

Innovation That Helps Idaho Heroes Save

Idaho Housing and Finance Association

Homeownership: Empowering New Buyers

HFA Staff Contact

Benjamin Cushman

benjamin@ihfa.org

“Innovation that helps Idaho Heroes save”

As the COVID-19 pandemic strained our country, one group stepped up to shoulder the burden. Essential workers – teachers, paramedics, doctors and nurses, firefighters, current and former military members, law enforcement officers, and retail workers – took care of us during a challenging time.

To express our appreciation, Idaho Housing and Finance and its partners teamed up to take care of them. In October 2020, we launched the Idaho Heroes Loan, which provides an attainable, affordable path to homeownership for Idahoans who do so much for our communities.

The program’s special mortgage rate, which started at 2.125%, is coupled with homebuyer education, a gift from a benefactor, a forgivable loan combining DPA resources up to 7% of the sales price making the home more affordable. Those financial benefits add up and can save buyers as much as \$30,000 over the life of the loan.

Innovative response to an important state housing need

What makes the Idaho Heroes Loan unique is it doesn’t use taxpayer dollars or any special state or federal funding allocation. Instead, Idaho Housing used the funding capacity available in our bond indenture program to provide nearly \$25 million in affordable mortgages to this underserved segment of homebuyers, specifically qualified middle-income borrowers who have difficulty affording housing in the nation’s hottest housing market.

Home prices in Idaho climbed more than 21 percent in the past year, according to the Federal Housing Finance Agency’s Housing Price Index. In fact, the agency says Idaho has led the nation in home-price appreciation since June, 2018. In Boise, the state’s largest metro area, prices have increased more than 23 percent in the last year. The state’s rapid population growth and a limited supply of homes makes it difficult for those on a working-class salary to afford their own home.

Through the Idaho Heroes program, we’ve issued around \$40 million in new loans in a few months that put the dream of homeownership in reach for nearly 160 Idaho essential workers and their families.

Effective use of resources

To make it work, Idaho Housing took advantage of historic low interest rates and some of our existing bonds, making funds available for the Idaho Heroes program. Thanks to the early success of this program, Idaho Housing and Finance was able to open it up to all of our loan programs, including conventional loans.

We also worked with our partners to get the word out about this program. Police, firefighter, and education organizations joined our traditional partners such as REALTORS® and lenders to spread the news about the Idaho Heroes program. This targeted marketing took the message directly to the people this program was for, without having to spend money on a big advertising campaign that would not have been as effective. We were able to get the word out thanks to grassroots marketing, using our social media channels, traditional media, and partners around the state to get the word out to essential workers. Any paid marketing efforts specific to the program were folded into our organizations existing marketing budget.

Effectively employ partnerships

This program took more than just innovative thinking. It took collaboration with our partners in the community. To help cover down payment and closing cost assistance, we tapped into a grant from the Micron Foundation, one of the state's largest employers. The grant Micron contributed helped provide an additional \$1,000 in down payment and closing costs assistance for 50 homebuyers. Additional fundraising through the Home Partnership Foundation is further expanding the resources of this program.

Achieve strategic objectives

While we didn't know what to expect when we started the program, it's clear that it is successfully filling a need in our communities. Since the program began, nearly 160 loans have been provided to essential workers across Idaho.

The Idaho Heroes Loan Program has proven so successful and was greeted with such enthusiasm from REALTORS®, lenders and homebuyers that Idaho Housing and Finance opted to continue and expand the program. With the bond funding depleted we capitalized on the low interest rates and offered a higher income limit for the state of \$110k borrower income. The interest rate varied just a bit from what was initially offered, and the requirements have been changed to allow more essential workers around the state to qualify for the loan.

Visual Aids



IDAHO HEROES LOAN PROGRAM

Program Information

- Available to healthcare professionals, firefighters, paramedics, lawenforcement, military/veterans, teachers, and retail workers
- No first-time homebuyer requirement.
- Down Payment/Closing Cost assistance available:
 - Forgivable Loan of .50% - 3.5%
 - Second Mortgage up to 2.5%
- The Homebuyer Tax Credit (MCC) is available to eligible first-time homebuyers and previous homeowners in targeted counties only.
- Finally Home![®] Homebuyer education required
- Manufactured homes are allowed per agency guidelines

*They have worked to take care of us.
Let's work together to take care of them.*

**Idaho Housing
and Finance**
Association
www.idahohousing.com

Idaho Housing and Finance used grassroots marketing to promote the Idaho Heroes Loan Program, posting information like this on our social media platforms. The posts below are just some of the examples of the marketing we did on Twitter, as well as Facebook and Instagram.



We all know how important frontline workers have been during the #COVID19 pandemic. To say thank you, we're offering them a special 2.375% mortgage rate. We've teamed up with @MicronGives to provide down payment and closing cost assistance. Learn more at bit.ly/3kguiwB.



HOMES FOR IDAHO HEROES
You've been there for us. Let us be there for you.

**Idaho Housing
and Finance**
Association

8:03 AM · Oct 16, 2020 · TweetDeck




Our Idaho Heroes loan has expanded! You no longer need to be a first-time homebuyer to qualify and income limits have been increased to \$110,000. If you are an essential worker looking for a home be sure to ask your lender about our Idaho Heroes loan options.



IDAHO HEROES LOAN PROGRAM
You've been there for us. Let us be there for you.

**Idaho Housing
and Finance**
Association

4:30 PM · Mar 5, 2021 · TweetDeck

 Idaho Housing and Finance Association
Published by Cristina Carlos · March 5 ·

Our Idaho Heroes are still working hard for us and we can now thank even more of them with our Idaho Heroes loan. You no longer need to be a first-time homebuyer to qualify and income limits have been increased to \$110,000. Down payment and closing cost assistance is still available. If you are a healthcare professional, firefighter, paramedic, law enforcement professional, teacher, veteran, or retail worker looking for a home be sure to ask your lender about our Idaho Heroes loan options.



idahousing · Following

idahousing Our Idaho Heroes are still working hard for us and we can now thank even more of them with our Idaho Heroes loan. You no longer need to be a first-time homebuyer to qualify and income limits have been increased to \$110,000. Down payment and closing cost assistance is still available. If you are a healthcare professional, firefighter, paramedic, law enforcement professional, teacher, veteran, or retail worker looking for a home be sure to ask your lender about our Idaho Heroes loan options.

#idahousing #ihfa #idahoheroes #covid_19 #essentialworkers #idaho

8 likes
MARCH 5

Add a comment... Post

We also promoted the program on our website, including it as one of three rotating billboards at the top of our site. The billboard below shows what the web user would see. Clicking on the image redirects the person to the program page, where they can learn more about it and what they need to do if they would like to take advantage of it.



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