

Down Payment Assistance Program Updates

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Data Collection

Oregon median home sales price for all home types: **\$410,000** (Redfin, May 2022)

OHCS Data*

- Average amount of DPA provided per homebuyer: **\$14,745**
- Average amount of additional down payment funds used per homebuyer: **\$23,771**
- Our dashboard also looks at the cost of an affordable home by county, income, and race ([here](#))

*For more DPA data, visit OHCS' Homeownership data dashboard:

https://public.tableau.com/app/profile/oregon.housing.and.community.services/viz/CombinedHODashboard_KS/TotalsDash

Program Updates

February 2022:

A new down payment assistance (DPA) framework was approved by the Housing Stability Council

- Increased DPA limits
- New First-Generation Homebuyer program is first of its kind in the nation
- We anticipate releasing our next request for applications by the Fall of 2022, through which we will distribute \$28,550,000 in DPA to eligible organizations.

Forthcoming in 2023:

An additional DPA program will pair the flex lending mortgages with DPA funds

New DPA Framework to Meet Homebuyer Needs

Increase in DPA limits for focus populations, with amounts ranging from \$30K to \$90K

Organizations can apply for up to \$500,000 in HOAP funding and \$750,000 in culturally responsive funding.

Homebuyer payment structure:

- DPA at or less than \$10,000 can be offered as a grant or loan
- DPA greater than \$10,000 will be offered as a five-year forgivable loan.
- Homeowner Assistance Program (HOAP) funds and Construction Excise Tax (CET) funds can be combined for a higher DPA for eligible homebuyers. Combined funds have a 10-year forgivable loan term.
- All culturally responsive funds must be offered as a grant.

Updated definitions:

- Veteran family includes spouse of deceased veteran.
- Adopted federal definition of first-generation homebuyer (and allows for self-attestation)



Down Payment Assistance Focus Populations

First-Generation Homebuyer

- **\$60,000 maximum** per household or 20% of purchase price, whichever is less
- 100% forgivable after five years owner occupancy
- Pre-purchase education within 24 months of purchase
- 2 counseling sessions prior to purchase
- 1 post-purchase counseling session within six months of purchase
- Qualified mortgage

First-Time Homebuyer

- **\$30,000 maximum** per household or 20% of purchase price, whichever is less
- 100% forgivable after five years owner occupancy
- Pre-purchase education within 24 months of purchase
- 2 counseling sessions prior to purchase
- 1 post-purchase counseling session within six months of purchase
- Qualified mortgage

Veterans Build Your Future

- **\$30,000 maximum** reserved for purchase per veteran household
- **\$10,000 reserved** after 12 months of ongoing coaching/counseling, up to 36 months
- 100% forgivable after five years owner occupancy
Financial literacy and/or pre-purchase counseling with counselor contact every 90-120 days during each 12-month period
- Pre-purchase education required within 24 months of purchase
- 1 post-purchase counseling session within six months of purchase
- Qualified mortgage

DPA Paired With Flex Lending

In the 2023-2025 biennium, we are requesting \$25 million in general funds to use as a recurring source of DPA.

These funds will be administered by OHCS and utilized with the forthcoming Flex Lending Program. (Additional funds from the Document Recording Fee will continue to be deployed as DPA by community partners.)

DPA will be offered in conjunction with first mortgage loans provided by approved mortgage lenders

Questions?

