



Hampton Roads Loan Fund Partnership

*Expanding homeownership opportunities for
low income households in Hampton Roads*

Program Update



April 21, 2004

What is the...

Hampton Roads Loan Fund Partnership?

- An informal association of local government agencies, nonprofit housing organizations and lenders coordinated by the HRPDC.
- One of sixteen regional partnerships participating in the Virginia Single Family Regional Loan Fund (SFRLF)



Our Mission

- Expand homeownership opportunities for qualified low-income households through a comprehensive program of education, counseling and financial assistance.
- Support the community development goals and program priorities of individual localities.



Partner Organizations & Lenders

Chesapeake RHA
Hampton RHA
James City County OHCD
Newport News RHA
Norfolk RHA
Portsmouth RHA
Virginia Beach DHNP
York County Community
Services

Catholic Charities of H.R.
Community Housing Partners
Habitat for Humanity
Housing Partnerships, Inc.
Virginia Beach CDC
C&F Mortgage
Countrywide Mortgage
Johnson Mortgage
RBC Centura Mortgage
Suntrust Mortgage
Tidewater Home Funding



Our Financial Assistance

- Available to first time buyers with incomes below 60% of Area Median Income
- VHDA First Mortgages at 4.125% interest rate
- Down Payment & Closing Cost Assistance:
10% of Sales Price + \$2,000 (maximum)
Deferred Payment Loan, Forgivable after 5 Years
- \$3.6 M available in FY04



Performance and Resource Use

Jan 1997 – April 2004

- Total Homebuyers Assisted: **391**
- First Mortgage Funding: \$22.9 M
- Downpayment/Closing Cost Assistance: \$3.6 M
- Other Funds Leveraged: \$4.86 M
(SPARC mortgages, local HOME funds, FHLB, NPO grants, etc.)
- Total Funds Provided to Homebuyers: **\$31.36 M**



Supported Development

- **Campostella Square** (Chesapeake RHA)
- **Westbury** (Portsmouth RHA)
- **Madison Heights** (Newport News RHA)
- **Central Brambleton** (Norfolk RHA)
- **Strawberry Plains** (Williamsburg RHA)
- **Toano Trace, Ironbound Village, Pocahontas Square & Michelle's Point** (JCC OHCD)
- **Infill Development** (RHAs and NPOs)
- **Housing Rehabilitation** (RHAs and NPOs)



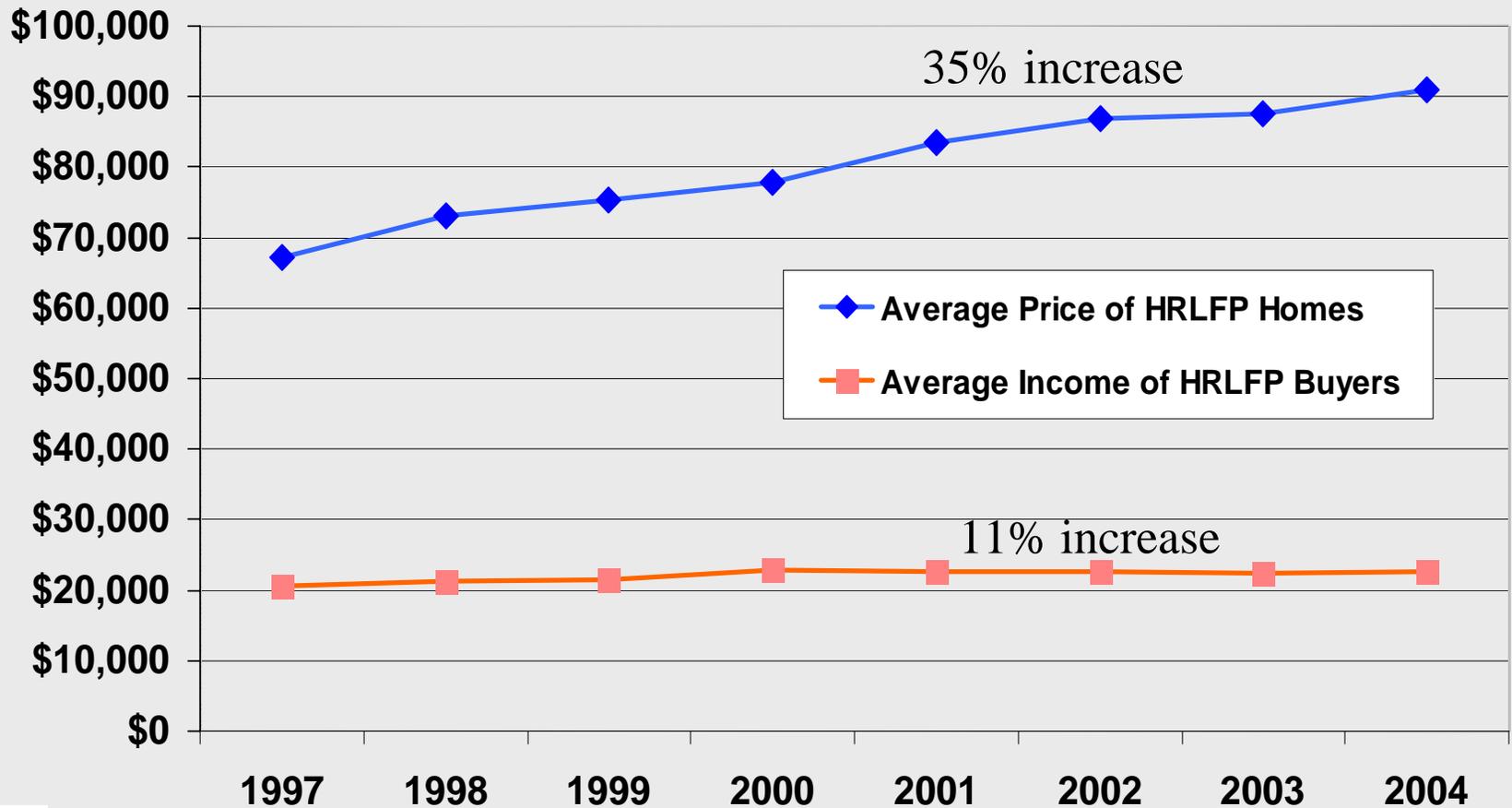
Customer Demographics 97-04

n = 390

Average Annual Income:		\$21,960
Average % of Area Median Income:		53%
Annual Income Range:		\$6,144 to \$35,098
Average Household Size:		2.43 Persons
Household Type:	Single Parent	55 %
	Single	27 %
	Two Parent/Couple	15 %
	Other	3 %
Race of Homebuyer:	Black	66 %
	White	31 %
	Other	3 %



Home Prices are Outpacing Incomes in Low End Market



New Homeownership Resources

- **Sponsoring Partnerships and Revitalizing Communities (SPARC)**
 - *VHDA mortgage funds at 1/2 or 1% below market rate*
 - *Competitive application for government & non-profit organizations started in FY03*
- **American Dream Downpayment Initiative (ADDI)**
 - *Federal program signed into law December 16, 2003*
 - *Formula grant to HOME jurisdictions over 150,000*
 - *For first time buyer down payments, closing costs and rehabilitation in conjunction with home purchase*
 - *Start-up slated for July 1, 2004*



Priorities for FY05

- Lobby DHCD to raise SFRLF down payment & closing assistance limit to 20% of sales price
- Expand program in underserved localities
- Improve coordination with SPARC and local downpayment assistance programs (ADDI and HOME)
- Support new construction projects





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For more information, contact

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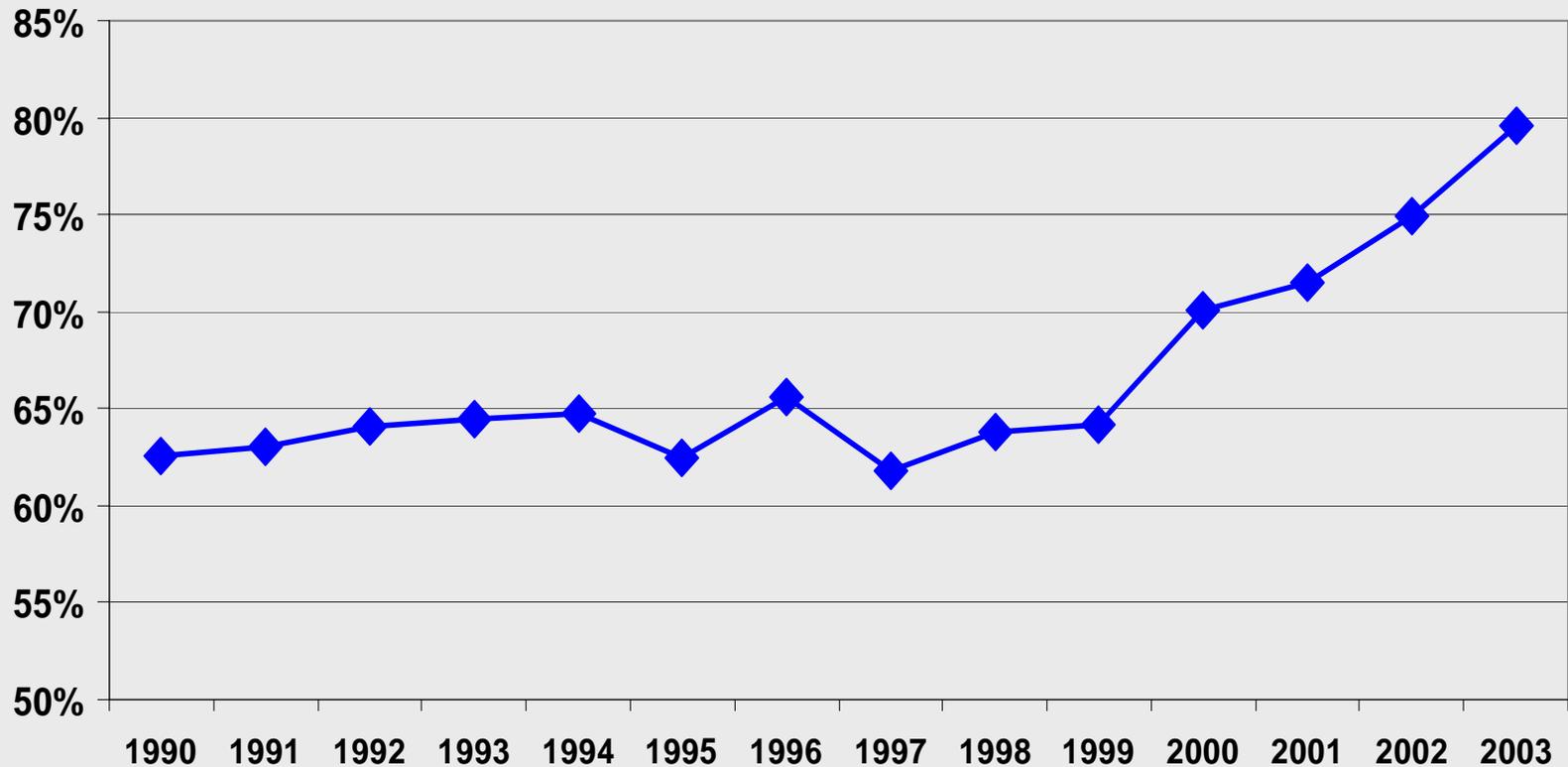
Homeownership Rate Inequities in Hampton Roads—Census 2000

- All Households: 63.0%
- White Households: 71.4%
- Black Households: 45.5%
- Female Single Parent Households: 40.6%
- Households \$15K-\$35K Income: 47.5%
(SFRLF target income range)

Source: Census 2000, SF-3



Hampton Roads MSA Homeownership Rate, 1990-2003



Source: U.S. Census Housing Vacancy &
Homeownership Annual Statistics, 2003, Table 14



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