Again Program - If you meet all of the WCDA First-time Homebuyer Program requirements and you are purchasing a WCDA – owned property, you may be eligible for a slightly lower interest rate under the Home Again Program. The Home Again Program is a reduced rate loan program, 30 year fixed rate mortgage to eligible first time homebuyers purchasing a WCDA REO property under our Standard Single Family Program.</p> <p>Mortgage Credit Certificate (MCC) Program With an MCC, a qualified borrower may obtain a credit toward his/her federal income tax liability. The MCC tax credit is a calculation based off of the mortgage interest paid. MCC Holders may use this credit over the life of the qualifying loan, provided the MCC Holder continues to qualify for the MCC. The actual value of an MCC and the associated tax credit will depend on the individual MCC Holder's tax situation. If you sell your home within the first nine years, a Recapture Tax may apply to the subsidy you were provided through the MCC Program.</p>
--	--	--

1.39

Are there Other Ways to Qualify?

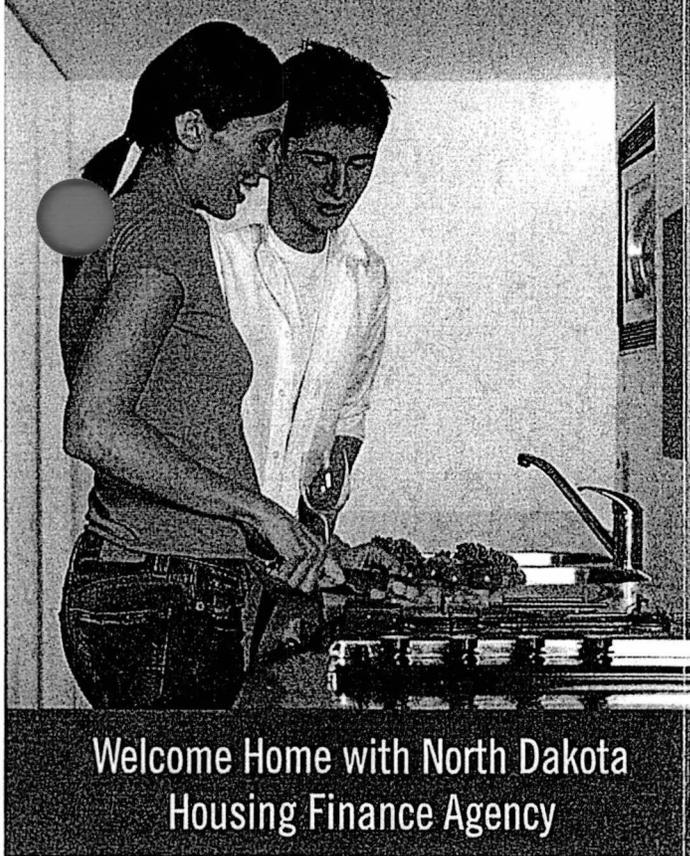
**HomeAccess**

Individuals and families who are not eligible for FirstHome may qualify for NDHFA's HomeAccess program if the household meets one of the following criteria:

- Includes either a disabled or an elderly (age 65 and older) member,
- Includes a veteran honorably discharged from active duty, or is
- A single parent with at least one dependent child residing in the home 50 percent of the time.

**North Dakota Roots**

Moderate-income North Dakotans who have previously owned a home may be eligible to receive an NDHFA loan with either an affordable interest rate or a market interest rate that includes down payment and closing cost assistance.



Welcome Home with North Dakota Housing Finance Agency

The North Dakota Housing Finance Agency (NDHFA) is a public financial institution dedicated to making housing affordable for all North Dakotans. By providing low-cost financing, down payment and closing cost assistance, and supporting homebuyer education, the agency has helped 40,000 North Dakota households achieve their homeownership dreams.

Am I Eligible for an NDHFA loan?

**First-time Homebuyers**

If you have not owned a home in the past three years (excluding manufactured homes not on a permanent foundation) as your principal residence, you could qualify for affordable home financing through NDHFA's **FirstHome™** program.



For more sp  
cons

**Requiremer**

- Household based on f to be purch
- Purchase program li
- You must standards
- You must principal r
- A minimur is requirec

**Downpayment and Closing Cost Assistance Program**  
**Income Limits as of 5/14/2014**

**FAMILY SIZE\***

<b>COUNTY</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
Burleigh/Morton	42,950	49,100	55,250	61,350	66,300	71,200	76,100	81,000
Cass	40,400	46,200	51,950	57,700	62,350	66,950	71,550	76,200
Foster	38,100	43,550	49,000	54,400	58,800	63,150	67,500	71,850
Grand Forks	39,100	44,700	50,300	55,850	60,350	64,800	69,300	73,750
McLean	37,450	42,800	48,150	53,450	57,750	62,050	66,300	70,600
Mercer	43,150	49,300	55,450	61,600	66,550	71,500	76,400	81,350
Mountrail	37,950	43,350	48,750	54,150	58,500	62,850	67,150	71,500
Oliver	43,150	49,300	55,450	61,600	66,550	71,500	76,400	81,350
Pembina	37,350	42,700	48,050	53,350	57,650	61,900	66,200	70,450
Ransom	37,450	42,800	48,150	53,450	57,750	62,050	66,300	70,600
Richland	39,600	45,250	50,900	56,550	61,100	65,600	70,150	74,650
Sargent	37,900	43,300	48,700	54,100	58,450	62,800	67,100	71,450
Slope	37,950	43,350	48,750	54,150	58,500	62,850	67,150	71,500
Stark	39,100	44,700	50,300	55,850	60,350	64,800	69,300	73,750
Williams	37,950	43,350	48,750	54,150	58,500	62,850	67,150	71,500
All Others	37,250	42,600	47,900	53,200	57,500	61,750	66,000	70,250

*\*Larger families, check with NDHFA for limits.*

## Homebuyer Checklist

- Education - Learn about homeownership by attending a homebuyer education workshop by completing our online course at [www.ehomeamerica.org/ndhfa](http://www.ehomeamerica.org/ndhfa).
- Discuss financing options and pre-qualify for a loan by contacting an NDHFA participating lender.
- Search for a home by working with a real estate agent. Note that FirstHome Certified Real Estate Agents have received special training from NDHFA that makes them uniquely qualified to assist first-time homebuyers.
- Make an Offer - Once you find a home, your real estate agent will assist you in making an offer to purchase. Be sure to ask for a home inspection and make getting an NDHFA loan a contingency.



JP082014

## Why ask for a North Dakota Housing Finance Agency Loan?

**Save Money** - NDHFA's affordable interest rates can result in lower monthly payments and interest cost savings over the life of the loan.

**Down Payment and Closing Cost Assistance** - NDHFA can provide assistance with out-of-pocket costs, enabling homebuyers to achieve ownership sooner.

**Renovation Assistance** - rehab costs can be included in an NDHFA mortgage loan.

**Homebuyer Education** - learn everything you need to know about purchasing and financing a home with homebuyer education classes endorsed by the agency.

**No Pre-payment Penalties** - directing additional dollars to principal allows borrowers to pay off a loan sooner and reduce the amount of interest paid.

**Local Mortgage Servicing** - all NDHFA loans are serviced locally either by the agency or the originating lender.

**Fixed Rate Loans** - NDHFA's interest rates are fixed meaning the principal and interest portion of your payment will not change for the life of the loan.

**NORTH DAKOTA**  
**housing**  
FINANCE AGENCY

[www.ndhfa.org](http://www.ndhfa.org) • [info@ndhfa.org](mailto:info@ndhfa.org)

2.3

**NORTH**  
**h**

2624 Vt  
Bisr

P  
Tol



[www.nd](http://www.nd)



**Jolene Kline** Executive Director

**INDUSTRIAL COMMISSION**

**Jack Dalrymple** Governor

**Wayne Stenehjem** Attorney General

**Doug Goehring** Agriculture Commissioner

**HB 1449**

**Wednesday, January 28, 2015**

**North Dakota Housing Finance Agency  
Division of the State Industrial Commission  
Testimony by Jolene Kline, Executive Director  
House Industry, Business and Labor Committee**

Chairman Keiser and members of the Industry, Business and Labor Committee:

My name is Jolene Kline, executive director of the North Dakota Housing Finance Agency (NDHFA). I am testifying in a neutral position on House Bill 1449 to provide background on the down payment and closing cost assistance programs currently available through the Agency.

The North Dakota Housing Finance Agency offers, as part of its homeownership programs, down payment and closing cost assistance in two ways.

Under our Start program, the Agency provides 3 percent of the first mortgage in the form of a credit at closing to low- and moderate-income homebuyers, the expense of which is offset by a slightly higher interest rate on the loan.

Under our current Down Payment and Closing Cost Assistance (DCA) program, we utilize an allocation of federal HOME funds to provide a zero-interest, deferred payment loan equal to 3 percent of the home purchase price to very low-income borrowers who have completed a home buyer education course.

Homebuyers under both programs must be using an NDHFA loan product – FirstHome™ or North Dakota Roots – and must meet all income and purchase price limitations and meet normal underwriting standards. The home must be intended to be the buyer's principal residence. The borrower must provide the balance of the required funds to close from their own resources. The programs may not be used with other down payment assistance programs, like those provided by Federal Home Loan Bank members. Start may also not be used with DCA and vice versa. Loans under both programs are originated by local lenders and sold to the Agency.

Technically, I question whether the language of HB 1449 wouldn't be more appropriate to subsection 1 of section 54-17-07.3 which deals with the home mortgage finance programs of the Agency:

1. Home mortgage finance program. A program or programs to provide financing or refinancing of loans made by lenders, including second mortgage loans and leasehold mortgage loans on tribal trust or other reservation lands, and leasehold mortgage loans that are insured, guaranteed, or assisted through an affordable

27

housing program, to persons or families of low and moderate income for the purchase or substantial rehabilitation of owner occupied, single-family residential dwelling units, which includes mobile homes and manufactured housing. The commission may also authorize a program to provide refinancing of loans previously made by lenders and purchased under the home mortgage finance program.

Also, a literal reading of the bill has raised a question about whether we would be required on all first-time home buyer loans to provide closing cost assistance. Currently it is not a requirement that our borrowers use the Start or DCA programs but rather an option for them.