



## Homeownership IDA Resource Guide

### **Fannie Mae ([www.fanniemae.com](http://www.fanniemae.com))**

Fannie Mae is a private company that provides financial products and services that make it possible for low, moderate, and middle income families to buy homes.

#### *Resources on the Fannie Mae Website:*

- Affordable Housing and Community Development: Information about Fannie Mae's mortgage products, services, investments, national partnerships, and local initiatives.
- *Homepath*: Information for individuals on finding mortgages and lenders, steps to becoming a homeowner, renovation, refinance, and the "True Cost Calculator."
- Resources: This section includes calculators to determine how much an individual can afford; counselors and agencies to contact for eligibility, options, and advice; property search resources; and a glossary.

### **U.S. Department of Housing and Urban Development (HUD) ([www.hud.gov](http://www.hud.gov))**

HUD's mission is to increase homeownership, support community development, and increase access to affordable housing free from discrimination. The HUD website contains information on home buying, public housing, lending, and counseling for low income and other populations (senior citizens, veterans, students, people with disabilities, etc.)

#### *HUD Resources:*

- Office of Community Planning and Development, Affordable Housing Programs: Information about three affordable housing programs: HOME, SHOP, and HOZ.
- HOME provides formula grants to States and localities that communities use—often in partnership with local nonprofit groups—to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people.
- American Dream Downpayment Initiative: ADDI is a program within HOME that aims to increase the homeownership rate, especially among lower income and minority households, and to revitalize and stabilize communities. The program was created to assist low-income, first-time homebuyers in purchasing single-family homes by providing funds for downpayment, closing costs, and rehabilitation carried out in conjunction with the assisted home purchase.

### **Neighbor Works Neighborhood Reinvestment Corporation ([www.nw.org/network/home.asp](http://www.nw.org/network/home.asp))**

This is a system of national and local organizations that create new housing development opportunities for residents while improving communities. The "National Programs" and "Community Strategies" sections on the website provide ideas for revitalizing urban and rural communities.

*Partnering Agencies:*

- Neighborhood Reinvestment Corporation: A national nonprofit organization created by Congress to provide financial support, technical assistance, and training for community-based revitalization efforts.
- NeighborWorks Network: A national network of 235 community-based organizations creating healthy communities through the work of thousands of residents, business people, government officials and other partners.
- Neighborhood Housing Services of America: NHTA provides direct financial services to NeighborWorks network organizations by serving as a unique secondary market that brings assets to communities suffering from disinvestment and decline.
- National Partnerships: National partners, such as banks, insurance companies, retailers and foundations, play an important role in helping Neighborhood Reinvestment and NeighborWorks organizations revitalize hundreds of communities.

**The Federal Home Loan Banks ([www.fhlbanks.com](http://www.fhlbanks.com))**

The Federal Home Loan Banks are an essential source of stable, low-cost funds to financial institutions for home mortgage, small business, rural, and agricultural loans. With their members, the FHLBanks represent one of the largest sources of home mortgage and community credit in the country.

*Resources:*

- Affordable Housing Program (AFP) and Community Investment Program (CIP): These are two programs that the FHLBanks system offers through its members to meet pressing local housing and community investment needs.
- Individual Development and Empowerment Account (IDEA) Program: Under the IDEA Program, the FHLBanks system sets aside a portion of its Affordable Housing Program (AFP) contribution to provide matching grants through Bank members for downpayment and closing cost assistance to eligible homebuyers, who have saved under Individual Development Account (IDA) or Family Self-Sufficiency (FSS) programs. For more information, go to the Federal Home Loan Bank of San Francisco website and look under “Community Investment” ([www.fhlbsf.com](http://www.fhlbsf.com)).

**USDA Rural Development ([www.usda.gov](http://www.usda.gov))**

USDA offers housing information, resources and some housing for communities and families in rural areas. Look under “Rural and Community Development” on the USDA website. The USDA also has a Rural Housing Service ([www.rurdev.usda.gov/rhs/](http://www.rurdev.usda.gov/rhs/)) that works with a wide variety of public and nonprofit organizations to provide housing options to communities throughout rural America. Organizations eligible to apply for RHS funds include local and state governmental entities; nonprofit groups, such as community development organizations; associations, private corporations, and cooperatives operating on a not-for-profit basis; and Federally recognized Native American groups.

*Rural Housing Services Resources:*

- RHS Nonprofit Opportunities: Information on programs of special interest to nonprofit organizations and [here](#)
- Individual and Family Opportunities: A list of programs for individual and family assistance.

### **Section 8 Housing Authorities (also called Housing Choice Voucher Programs)**

Section 8 is a federally funded rental assistance program that subsidizes the cost of rental housing for eligible households. The program allows qualified low-income families and individuals to rent privately owned housing while the Housing Authority of the local, county or city pays the owner directly for a portion of the monthly rent.

#### *Section 8 Information:*

- National Housing Law Project: <http://www.nhlp.org/html/sec8/>
- HUD: <http://www.hud.gov/offices/pih/programs/hcv/index.cfm>
- Affordable Housing Online: <http://www.affordablehousingonline.com>
- Also search within your State for your local Housing Choice Voucher Program

### **Sweat Equity Partners (Habitat)**

Sweat equity programs provide an alternative to cash outlays; such programs allow families and individuals to purchase a home in return for their labor. Sweat equity contributions significantly reduce construction and rehabilitation costs, as well as capital contributions. Habitat for Humanity International ([www.habitat.org](http://www.habitat.org)) is an example of a sweat equity partner. HUD's HOME funds (see above) can also be used as a source of low-cost financing to support sweat equity programs.

### ***Homeownership IDA TIP: Support Documentation for Home Purchase***

Here are some support documents IDA participants should develop during the process of looking for a first home. Participants should take these documents when closing on their house.

1. Copy of mortgage application and mortgage approval letter (including homeowner's insurance)
2. First time buyer verification
3. Purchase and sales agreement
4. Truth in lending agreement
5. Good faith estimate
6. Estimated buyer's closing statement
7. Relevant bills and documents (attorney, home inspector, gift letters, etc.)