



2013 Annual Awards Entry Form
(Complete one for each entry.)

Entry Name Neighborhood DAP

HFA Kentucky Housing Corporation

Submission Contact Charla Jackson Peter

Phone (502) 564-7630, ext. 454

Email cpeter@kyhousing.org

Program Contact Brenda Walker

Phone (502) 564-7630, ext. 783

Email bwalker@kyhousing.org

Entry form with description, check(s), and visual aids (optional) must be received by NCSHA by **Monday, July 1, 2013.**

Use this header on the upper right corner of each page.

HFA _____

Entry Name _____

Communications	Homeownership	Legislative Advocacy	Management Innovation
<input type="checkbox"/> Annual Report <input type="checkbox"/> Promotional Materials and Newsletters <input type="checkbox"/> Creative Media	<input checked="" type="checkbox"/> Empowering New Buyers <input type="checkbox"/> Home Improvement and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Federal Advocacy <input type="checkbox"/> State Advocacy	<input type="checkbox"/> Financial <input type="checkbox"/> Human Resources <input type="checkbox"/> Operations <input type="checkbox"/> Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
<input type="checkbox"/> Multifamily Management <input type="checkbox"/> Preservation and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Combating Homelessness <input type="checkbox"/> Housing for Persons with Special Needs	<input type="checkbox"/> Special Achievement	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

When 49 state attorneys general and the federal government settled with the nation's five largest mortgage loan servicers, many states saw the settlement funds as the solution to the budget shortfalls they had been experiencing. Through the leadership of Kentucky Attorney General Jack Conway, Kentucky reinvested the majority of Kentucky's portion of the settlement funds, \$58.75 million, back into housing and assisting homeowners. Specifically, \$3 million was allocated for a new program to spur growth in Kentucky's housing market and assist homeowners who had experienced a foreclosure but were again ready for the responsibility of homeownership.

The Neighborhood Down payment Assistance Program (DAP) was a repayable second mortgage up to \$10,000, at 1 percent interest, for 30 years. To be eligible, the property must have either been for sale for six or more months or had been foreclosed upon (included deed-in-lieu and short sales) or the home buyers must have experienced a foreclosure but were credit ready to purchase another home.

This program was only accessible to home buyers receiving a Kentucky Housing Corporation (KHC) loan, which increased loan production for the Corporation without internal funding. Since KHC already had system programming and other DAPs in place, it was easy to add Neighborhood DAP to the existing single-family loan products.

The program was marketed to real estate partners, builders, and lending officers through existing partnerships and channels with minimal cost to the Corporation. Partners were notified through social media; KHC's electronic newsletter; KHC's Web site; and ads with the statewide and local builders associations, real estate agent associations, and mortgage banker associations. KHC also created a flier in which partners could add their contact information and leave in eligible properties or distribute to clients. The Neighborhood DAP was an easy sell to these groups as they were eager to move the properties the program targeted.

KHC had an existing advertising contract with Zillow.com, so the current ads were changed to promote the Neighborhood DAP to potential home buyers and were targeted so they would only appear if someone on the site was searching specifically for a foreclosed home.

The goal of Neighborhood DAP was to assist 300 families in two years. From August 1, 2012, to May 31, 2013, almost \$1.8 million was expended through 188 loans. Due to the overwhelming success of the program, it is anticipated all funds will be committed by the first anniversary of the program, August 1, 2013.

Facts About the Neighborhood DAP (as of May 31, 2013):

- Helped to increase KHC's first-mortgage loan production by \$18 million.
- Average Neighborhood DAP loan amount was \$9,464.
- 78 borrowers of 188 had previously been foreclosed on and were credit ready to purchase again.
- 95 of 188 loans were for homes on the market for more than six months.
- 15 loans were for foreclosed or short sale properties.
- Average loan amount \$95,621.
- Average purchase price \$101,102.
- Average income \$50,402.
- Average credit score 690.
- 76 percent of the loans were to buyers in urban areas.
- 23 percent were to rural home buyers.



NEIGHBORHOOD DOWN PAYMENT ASSISTANCE PROGRAM (DAP)

Kentucky Housing Corporation (KHC) received \$3 million from the National Mortgage Foreclosure Settlement Fund to offer a new mortgage program for down payment and closing costs assistance. This program is only available until all funds are gone.

Repayable second mortgage up to \$10,000

- 1 percent interest rate for 30 years.
- Income must be less than \$124,775 (terms and conditions apply).

To be eligible for the Neighborhood DAP, either:

- The property must be in the process of disposition option (i.e., deed-in-lieu, short sale) or foreclosed upon.
- The newly-constructed or existing property has been for sale for at least six months.
- The home buyer has experienced a foreclosure and credit qualifies to purchase another home.

For more information, contact your local KHC lender:

Or contact KHC's Homeownership Department toll-free in Kentucky at (800) 633-8896 or (502) 564-7630, extension 291, or TTY 711.



Facebook.com/KYHousing



Twitter.com/KYHousing



YouTube.com/KYHousingCorp



FILLABLE FLIER

NEIGHBORHOOD DAP MAKES HOMEOWNERSHIP MORE AFFORDABLE

This special program will **HELP YOU SELL** newly-constructed or existing properties that have been for sale for at least **SIX*** months.



Home Buyer Benefits

- Repayable second mortgage up to \$10,000.**
- 1 percent interest rate for 30 years.

Eligibility for Neighborhood DAP

- A newly-constructed or existing property for sale for at least six* months, or
- A property in the process of disposition option (i.e., deed-in-lieu, short sale) or foreclosed upon, or
- A home buyer who experienced a foreclosure and credit qualifies to purchase another home.

**KHC's special mortgage
program for
DOWN PAYMENT
and CLOSING COSTS
is for a very limited time!**

Contact KHC's Homeownership
Department toll-free in Kentucky at
(800) 633-8896 or
(502) 564-7630, extension 291,
or TTY 711.

www.kyhousing.org



YouTube



Kentucky Housing
Corporation



*From issuance of certificate of occupancy.

**Terms and conditions apply. Income must be less than \$124,775.

Kentucky Builders Journal Advertisement

Ask about KHC's Home Buyer Tax Credit



Neighborhood DAP with special \$10,000 financing for foreclosed properties or homes on the market for more than six months.*

**Terms and conditions apply.*



(502) 564-7630, ext. 291
(800) 633-8896 | TTY 711
www.kyhousing.org



Kentucky Association of Realtors
Advertisement



Zillow Advertisement





Kentucky Housing Corporation
CELEBRATING 40 YEARS OF
leading the way home.

KHC received \$3 million from the National Mortgage Foreclosure Settlement Fund to offer a new mortgage program for down payment and closing costs assistance for purchase of a foreclosed property or a home that has been for sale six months or more. This program is only available until all funds are gone.

Toll-free in KY at (800) 633-8896, or (502) 564-7630, extension 291 | TTY 711 | www.kyhousing.org



Mortgage Bankers Association Advertisement - Louisville



NEIGHBORHOOD DOWN PAYMENT ASSISTANCE PROGRAM (DAP)

Kentucky Housing Corporation (KHC) received \$3 million from the National Mortgage Foreclosure Settlement Fund to offer a new mortgage program for down payment and closing costs assistance. This program is only available until all funds are gone.

Repayable second mortgage up to \$10,000

- 1 percent interest rate for 30 years.
- Income must be less than \$124,775 (terms and conditions apply).

To be eligible for the Neighborhood DAP, either:

- The property must be in the process of disposition option (i.e., deed-in-lieu, short sale) or foreclosed upon.
- The newly-constructed or existing property has been for sale for at least six months.
- The home buyer has experienced a foreclosure and credit qualifies to purchase another home.

For more information, contact your local KHC lender, or contact KHC's Homeownership Department toll-free in Kentucky at (800) 633-8896 or (502) 564-7630, extension 291, or TTY 711.



Facebook.com/KYHousing



Twitter.com/KYHousing



YouTube.com/KYHousingCorp

