



NEWS RELEASE

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Homeownership Program Index Highlights Innovation in Programs for Community Service Workers

Homebuyers find an average of 8.5 down payment programs

Atlanta, GA, November 3, 2016 – Atlanta-based Down Payment Resource, the nationwide databank for homebuyer programs, today released its Third Quarter 2016 Homeownership Program Index (HPI). The number of total programs decreased to 2,392, down 3 percent from the previous quarter (2,477). Nearly 88 percent (87.9%) of programs currently have funds available for eligible homebuyers, up 3 percent from the previous quarter.

The reduction of programs was primarily due to the expiration of more Neighborhood Stabilization Programs (NSP) offered by localities after the housing crisis. This was expected, as NSP funding came to a halt after round three (NSP3) in 2010. NSP programs helped numerous communities rehab, resell and redevelop high-foreclosure neighborhoods and offer very flexible income limits, purchase price limits and down payment help.

“We continue to see innovation across housing agencies and other program administrators. Municipalities are launching and updating programs to better meet the needs of their communities, including high cost markets that need to address housing affordability issues for their community service workers such as teachers, police and firefighters,” said Rob Chrane, CEO of Down Payment Resource.

Community workers challenged in high cost markets

Moderate income workers in high cost markets, often opt out of homeownership due to the high home prices and market competition. In fact, the National Housing Conference’s “Paycheck to Paycheck” study found that none of the school occupations earned salaries that were high enough to guarantee either renting or owning a home in every metro area included. Plus, high school teachers earning median wages are only able to afford to buy a median-priced home in 130 out of the 210 metros analyzed.

More areas are launching programs to retain important community service workers. The HPI found that 6 percent of programs are available for community service workers, including educators, police officers, firefighters and healthcare workers.

Examples of programs include:

- The City of San Francisco [Teacher Next Door Program](#) offers up to \$20,000 for down payment and closing costs to eligible educators with income limits up to 200 percent of the area median income (AMI).
- The [Georgia Dream PEN](#) (Protector-Educator-Nurse) Program offers up to \$7,500 for down payment and closing costs for a wide array of eligible police officers, firefighters, public educators and healthcare workers across Georgia.
- The Ohio Housing Finance Agency's (OHFA) [Ohio Heroes Program](#) offers reduced interest rates for qualified veterans, first responders, healthcare workers and educators.
- Numerous states and municipalities offer similar programs to our nation's core service providers, enabling them to live where they work.

Homebuyer snapshot

The HPI analyzed anonymous, aggregate data from approximately 33,500 homebuyers who successfully completed program searches at DownPaymentResource.com between June and August 2016. Homebuyers received customized results that fit their household characteristics and homeownership goals.

- The average household size was 2.75.
- The average household income entered was \$53,846.
- The average home purchase price provided was \$180,084.
- Homebuyers found an average of 8.5 programs per successful search.

To qualify for a homeownership program, both the buyer and the property must meet certain criteria, which vary by program. These demographics suggest healthy incomes, growing families and a wide array of homeownership programs available to the next wave of prospective buyers.

“First-time homebuyers are eager to learn about down payment programs that can help them save on their home purchase,” said Chrane. “We’re convinced there is a groundswell of buyers ready, qualified and learning how best to proceed.”

HPI Highlights

- 64% of programs have a first-time homebuyer requirement. This is defined by HUD as someone who has not owned a home in 3 years.
- 76% of programs are available in a defined area, such as a city, county or neighborhood. 24% of programs are available state-wide through state housing finance agencies.
- 6% of programs are available for community service workers, including educators, police officers, firefighters and healthcare workers.
- 5% of programs have benefits for veterans and members of the military. These programs can also be layered with zero down payment VA loans.
- Nearly 70% of programs in the database are down payment or closing cost assistance. 9% of programs are first mortgages and 8% of programs are Mortgage Credit Certificates (MCCs).
- States with the greatest number of down payment programs remains consistent—California, Florida and Texas are the top three. Washington edged out Virginia in total number of programs to take the number 10 spot. View a complete list of [state-by-state program data](#).
- More than 50 percent of programs accept online homeownership education.

About Down Payment Resource

Down Payment Resource (DPR) creates opportunity for homebuyers, Realtors and lenders by uncovering programs that get people into homes. The company tracks nearly 2,400 homebuyer programs through its housing finance agency partners. Winner of the 2011 Inman News Innovator “Most Innovative New Technology” award, DPR is licensed to Multiple Listing Services, Realtor Associations, lenders and housing counselors across the country. For more information, please visit www.DownPaymentResource.com and on Twitter at [@DwnPmtResource](https://twitter.com/DwnPmtResource).

About Down Payment Resource’s Homeownership Program Index

The Homeownership Program Index (HPI) measures the availability and characteristics of down payment programs administered by state and local Housing Finance Agencies (HFAs), nonprofits and other housing organizations. It analyzed state, local and national programs available in the DOWN PAYMENT RESOURCE® registry as of October 11, 2016.

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