

ADFA Program Could Help Make the 'American Dream' Come True for Some Phillips County Residents

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July 25, 2005

The Arkansas Development Finance Authority has many programs for Phillip County residents who are interested in home ownership. The American Dream Down-payment Initiative is now available to any person meeting the income limits set forth by HUD.

The American Dream Down-Payment Initiative is a program set-up to help those interested in homeownership with the up front costs of buying a home. Program goals highlighted on the ADFA web site are to increase the overall homeownership rate in Arkansas, to create greater opportunity for homeownership among lower income and minority households and also to bring stabilization and revitalization to communities throughout the state.

The funds from this program can be used for down payments and closing costs to go toward the purchase of a single-family dwelling by low income families who are first-time buyers. To apply you must contact any of the Home to Own participating lenders that are published on the web site www.state.ar.us/adfa/index.html.

The lenders in Helena are First Bank of the Delta and Helena National Bank. A first-time homebuyer is defined by federal regulation as someone who has not had ownership interest in his or her principal residence at any time during the past three years. If the homeowner does qualify the ADFA will provide ADDI funds in the form of a forgivable loan or a soft second mortgage in an amount of up to 6 percent of the purchase price for down payment and closing cost, not to exceed \$10,000. The loan will be forgiven in equal annual installments over the period of five years as long as the homeowner continues to own, maintain, insure, and pay all taxes on the home.

Purchase of the home is contingent upon the owner satisfying all requirements for the program. Households cannot make over the maximum county limit adjusted for the number of person's in the household. In Phillips County, a household consisting of one cannot make over \$22,400, a household of two cannot make over \$25,600, a household of three cannot make over \$28,800, and a household of four cannot earn more than \$32,000.

The buyer must complete an eight-hour homebuyer counseling class from an approved ADFA counselor. For Phillips County, the counselor is at the Southern Good Faith Fund at 502 Cherry. Contact Mindy Maupin for assistance at 816-1104. If the homeowner fails to own, maintain, insure, occupy and pay all taxes due on the home bought, the assistance may be recaptured and used to assist another homebuyer.