

HOUSING DIVISION – MONTANA BOARD OF HOUSING

MEMO

DATE: September 12, 2014

TO: Economic Affairs Interim Committee

FROM: Meg O'Leary Commerce Director
Doug Mitchell Commerce Deputy Director
Bruce Brensdal Board of Housing Executive Director

RE: Montana Veterans' Home Loan Program Update

Please find attached a fact sheet that is available to the public that outlines the details of the Montana Veterans' Home Loan Program.

We also wanted to provide a few statistics on the loans done to date through the program. As of July 31, 2014:

Total Loans:	147 loans averaging \$178,693 per loan
Pay-offs:	5 loans leaving 142 active
Current Rate:	2.812% (rates range from 1.817% to 3.000%)
Funds Available:	\$3,721,433 of the \$30,000,000
Status:	4-delinquent; 0-foreclosed
Branch of Military:	All branches are being served including reserves

Program information can be found at www.housing.mt.gov by clicking on the following icon:



(<http://housing.mt.gov/About/homeownership/mtveteranhomeloan.mcp>)

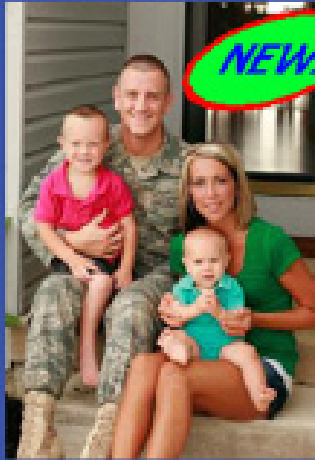


The Montana Board of Housing Announces the
Montana Veterans' Home Loan Program
Designed to Honor Montanans for Military Service



Below market interest rate
30-year fixed-rate loan

Montana Veterans'
Home Loan Program



Guard and Reserve are eligible.

Who is eligible?

- Montana National Guard or in national armed forces and reserves, serving or honorable discharge
- Un-remarried spouse of eligible veteran killed in battle
- Montana Resident
- First-Time Homebuyer (no ownership for 3 years)
- MBOH-approved Homebuyer Education graduate
- No income limitations, but requires \$2,500 minimum investment by borrower towards the loan amount

What property is eligible?

- Purchase price is \$237,690, as of June 26, 2012
- Either existing home or new construction in Montana
- Residential property, must maintain as primary residence
- Manufactured home must be de-titled and foundation must be certified by an engineer
- No Condominiums

Loan Criteria?

- Current Interest Rate and Availability of Funds found on website
- 30-year amortized fixed-rate loan
- Loan must be insured by FHA, VA, or HUD 184
- Additional terms and conditions apply
- Check website for certified lender in your area



Background:

Created by the 2011 Montana Legislature (sponsor: Sen. Larsen, Missoula), and funded by \$15 million of the Coal Tax Trust Fund, this program is designed to assist Montana National Guard and federally-qualified eligible veterans achieve the American dream of owning and living in their own homes. The benefit of the program is a fixed-rate, 30 year mortgage loan at 1% lower than either the FNMA or MBOH posted interest rate. Loans are originated by MBOH-participating and program-certified lenders, purchased and held by the Montana Board of Investments, and serviced by the Montana Board of Housing.



Visit our website: housing.mt.gov for more information