

Supporting Our Community Heroes

Virginia Housing

Homeownership: Empowering New Buyers

HFA Staff Contact

Brian Matt

Brian.Matt@VirginiaHousing.com

Brief Description of the Community Heroes Program

Educators and first responders do so much to improve our lives, especially during these trying times of the COVID-19 pandemic. However, they often cannot afford to buy homes in the communities in which they serve.

As a result, Virginia Housing partnered with the Federal Home Loan Bank of Atlanta to support these individuals through the new Community Heroes Grant Program. This new program provides down payment and closing cost assistance grants to help public school educators and first responders to purchase their first homes.

The Community Heroes program is available to current and retired law enforcement officers, firefighters, EMS responders, and public school educators and staff earning between 80.01 to 120 percent of area median income or Virginia Housing's income limits. The program is providing 125 grants of \$8,000 each to eligible borrowers for a total investment of \$1,000,000.

The funds are used to help educators and first responders buy their first homes in the communities in which they serve, and can be used for down payment and closing costs. The grants are offered through Virginia Housing-approved lenders that are also FHLBank Atlanta members.

In addition to meeting eligibility requirements, the homebuyer must contribute at least 1% of the sales price toward the purchase of the home, occupy the home as a primary residence, and complete Virginia Housing's homebuyer education course.



"We closed the first Community Heroes Grant in the Commonwealth of Virginia this morning for a Chesterfield County police officer, Kasey Bennett and her husband, Matt. Thanks to each and every one of you for your help in making that happen. I look forward to doing many more."

*Rob Arthur, Senior Loan Officer/Area
Manager
Ameris Bank – Richmond, VA*

Why Virginia Housing's Community Heroes Grant Program is Meritorious and Meets NCSHA Judging Criteria

Innovative

The Community Heroes Grant Program is unique because it not only supports those who serve others in the community, such as public school educators, law enforcement officers, firefighters, and other first responders, but also those likely to be included in the "missing middle." The missing middle consists of those earning between 80.01 and 120 percent of area median income who may not be eligible for other grant programs with lower income requirements.

Virginia Housing
Supporting Our Community Heroes
Homeownership – Empowering New Buyers

Replicable

HFAs have the opportunity to replicate this program by partnering with their Federal Home Loan Bank and creating a similar initiative. Because Virginia Housing has established this program with FHLB of Atlanta, those HFAs located in this region may have a head start.

Responds to an important state housing need

In support of Governor Ralph Northam's Executive Order 25, The Community Heroes Grant Program helps address the shortage of affordable housing in Virginia by helping an important segment of our workforce attain safe, quality homes. The program accomplishes this by reducing the cost of housing to help more educators and first responders become homeowners in the areas where they serve. Virginia Housing also addressed this need by proactively engaging with a partner (FHLBank Atlanta) to help make this program a reality.

Proven track record of success in the marketplace

As of May 15, 2020, Virginia Housing has issued grants totaling \$408,000 to help make 68 educators and first responders become first-time homebuyers across the state. These grants have been awarded through 10 FHLBank shareholder banks, including Virginia Credit Union, Presidential Bank, Ameris Bank, Farmers Bank, F&M Bank, C&F Bank, Sona Bank, Truist Bank, TowneBank, and Village Bank.

As a result of this effort, Virginia Housing ranks first among participating housing authorities in FHLBank Atlanta's Southeastern region in providing down payment assistance to educators and first responders.

Provide benefits that outweigh costs

The Community Heroes Program provides a number of benefits to educators and first responders. For example, the \$8,000 grant for down payment and closing cost assistance never has to be repaid, and income limits allow us to reach the "missing middle". In addition, there is little to no cost to administer the program.

Demonstrates effective use of resources

Virginia Housing set aside \$750,000 of its internally generated REACH *Virginia* (Resources Enabling Affordable Community Housing) funds for the Community Heroes Program to provide a 3-to-1 match with FHLBank Atlanta's \$250,000 contribution. To date, these resources have funded more than half of the 125 grants available in the program.

Virginia Housing's REACH *Virginia* program provides financial assistance to serve targeted areas of need, which includes assisting first-time homebuyers, rent-burdened populations, people with disabilities, as well as the elderly and military veterans.

Effectively employs partnerships

Virginia Housing successfully partnered with the Federal Home Loan Bank of Atlanta on this new grant program, which has effectively helped first responders and educators to become first-time homebuyers in Virginia.

In addition, Virginia Housing initiated a unique partnership with the professional associations representing first responders and educators to help spread the word about the program. By partnering with these organizations, we were able to place a well-designed promotional article

Virginia Housing
Supporting Our Community Heroes
Homeownership – Empowering New Buyers

on the Community Heroes program (attached) in their newsletters, emails, and magazines to generate more awareness about the program.

These associations included the Virginia Sheriffs Association, Virginia Association of Chiefs of Police, Virginia State Police Association, Virginia Department of Fire Programs, Virginia Fire Chiefs Association, Virginia Professional Fire Fighters, Virginia Education Association, Virginia Professional Educators, Virginia State Fire Fighters Association, and Virginia Office of Emergency Medical Services.

As a result, we were able to reach our audience in one of the most direct ways possible to promote the program.

Achieve strategic objectives

Virginia Housing is dedicated to providing financing for safe, quality affordable housing to low- and moderate-income Virginians. The Community Heroes Program helps meet Virginia Housing's strategic goals by a.) helping to increase the number of first-time homebuyers in areas across the state, and b.) helping those first-time homebuyers that are serving on the front lines during COVID-19. The Community Heroes Program is an exceptional model of an initiative that effectively meets the authority's strategic objectives.

Conclusion

Our community heroes – law enforcement officers, firefighters, and teachers – deserve to be supported in recognition of the difficult jobs they do every day, especially during the coronavirus pandemic. With the help of the Community Heroes Grant program, these first responders and educators earning between 80 to 120 percent of AMI can receive \$8,000 in down payment and closing cost assistance to buy their first home in the communities in which they serve. Virginia Housing hopes to expand this program to include nurses.

“Educators and first responders do so much to improve our lives, yet often cannot afford to buy homes in the communities in which they serve,” said Virginia Housing CEO Susan Dewey. “We are very proud to support these community heroes by providing these grants – which do not have to be repaid – to help them purchase affordable homes.”

Attachment:

Community Heroes article that was sent to police, teachers, and first responders through the newsletters, emails, and magazines of their professional associations.

COMMUNITY HEROES GRANT \$8,000

VHDA's Community Heroes Grant Program Helps Educators and First Responders Buy Homes

VHDA has partnered with the Federal Home Loan Bank of Atlanta to create the Community Heroes grant program. This program will provide an \$8,000 grant for down payment and closing cost assistance to help public school educators and first responders, such as law enforcement officers and firefighters, to purchase their first homes.



Program Details

What makes this different from other similar grants on the market?

- ▶ It never has to be repaid.
- ▶ The income limits are substantially higher than most other grants.

Who is eligible for this program?

- ▶ **Educators:** An employee of an accredited or state-recognized public school; a certified teacher or administrator in a public school or education agency; an employee of a post-secondary level public educational institution; or a person who has retired as one of the above as may be determined by VHDA at their sole discretion.
- ▶ **Law Enforcement Officers, Firefighters, and First Responders:** An employee of a law enforcement agency or fire department administered by a federal, state or local government, or a sworn law enforcement officer responsible for crime prevention and detection or criminal incarceration; a sworn member of a fire department involved in fire suppression or prevention, emergency medical response, hazardous materials incident response, or management/response to terrorism; any other first responder, such as an emergency medical technician or National Guard or Reservist; or a person who has retired as one of the above as may be determined by VHDA at their sole discretion.

Community Heroes Grant Program Highlights:

- ▶ For first-time purchase transactions only (no refinances).
- ▶ Eligible borrower(s) must have household income that falls within the ranges listed on the following page.
- ▶ Must be used with a VHDA first mortgage product.
- ▶ Must work with a VHDA lender that is approved to offer this limited-time product.

To see a list of approved lenders offering the Community Heroes grants, please visit **vhda.com/CHLenders**.

For more information, contact Dan Kern, VHDA Business Development & Training Manager, at Dan.Kern@vhda.com or (804) 343-5992.

VHDA Community Heroes Income Limits

Area		Household Size								Sales Price Loan Limits
		1	2	3	4	5	6	7	8+	
Washington-Arlington-Alexandria	Minimum	\$68,001	\$77,681	\$87,361	\$97,041	\$104,881	\$112,641	\$120,401	\$128,161	\$525,000
	Maximum	\$102,000	\$116,520	\$131,040	\$145,560	\$157,320	\$161,300	\$161,300	\$161,300	
Charlottesville	Minimum	\$50,081	\$57,281	\$64,401	\$71,521	\$77,281	\$83,041	\$88,721	\$94,481	\$375,000
	Maximum	\$75,120	\$85,920	\$96,600	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000	
Richmond	Minimum	\$49,551	\$56,651	\$63,701	\$70,801	\$76,451	\$82,151	\$87,801	\$93,451	\$425,000
	Maximum	\$74,323	\$84,974	\$95,548	\$106,200	\$114,674	\$114,900	\$114,900	\$114,900	
Norfolk-VA Beach-Newport News	Minimum	\$49,551	\$56,651	\$63,701	\$70,801	\$76,451	\$82,151	\$87,801	\$93,451	\$390,000
	Maximum	\$74,323	\$84,974	\$95,548	\$105,400	\$105,400	\$105,400	\$105,400	\$105,400	
Culpeper	Minimum	\$49,551	\$56,651	\$63,701	\$70,801	\$76,451	\$82,151	\$87,801	\$93,451	
	Maximum	\$74,323	\$84,974	\$95,548	\$106,200	\$107,700	\$107,700	\$107,700	\$107,700	
Rappahannock	Minimum	\$49,551	\$56,651	\$63,701	\$70,801	\$76,451	\$82,151	\$87,801	\$93,451	\$450,000
	Maximum	\$74,323	\$84,974	\$95,548	\$103,300	\$103,300	\$103,300	\$103,300	\$103,300	
Warren	Minimum	\$49,551	\$56,651	\$63,701	\$70,801	\$76,451	\$82,151	\$87,801	\$93,451	
	Maximum	\$74,323	\$84,974	\$95,548	\$100,600	\$100,600	\$100,600	\$100,600	\$100,600	
King George	Minimum	\$55,681	\$63,681	\$71,601	\$79,521	\$85,921	\$92,321	\$98,641	\$105,041	\$300,000
	Maximum	\$83,520	\$92,600	\$106,900	\$106,900	\$106,900	\$106,900	\$106,900	\$106,900	
All Other Areas of Virginia	Minimum	\$49,551	\$56,651	\$63,701	\$70,801	\$76,451	\$82,151	\$87,801	\$93,451	\$270,000
	Maximum	\$74,323	\$84,000	\$95,548	\$96,600	\$96,600	\$96,600	\$96,600	\$96,600	

Washington-Arlington-Alexandria:

Alexandria
Arlington County
Clarke County
Fairfax
Fairfax County
Falls Church
Fauquier County
Fredericksburg
Loudoun County
Manassas
Manassas Park
Prince William County
Spotsylvania County
Stafford County

Charlottesville:

Albemarle County
Charlottesville
Fluvanna County
Greene County
Nelson County

Richmond:

Amelia County
Caroline County
Charles City County
Chesterfield County
Colonial Heights
Dinwiddie County
Goochland County
Hanover County
Henrico County
Hopewell
King William County
New Kent County
Petersburg
Powhatan County
Prince George County
City of Richmond
Sussex

Norfolk-Virginia Beach-Newport News:

Chesapeake
Gloucester County
Hampton
Isle of Wight County
James City County
Mathews County
Newport News
Norfolk
Poquoson
Portsmouth
Suffolk
Virginia Beach
Williamsburg
York County

- ▶ These limits apply to all VHDA loans. VHDA Plus combined first and second mortgage cannot exceed maximum sales price limit.
- ▶ Loan amounts that include financed guaranty fees or mortgage insurance premiums cannot exceed VHDA's sales price limits.
- ▶ Please check with a Community Heroes Lender to verify income, sales price and loan limits for your purchase (vhda.com/CHLenders).
- ▶ Conventional loans follow the maximum conforming loan limits.

Effective 9-5-2019



The information contained herein (including but not limited to any description of VHDA and its lending programs and products, eligibility criteria, interest rates, fees and all other loan terms) is subject to change without notice.

