HOMEOWNERSHIP PROGRAMS INCOME AND ACQUISITION LIMITS UPDATED

BISMARCK, N.D. – The North Dakota Industrial Commission has approved updated income and acquisition cost limits for the North Dakota Housing Finance Agency's (NDHFA) homeownership programs. The NDHFA assists state residents, typically first-time buyers, with the purchase of a home by providing low-cost financing and offering down payment and closing cost assistance and homebuyer education.

"Over the past 35 years, the NDHFA has helped more than 41,000 individuals and families successfully achieve homeownership," said members of the Industrial Commission in a joint statement. "Homeownership is a dream for many families, and by working with our lending partners we are pleased to assist them in reaching that goal."

The commission, consisting of Gov. Doug Burgum as chairman, Attorney General Wayne Stenehjem and Agriculture Commissioner Doug Goehring, oversees the NDHFA.

The maximum income limits for NDHFA's FirstHome™ and HomeAccess programs were set at $77,600 to $102,925, and North Dakota Roots was set at $108,640 to $135,380. The limits vary depending on household size and the county where a financed home is located.

The FirstHome and HomeAccess acquisition cost limits for Burleigh, Morton, Stark and Williams counties were set at $273,176 for a new or existing single-family home. For all other counties, the limits were set at $253,809. Higher limits were also approved for existing two- to four-unit properties. North Dakota Roots program users must comply with limits set by their loan insurer or guarantor.

A network of private-sector lenders originate loans on the NDHFA's behalf and sell the loans to the agency when they are closed. The updates are effective for loan reservations dated on or after June 6, 2017.

"We continue to see a favorable marketplace for first-time buyers and expect to serve approximately the same number of households in 2017 as we did the previous year," said Jolene Kline, NDHFA executive director.

In 2016, the NDHFA assisted 1,087 first-time homebuyers through its FirstHome program. The average borrower's household income was $56,000 and the average loan amount was $160,400.

Through HomeAccess, special needs households who may have previously owned a home may receive the same purchase assistance as first-time buyers.

Through North Dakota Roots, the NDHFA provides purchase assistance to moderate-income buyers who may have previously owned a home and first-time buyers whose income exceeds FirstHome program limits.

Borrowers receiving purchase assistance from the NDHFA are expected to meet normal credit underwriting standards and must intend to occupy the property as their principal residence. A minimum of a $500 out-of-pocket cash investment is required.

The income limits for the NDHFA's homeownership programs are based on median income numbers published annually by the U. S. Department of Housing and Urban Development. Mortgage revenue bond regulations allow the agency to use the greater of county or state median income.

Based on Federal Housing Administration loan limits, the NDHFA's acquisition cost limits are dictated by the Internal Revenue Service. The limits are adjusted to take into account the differences between average and median home prices and do not differentiate between new and existing properties.

The NDHFA is a public financial institution dedicated to making housing affordable for all North Dakotans. More information on the agency's homeownership programs is available online, www.ndhfa.org, or by contacting the agency at (800) 292-8621.

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