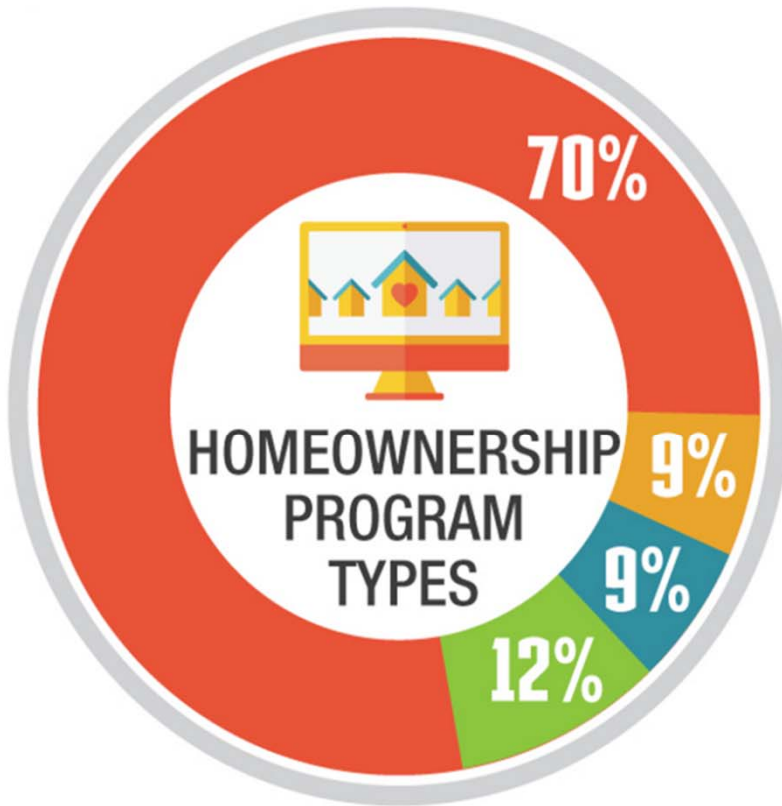




**We turn home searchers
into homeowners.**

WHAT'S AVAILABLE?



70% DOWN PAYMENT AND CLOSING COST ASSISTANCE PROGRAMS

GRANTS: gifts which do not have to be repaid

SECOND MORTGAGES: loans with very low or no interest rate where the payment may be deferred or forgiven incrementally for each year the buyer remains in the home.

NEIGHBORHOOD STABILIZATION PROGRAMS: designed to revitalize communities.

COMBINED FIRST MORTGAGE AND DOWN PAYMENT PROGRAMS

9% MORTGAGE CREDIT CERTIFICATES (MCCs)

Provide up to \$2,000 in annual tax credits for the life of the loan.

9% FIRST MORTGAGE LOANS

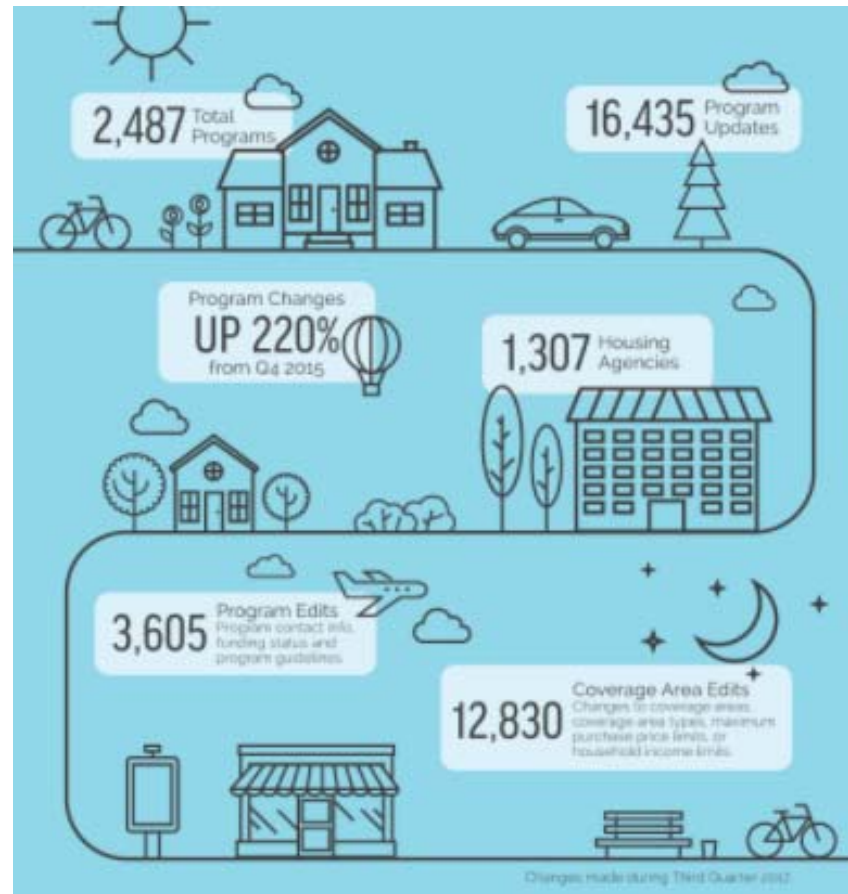
Below-market interest rates, lower or no mortgage insurance, or 100 percent financing.

12% ADDITIONAL PROGRAMS

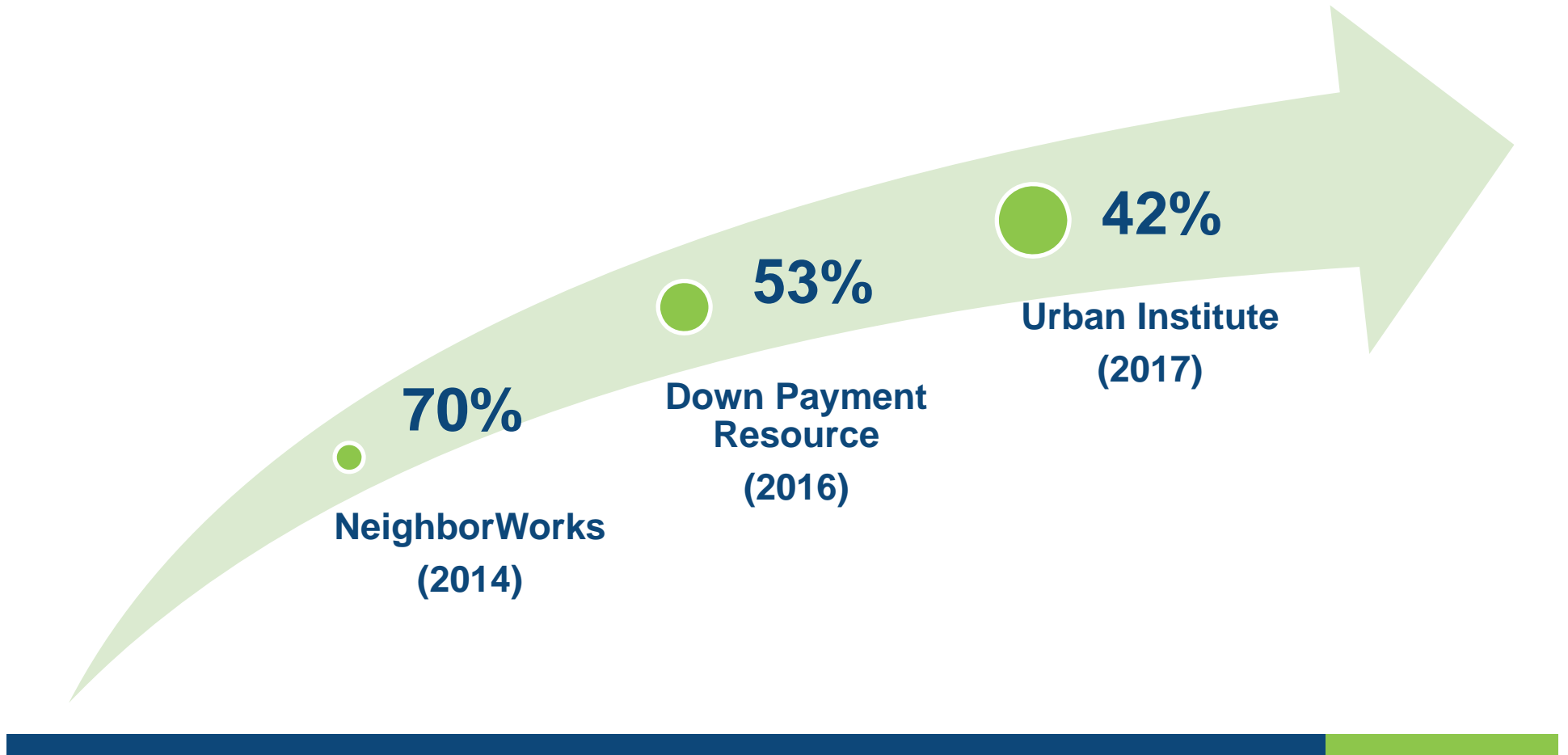
Include Employer Assisted Housing programs and Individual Development Accounts that provide a matching down payment savings program.

TRACKING CONSTANT CHANGE

- 3RD QUARTER PROGRAM CHANGES
- CHANGES UP 220% FROM Q4 2015



RAISING CONSUMER AWARENESS





“I’M SAVING FOR A NEW HOME”

**“I DOUBT I QUALIFY AND I
DON’T HAVE ENOUGH
SAVED”**

**“I WANT TO STOP
RENTING”**



HOUSING FINANCE POLICY CENTER



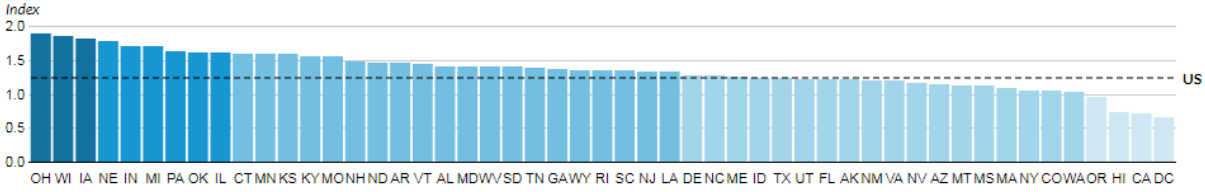
Barriers to Accessing Homeownership **Down Payment, Credit, and Affordability**

GROWING IMPORTANCE OF HFA DOWN PAYMENT ASSISTANCE PROGRAMS

- TIGHT CREDIT BOX AND RISING HOME PRICES
- HOMEOWNERSHIP STILL MORE AFFORDABLE THAN RENTING
- DPA PROGRAMS CAN HELP BUYERS
- EDUCATION WILL BE CRITICAL



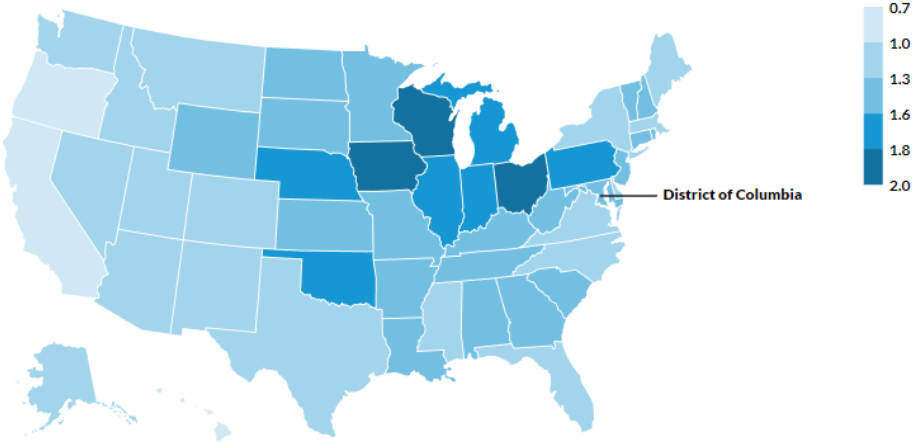
COMPARE HOUSING MARKET FACTORS



REGION/STATE Index
 United States 1.2

Affordability index with 3.5% down pay...

Affordability index is calculated as the ratio between the maximum affordable home price and the median home price.



DPA-ELIGIBLE LOANS

- 2016 HMDA DATA
- 620 ≥ FICO SCORE
- OWNER-OCCUPIED
- RESIDENTIAL PURCHASE
- APPLIED FTHB RATE
- ASSUMED HH SIZE = 3

*“DPA-eligible”
defined as qualified
for one or more
homebuyer
programs available
in the marketplace.*



DPA-ELIGIBLE LOANS

Metro NY

- 89,016 loans
- 36% DPA eligible
- 7.9 programs
- \$13,484

Birmingham

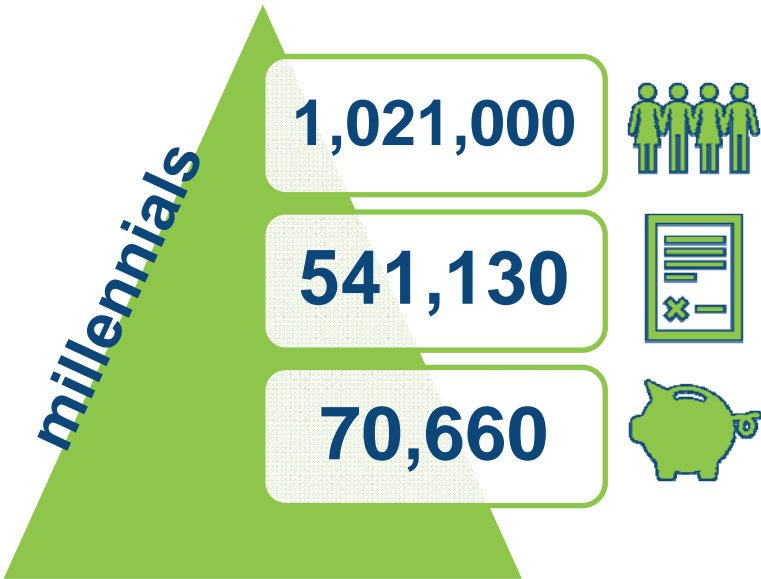
- 9,969 loans
- 40% DPA eligible
- 3.6 programs
- \$7,083

MORTGAGE-READY/DPA ELIGIBLE MILLENNIALS

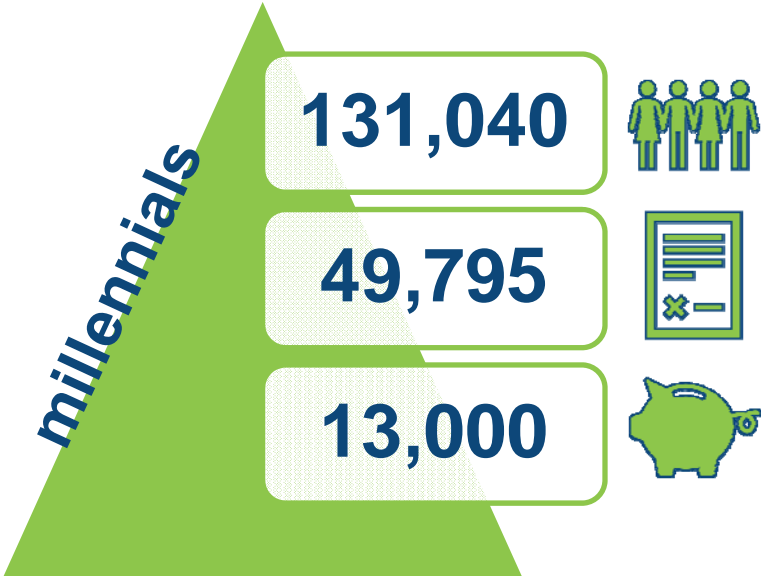
- AGES 19-35
- $620 \geq$ FICO SCORE
- BACK-END DTI \leq 45
- NO FORECLOSURE (84 MO)
- NO BANKRUPTCIES (12 MO)
- NO DELINQUENCIES(12 MO)

*“Mortgage-ready”
defined as non-
mortgage owners
could qualify for a
mortgage in a
given marketplace.*

LOS ANGELES



NASHVILLE



WHAT HFAs ARE DOING

- **BUSINESS DEVELOPMENT REPS / ACCT MGRS**
- **EXPLORING ALL FUNDING SOURCES**
- **TRYING MCCs**
- **INVESTIGATING MASTER SERVICING OPTIONS**



WHAT LENDERS & REALTORS WANT

- **WELL-STAFFED PROGRAM PROVIDERS**
- **SIMPLIFIED PAPERWORK AND PROCESSING**
- **FORGIVABLE PROGRAMS OR GRANTS**
- **OPTIONAL MCCs**
- **LIMITED OR NO SHARED EQUITY**



THANK YOU!

DownPaymentResource.com/reports

