



## Entry Form 2017 Annual Awards for Program Excellence

**Entry Deadline: Thursday, June 15, 2017, Midnight ET**

Each entry must include a completed entry form. Please complete a form for each entry your HFA is submitting. The completed entry form will become the first page of your entry.

This form is a fillable PDF. Type your information into the entry form and save it as a PDF. Please do not write on or scan the entry form. **Questions: Call 202-624-7710 or email [awards@ncsha.org](mailto:awards@ncsha.org).**

**Entry Title:** Enter your entry's title exactly as you wish it to be published on the NCSHA website and in the awards program.

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**Category:**

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**Entry Summary:** A 15-word (max) summary of the program, project, or practice you are entering.

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## **Maryland SmartBuy Program: Affordable Home Purchase for Buyers With Student Debt**

The Maryland Department of Housing and Community Development's (DHCD) Community Development Administration (CDA) has implemented an innovative homeownership program to help eligible homebuyers with student loan obligations buy a home and pay off student debt.

### **Background**

In Maryland, and across the nation, the statistics on student loan debt are staggering. Some estimates put the debt burden for Maryland's college student borrowers up with the highest in the nation, threatening not only their own economic futures, but that of the entire state. Student loan debt has become a topic of national concern as more and more college graduates are facing intimidating levels of debt before they even begin their working lives. This is particularly important for millennials, who are dissuaded or prevented from home purchase due to existing loan payments or just the presence of the student debt on their credit profile. Although the change in Fannie Mae guidelines have eased to allow a calculated payment instead of a percentage of the student loan debt as part of the debt-to-income calculation for deferred loans, requiring that inclusion still pushed some potential homebuyers out of the range of affordability.

The Maryland Department of Housing and Community Development has been working to address this issue over the last couple of years, first with the "You've Earned It!" loans which offered a reduced rate and additional down payment assistance, and now with the Maryland SmartBuy, which launched in November, 2016.

### **Program Design**

#### *The Borrowers*

To utilize Maryland SmartBuy, the borrowers must be creditworthy, based on Fannie Mae and PMI manual underwriting standards, with student debt that is greater than \$1,000 and less than or equal to 15% of the home purchase price. They must meet all regular program criteria not specifically addressed by the Fact Sheet, including being first-time homebuyers or eligible for an exception, be within income limits, take homebuyer education prior to closing, not own any other real property, and other normal parameters.

#### *Financing Structure*

- The **first mortgage** is up to 95% of the sales price, in a 30-year conventional amortizing loan. The borrower must bring 5% of the sales price as a down payment.
- The **second mortgage** is up to 15% of the purchase price; these funds are used to pay off (in full) the borrower's student loan(s). This second lien is a zero percent deferred, forgivable loan over 5 years at 20% per year. These funds are netted out of the proceeds to seller (the Department). All student loans must be paid off with proof of a zero balance as part of this transaction.

Maryland Department of Housing and Community Development  
Maryland SmartBuy Program: Affordable Home Purchase for Buyers With Student Debt  
Homeownership: Empowering New Buyers

- An optional **third mortgage** of \$5,000 in a zero percent, deferred loan, repayable upon payoff, transfer, sale, or refinance of the first loan, can be used for down payment or closing costs.

### *The Properties*

A small percentage of the homes financed by the Maryland Mortgage Program end up in foreclosure; as a result, the Department takes ownership of certain Real Estate Owned (REO) properties with deferred maintenance issues. Normally, these homes may receive some repair or restoration, and are then listed by two realtor companies who are identified through procurement. For Maryland SmartBuy, the best of these properties are considered; if the REO can be made move-in ready at a moderate cost for repairs and upgrades, the committee will designate the home for the SmartBuy program. The properties are identified on the realtor listing and on the Department's website as being SmartBuy properties. The purchase price is based on the market value and appraisal. The extra attention to property condition is aimed at avoiding additional repair expense other than normal maintenance.

### *Partners*

In order to implement this program, the Department partnered with Fannie Mae, private mortgage insurance companies, its extensive network of private originating lenders, real estate agents, title companies and its master loan servicer – U.S. Bank.

### **Measurable results**

Sales and marketing results as of June 1, 2017:

- 24 homes sold or under contract, in 10 of Maryland's 23 counties
- Average purchase price: \$214,000
- Average student debt forgiven: \$25,300 (12% of purchase price)
- 15 approved lenders; 2 participating mortgage insurance companies
- Total sales volume: \$5.1 million

### **Maryland SmartBuy...**

...is the first of its kind in the country. Its innovative financing structure received extensive review by the various authorizing entities, including Moody's, Fannie Mae, and US Bank. It was approved by the 2016 Maryland General Assembly legislative session through legislation sponsored by Maryland Governor Larry Hogan.

... offers a replicable model, both for other state housing finance agencies and for building other similar products with varying funding and property resources. The Department is in discussion with other holders of REOs and units of local government in Maryland regarding ways to expand the program, including town and county governments, banks, and non-profit organizations.

...meets an important state housing need by removing an impediment for millennial buyers who were unable to purchase a home due to student debt obligations.

Maryland Department of Housing and Community Development  
Maryland SmartBuy Program: Affordable Home Purchase for Buyers With Student Debt  
Homeownership: Empowering New Buyers

...provides benefits to HFA targeted customers. As of June, 2017, 24 homes have been sold or placed under contract through the program, providing over \$600,000 in student debt relief. Program estimates approximately 50 participants will become homeowners by the end of 2017.

...supports neighborhood stability. REO homes in the program are selling at full market value, as opposed to the 10-20% discount typical of other bank-owned property sales. This improves neighboring property values, and improves overall residential infrastructure.

...accelerates sales of the Department's REOs, which are non-revenue generating assets, and substitutes them with performing loans, which are expected to generate revenue over time to repay the amount of sale proceeds used to pay off student debt at home purchase.

...augments the department's mission-centric standing in the community without causing negative credit implications for its highly-rated housing program portfolios, as attested to by Moody's Investors Service in its publication dated December 12, 2016, "Maryland Community Development Administration, Maryland CDA's Student Loan Homeownership Program Is Credit Neutral."

### **Program Future**

Currently, the Department is in discussions with other federal and state holders of REO properties in Maryland to determine how they can participate in the Maryland SmartBuy program. In addition, several local jurisdictions have expressed interest in offering the program in some capacity to buyers of REO properties in their communities, or in working with large-scale employers to encourage employees who are first-time homebuyers to live closer to work. We are exploring multiple venues of sourcing the funds to pay off student loans in conjunction with home sales and financing.

### **Summary**

Maryland SmartBuy is an innovative, replicable, adaptable program that helps first-time homebuyers retire student debt and purchase a home. It meets an important state housing need, while benefiting multiple stakeholders and program participants, most notably the first-time homebuyers who have purchased under the guidelines of the program. The program has demonstrated market acceptance, with capacity for growth, effectively using resources and developing partnerships that are achieving our strategic objective to foster homeownership among millennial buyers in Maryland.

### **Attachments Provided**

- Maryland SmartBuy Fact Sheet
- Maryland SmartBuy Flyer
- Center for California Real Estate Journal, Case Presentation. Kuzmenchuk, Sergei.
- Moody's Investors Service, Issuer Comment, 12 December 2016



**MARYLAND MORTGAGE**  
*Making Homeownership Affordable*

## FACT SHEET: MARYLAND SMARTBUY

This initiative enables qualified borrowers with student debt to purchase a selected home owned by the Department of Housing and Community Development (the Department) in the state of Maryland, and receive standard financing through the Maryland Mortgage Program administered by the Community Development Administration (CDA).

### PURPOSE

To help manage the overall housing expenses for a borrower who is purchasing a Department-owned property and has an existing student debt (which can be in repayment or deferred status) balance of a minimum of \$1,000 and up to a maximum of 15% of the home purchase price. The Department will provide up to 15% of the home purchase price for the borrower to pay off the outstanding student debt. **The whole student debt must be entirely paid off at the time of the home purchase. No remaining student loan debt after the loan closing under this program is allowed.**

### TRANSACTION STRUCTURE

Purchase Price	The purchase price of the home is based on the market value and appraisal and listed by the Department on its website for the properties available under this program.
Mortgage Product	Up to 95% of the sales price will be financed with the <b>first mortgage</b> (30-year conventional amortizing mortgage loan). The first mortgage will be pooled into a FNMA Mortgage Backed Securities (MBS) structure.  The <b>second mortgage</b> is a 5-year forgivable loan in the amount of up to 15% of the purchase price; it will be used to pay off the borrower's outstanding student debt balance at the time of home purchase. The student debt loan must be in the borrower's name and for the borrower's education.  The second mortgage is a 0% interest deferred loan with no monthly payments, forgivable over 5 years at 20% rate per year on each anniversary date (remainder due upon sale or refinance if the event takes place within the first 5 years from the settlement of the first mortgage).  The second mortgage will be secured by a second lien on the property.
Down Payment and Settlement Expense Assistance	If the borrower desires it, a <b>third mortgage</b> will be provided by CDA as a regular Down Payment Assistance loan of \$5,000, 0% deferred (due upon sale, payoff, transfer, or refinance of the first mortgage), subordinated to the first and second mortgage. The third mortgage will be funded by lender at closing, in line with the current Down Payment Assistance funding process, and CDA will reimburse the lender in accordance with the already established Down Payment Assistance reimbursement process detailed in Directives 2015-27 and 2015-03.
Down Payment Required From the Borrower	The borrower will bring a minimum of 5% of the sales price as borrower's contribution to the transaction (down payment).
Mortgage Insurance	The approved Private Mortgage Insurance (PMI) partners for this program are: <b>Genworth</b> and <b>Radian</b> . The HFA Preferred Program offered by FNMA is applicable. 1008 must include the Special Feature Code 741.
Total Program Limit	Ongoing program subject to availability of eligible properties for sale by the Department
Combined Loan to Value (CLTV)	Max of 120% (Value is based on home purchase price which is calculated considering the market value and appraisal, per FNMA's guidelines.)
Geographic Limitations	Maryland statewide (see ELIGIBLE PROPERTIES below for additional parameters)
Eligible Borrower	Any creditworthy borrower, based on Fannie Mae and PMI underwriting standards, with student debt of at least \$1,000 (see ELIGIBLE BORROWERS section below for additional parameters)
Master Servicer	US Bank

### PARTNER MATCH PROGRAM

Not available with this program. Other available assistance from employers, builders, developers, non-profits, etc. may be utilized by the borrower in combination with this initiative **only if the assistance comes in the form of grants** (which are not included in the calculation of the Combined Loan to Value ratio and will not be matched by the Department's funds).

For more information, please visit:

**mmp.Maryland.gov/  
SmartBuy**

Single Family Housing - Community Development Administration  
Maryland Department of Housing and Community Development  
7800 Harkins Road • Lanham, MD • 20706



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Lt. Governor



Kenneth C. Holt,  
Secretary  
Tony Reed,  
Deputy Secretary



**MARYLAND MORTGAGE**  
*Making Homeownership Affordable*

## FACT SHEET: MARYLAND SMARTBUY

### MARYLAND HOME CREDIT PROGRAM

Not available with the program

### ELIGIBLE PROPERTIES

Selected Department Real Estate Owned (REO) properties only. The properties available under this program will be listed on the Department's website at <http://dhcd.maryland.gov/Residents/Pages/reo/default.aspx> and on the Maryland Mortgage website at [mmp.maryland.gov/SmartBuy](http://mmp.maryland.gov/SmartBuy).

### ELIGIBLE BORROWERS

- Specific requirements for borrowers with existing student loan debt:
  - ✓ Minimum remaining balance of student loan debt of \$1,000 and up to a maximum of 15% of the sales price. The student loan has to be in the name of the borrower for the borrower's education. The loan included in the statement has to be easily identifiable as a student loan and it has to match the loan/s listed in the borrower's credit report.
  - ✓ The student loan may be in repayment or deferred status.
  - ✓ An eligible educational institution is an accredited public, nonprofit, or proprietary (privately owned profit-making) college, university, vocational school, or other postsecondary educational institution. Also, the institution must be eligible to participate in a student aid program administered by the U.S. Department of Education. (Virtually all accredited post-secondary institutions meet this definition.)
  - ✓ A monthly statement or verification from the student loan lender/servicer (personal loans from private individuals do not qualify) verifying the amount of the indebtedness must be in the loan file. The lender is the organization that made the loan initially; the lender could be the borrower's school; a bank, credit union, or other lending institution; or the U.S. Department of Education. The borrower must be current on the student loan at the time of the SmartBuy loan reservation and closing.
  - ✓ The full outstanding balance of the student debt (which shall not exceed 15% of the purchase price) must be paid off as part of closing. This will be done by the title agency who closes the loan and, immediately upon payment, a request should be sent to the student debt financial institution to provide the borrower and/or the title agency with a statement confirming that the student loan balance is zero. This confirmation of zero balance constitutes a post-closing requirement for CDA (related only to the second lien).
- All customary loan underwriting standards and requirements related to student debt apply and will be used to qualify the homebuyers. Eligible borrowers must qualify for a Maryland Mortgage loan, i.e. credit score, total debt-to-income (DTI) ratio, income and purchase price limitations, asset limitations, etc.
- In order to ensure consistency for all Maryland Mortgage loans, the proposed student debt program requires homebuyers to take a Homebuyer Education class as required by the local jurisdiction. The education class can be any class approved by HUD, Fannie Mae or Freddie Mac, including an online class (some jurisdictions have special requirements). (<http://mmp.maryland.gov/Pages/Homebuyer-Education.aspx>).
- For more information on general Maryland Mortgage program requirements, go online to <http://mmp.maryland.gov/Lenders/Pages/Fact-Sheets.aspx> or browse the website at [www.mmp.maryland.gov](http://www.mmp.maryland.gov).

### FIRST TIME HOMEBUYER REQUIREMENTS

While Maryland Mortgage program loans generally are limited to first-time homebuyers, the requirement is waived if:

- Borrower is purchasing in a targeted area (see <http://mmp.maryland.gov/Pages/Targeted-Areas.aspx> for more information on targeted areas);
- It has been more than three years since the borrower has owned a principal residence; or
- Borrower is an honorably discharged veteran who has not previously used the first-time homebuyer exemption. This is in accordance with the Heroes Earnings Assistance and Relief Tax Act of 2008, as amended. A DD-214 form must be submitted to document veteran status, and an Attachment V - Veteran First Time Homebuyer Exemption form (located at <http://mmp.maryland.gov/Lenders/Pages/Loan-Documentation.aspx> under First Mortgage Pre-Closing/Documents That Are Sometimes Required) must be completed.

Regardless of the waiving of the first-time homebuyer requirement, no Maryland Mortgage Borrower can own **any other real property** at time of closing.



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## FACT SHEET: MARYLAND SMARTBUY

### SPECIAL FINANCING SITUATIONS

If a borrower pays off the first mortgage loan under this program using a Maryland Mortgage refinance loan (with the goal of reducing the interest rate), the existing second mortgage lien will be subordinated to the new first mortgage subject to the Department's review, and it will remain forgivable for the remainder of the original 5-year term.

### UNDERWRITING REQUIREMENTS

This program requires **manual underwriting** only, which mandates the following:

**Minimum credit score:**

- 680 with no reserves and DTI less than or equal to 36%
- 700 with no reserves and DTI greater than 36% but less than or equal to 45%
- 680 with two months of reserves and DTI greater than 36% but less than or equal to 45%

All underwriting overlays of US Bank, FNMA and PMIs apply.

(You can find the latest version of the FNMA Eligibility Matrix on their Single Family Mortgage Products page:  
<https://www.fanniemae.com/singlefamily/mortgage-products>)

The PMIs will underwrite all files before providing the mortgage insurance certificate.

All other rules relating to Maryland Mortgage program loans apply except where specifically noted in this document.

The post-closing documentation must include the final student debt statement showing that the student debt balance has been brought to zero.

Any overlays required by FNMA, PMIs and US Bank apply.

**Disclaimer:**

The terms and conditions are subject to change until a borrower qualifies for the loan and locks in the interest rate. A borrower should contact an approved lender for further information concerning a loan and applying for a loan (see "mmp.maryland.gov"). In connection with the Maryland Mortgage program, the Maryland Department of Housing & Community Development makes no promises, representations or warranties to any party, including any borrower, about the actual benefit a Maryland Mortgage loan might provide to a specific homeowner. Each borrower's situation is different, and borrowers should seek the advice of a financial advisor, attorney or housing counselor before entering into any loan transaction.



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# STUDENT LOAN DEBT... NO LONGER A BARRIER TO HOMEOWNERSHIP.



**MARYLAND  
MORTGAGE**  
SMART BUY

The Maryland SmartBuy initiative can help qualified applicants with eligible student debt purchase a home. The program offers highly attractive financing and closing cost assistance for move-in-ready homes, including loan forgiveness of up to 15% of the purchase price to eliminate student debt. Maryland SmartBuy mortgage loans are provided through the department's Maryland Mortgage program, and come with the security that only the state's flagship program can provide.

For more information, please visit:

**[mmp.Maryland.gov/SmartBuy](http://mmp.Maryland.gov/SmartBuy)**

- Eliminate student loan debt
- Purchase a move-in-ready home
- One convenient payment a month
- Get attractive financing and closing cost assistance
- Streamlined and straightforward home buying and financing experience



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## ISSUER COMMENT

12 December 2016

Rate this Research



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## Maryland Community Development Administration

### Maryland CDA's Student Loan Homeownership Program Is Credit Neutral

On November 21st the Maryland Community Development Administration (the Administration) (A1/Stable) launched the Maryland Mortgage SmartBuy Program which allows homeowners to eliminate their student loan debt in conjunction with the purchase of a new home. We expect the program to be credit neutral to the Administration and its primary single family mortgage programs (Residential Revenue Bonds (Aa2/Stable) and Single Family Housing Revenue Bonds (Aaa/Stable)) since the potential financial impact to the Administration amounts to less than 0.5% of net assets. However, the program will allow the Administration to reach a larger borrower base by allowing them to lend to individuals with high student debt burdens.

The potential financial impact of SmartBuy to the CDA and its programs is minimal. The SmartBuy program is targeted to qualified borrowers who have student loan debt and are willing to purchase a home currently held within the Administration's Residential Revenue Bonds real estate owned (REO) portfolio. Participants in the SmartBuy program will receive up to three mortgage loans:

- » First mortgage: The first mortgage will be up to 95% of the sales price and will be pooled into a FNMA MBS structure. This mortgage loan will be held within the Collateral Reserve of the Residential Revenue Bonds indenture.
- » Second mortgage: The second mortgage, secured by a second lien on the property, is a 5-year forgivable mortgage in the amount of up to 15% of the purchase price that will be used to pay off the borrower's outstanding student loan debt balance at the time of home purchase. Any student loan debt remaining above and beyond the amount of the second mortgage must be paid off by the borrower by the time of the loan closing. The second mortgage is a 0% interest deferred loan with no payments, forgivable over 5 years at 20% per year, due upon sale or refinance if the event takes place within the first 5 years.
- » Third mortgage: The borrower also has the option of obtaining a third mortgage, subordinate to the first and second mortgage, for a down payment assistance loan of \$5,000. This mortgage is a 0% deferred loan that is due upon the sale, transfer or refinance of the first mortgage.

The Administration plans to finance \$10 million in total purchase price of homes through the program, limiting the Administration's exposure to the SmartBuy program to a maximum of \$1.5 M in exposure or 15% of the purchase price associated with the second loan. This amounts to 0.5% of the Residential Revenue Bond's net assets and a smaller percentage of the Administration's total net assets. Financing for the second mortgage loan will be taken from the proceeds of the sale of the REO property, and the difference will be repaid from the Collateral Reserves within the Residential Revenue Bonds indenture. However, CDA expects to recoup the majority of this \$1.5 M through the interest payments made on the new first loan made via SmartBuy, which is also held within the Collateral Reserve. Financing for the down payment assistance loans comes from annual state appropriations received by the Administration. The program was established through legislation introduced by Governor Larry Hogan and approved in the 2016 legislative session.

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## Moody's Related Research

- » [State Housing Finance Agencies - US 2017 Outlook - HFA Margins Exceed Expectations Driving Positive Outlook](#) November, 29 2016
- » [Housing Finance Agencies - US Medians - Leaner Balance Sheets Continue to Generate Strong Margins](#) September 8, 2016

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# Maryland SmartBuy Program:

## AN INNOVATIVE NEW PATH TO HOMEOWNERSHIP FOR BUYERS WITH STUDENT LOANS

By **Sergei Kuzmenchuk**, CHIEF FINANCIAL OFFICER, MARYLAND DEPARTMENT OF HOUSING  
AND COMMUNITY DEVELOPMENT

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### KEY TAKEAWAYS

- The Maryland Department of Housing and Community Development implemented an innovative homeownership program to help credit-qualified home buyers with student loan obligations buy their own homes. Without this program, many potential home buyers would struggle with access to homeownership.
- The program benefits the home buyers, the neighborhoods, and the department, as it fulfills its mission of providing affordable and sustainable financing for qualified home buyers while stabilizing communities.
- The program was approved in the 2016 legislative session through legislation introduced by Gov. Larry Hogan.

### Case Study Abstract

*If you have not been keeping up with changes to underwriting requirements for residential mortgage loans, you may not be aware of recent requirements for mortgage companies to use student loan repayment obligations as a reduction in a home buyer's ability to qualify for a higher mortgage loan. This change alone, as well-intentioned as it may be, caused many previously-qualified home buyers to be priced out of the home-buying market.*

*The Maryland Department of Housing and Community Development developed a program that effectively tackles this impediment to homeownership. Program participants must buy one of the department-owned homes to qualify for very advantageous financing through the Maryland Mortgage Program. In exchange, the participants have their student loans paid off at home purchase, and if they live in the home for 5 years or longer, the additional mortgage loan used to pay off the student debt will be fully forgiven.*

## Case Presentation

The Maryland Department of Housing and Community Development financed more than 10,000 loans over the last five years, in addition to funding thousands more loans since its inception for primarily first-time home buyers in the state of Maryland. Through prudent underwriting requirements and conservative financial management, the department has been able to ensure a successful and sustainable homeownership experience. A small percentage of homes end up in foreclosure and result in the department taking ownership of certain homes with deferred maintenance issues. The department then restores these homes to be owner-occupant-ready and markets them to creditworthy individuals who have student loan obligations that prevent them from qualifying for mortgage financing.

Known as the Maryland SmartBuy program, this innovative approach was designed to allow the department to sell its own homes and provide unique mortgage financing benefits to the buyers of these properties. To implement this program, the department partnered with Fannie Mae, private mortgage insurance companies, its extensive network of private originating lenders, real estate agents, title companies, and its master loan servicer, U.S. Bank. The department renovates and offers its homes for sale at fair market value using its real estate partners, Long & Foster and Cummings & Co. Up to 15 percent of the purchase price of these homes is offered to pay off student loans for otherwise qualified home buyers.

This is a win for home buyers, as they swap their student debt obligations for this newly added capacity to borrow funds for the purchase of a home. This is also a win for our neighborhoods. Since the values of these homes are not discounted by the 10-20 percent typical of other bank-owned property sales, the neighborhood benefits from

stable home valuation (the current market value at the time of appraisal) and from putting owner-occupants in these otherwise empty homes. Finally, this is a win for the department, as it accelerates sales of its real estate owned properties, which are non-revenue but expense-generating assets due to maintenance costs. By substituting them with performing loans, the department will benefit from revenue generated over time, which will repay the amount of sale proceeds used to pay off student debt at the time of home purchase.

This program augments the department's mission-centric standing in the community without causing negative credit implications for its highly-rated housing program portfolios, as attested to by Moody's Investors Service in its publication dated Dec. 12, 2016, "Maryland Community Development Administration: Maryland CDA's Student Loan Homeownership Program Is Credit Neutral."

Since the official commencement of the program in November 2016 to the end of March 2017, the department sold seven homes in six counties with an average purchase price of \$199,000. For each of the buyers, we offered a \$5,000 down payment and closing cost assistance and a zero percent deferred loan. Plus, on average, we used 9 percent of sale proceeds to pay off student loans. Any amount the department uses to pay off a student loan is recorded as a second lien loan on the home, forgivable over five years. The forgivable loan requirement was put in place to prevent "home flipping" and to ensure that only home buyers who intend to own their homes for longer terms qualify for this financial assistance package. ■

### REFERENCES

December 12, 2016, Moody's Investors Service in its publication dated December 12, 2016, "Maryland Community Development Administration: Maryland CDA's Student Loan Homeownership Program Is Credit Neutral."

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Sergei V. Kuzmenchuk joined the Maryland Department of Housing and Community Development ("the Department") as its Chief Financial Officer in June of 2015 after serving as Chief Financial Officer at the District of Columbia Housing Finance Agency (the "DCHFA") since October 2008. Prior to joining the DCHFA, he served as the Department's Deputy Director of Finance for the Community Development Administration ("CDA") from August 2000 until January 2006, and Director of Finance for CDA from January 2006 until October of 2008.