PROGRAM LIMITS INCREASED FOR FIRST-TIME HOMEBUYERS

BISMARCK – The Industrial Commission has increased the purchase price and income limits statewide for the North Dakota Housing Finance Agency’s (NDHFA) Home Mortgage Finance Program (HMFP), better known as the “First-Time Homebuyer Program.”

“Our first-time homebuyer program has made homeownership a reality for more than 25,400 North Dakota families,” said Governor John Hoeven. “The North Dakota Housing Finance Agency’s mortgage program has helped improve the economic stability for the state’s low- to moderate- income homebuyers. With the agency’s assistance, more families are realizing their dream of owning a home.”

“Increased purchase price and income limits are something we can all be excited about, as increased homeownership opportunities means economic and social benefits for all of North Dakota,” said Agriculture Commissioner Roger Johnson. “Homeownership encourages savings and investment. It promotes economic and civic responsibility, and is the primary means of wealth accumulation for most households.”

“New homeowners will have more flexibility under the program with acquisition cost limits for new and previously occupied homes increased to $189,600 for single-family homes,” said Attorney General Wayne Stenehjem. “Previous limits for existing single-family homes ranged from $90,066 to $119,409 depending on the location of the home. Limits for newly constructed single-family homes were $150,000.”

The commission’s action adjusting the acquisition cost limits is in response to information provided by the NDHFA regarding the US Treasury Department’s newly released average area purchase price safe harbor limits for Mortgage Revenue Bond (MRB) programs like the HMFP. The purchase limits were based on the Federal Housing Administration’s (FHA) single-family loan limits established annually by the US Department of Housing and Urban Development (HUD).

The HMFP’s income limit increase is based on area median income, which is updated annually by HUD. The limits vary by family size and county. Increases ranged from $200 to $1,725.

“Homebuyers who have not owned a home during the past three years may be eligible for the first-time homebuyer program,” said Pat Fricke, NDHFA executive director. “To determine eligibility or for more information on the HMFP, potential homebuyers should contact a local home loan lender.”

The Industrial Commission of North Dakota, consisting of Governor John Hoeven, as chairman, Attorney General Wayne Stenehjem and Agriculture Commissioner Roger Johnson, oversees the NDHFA. For more information about the NDHFA, contact the agency at (701) 328-8080, (800) 292-8621 or (800) 366-6888 (TTY). Information is also available online at www.ndhfa.org.

(See attached borrower income and purchase price limits for details.)

For further information: Pat Fricke (701) 328-8080
### ANNUAL INCOME LIMITS
*(Effective February 27, 2004)*

<table>
<thead>
<tr>
<th>County</th>
<th>HMFP Family Size</th>
<th>HomeKey Family Size</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Less than 3</td>
<td>3 or more</td>
</tr>
<tr>
<td>Burleigh, Cass, Mercer, Morton</td>
<td>$60,600</td>
<td>$69,690</td>
</tr>
<tr>
<td>Grand Forks, Oliver, Ransom, Traill</td>
<td>54,300</td>
<td>62,445</td>
</tr>
<tr>
<td>Richland</td>
<td>53,900</td>
<td>61,985</td>
</tr>
<tr>
<td>All other Counties</td>
<td>52,700</td>
<td>60,605</td>
</tr>
</tbody>
</table>

*Includes projected income from all sources for the 12 months following the date of application.*

### ACQUISITION COST LIMITS
*(Effective February 27, 2004)*

<table>
<thead>
<tr>
<th>County</th>
<th>New Construction</th>
<th>Existing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 Unit</td>
<td>1 Unit</td>
</tr>
<tr>
<td>Statewide</td>
<td>$189,600</td>
<td>$189,600</td>
</tr>
</tbody>
</table>

### MORTGAGE LOAN INTEREST RATE
*(Effective for reservations received on or after February 17, 2004)*

<table>
<thead>
<tr>
<th></th>
<th>Monthly Payments</th>
<th>Rate</th>
<th>P&amp;I Factor/ $1,000 Loan</th>
<th>Maximum* Points/Fees</th>
<th>Purchase** Price</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Option 1:</strong></td>
<td>1 – 12</td>
<td>4.30%</td>
<td>4.9487</td>
<td>3.0</td>
<td>98.5%</td>
</tr>
<tr>
<td></td>
<td>13 – 24</td>
<td>4.60%</td>
<td>5.1219</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>25 – 360</td>
<td>4.90%</td>
<td>5.2936</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Option 2:</strong></td>
<td>1 – 360</td>
<td>4.70%</td>
<td>5.1864</td>
<td>3.0</td>
<td>98.5%</td>
</tr>
<tr>
<td><strong>Option 3:</strong></td>
<td>1 – 360</td>
<td>4.90%</td>
<td>5.3073</td>
<td>1.5</td>
<td>100.0%</td>
</tr>
<tr>
<td><strong>HomeKey:</strong></td>
<td>1 – 36</td>
<td>3.90%</td>
<td>4.7167</td>
<td>1.5</td>
<td>100.0%</td>
</tr>
<tr>
<td></td>
<td>37 – 360</td>
<td>4.90%</td>
<td>5.2596</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* No more than 1.5 charged to the borrower(s).
** Percentage used to calculate Committed Amount.
PARTICIPATING LENDERS
(As of February 2004)

Alerus Bank*
American Federal Bank*
American State Bank, Dickinson
America’s Home Loans*
Bank Center First, Bismarck
Bank of Glen Ullin
Bank of Hamilton
Bank of Minto
Bank of Tioga
BNC National Bank*
Bremer Bank*
Capital Credit Union, Bismarck
Choice Financial Group*
Citizens Community Credit Union, Devils Lake
Citizens State Bank, Cavalier
Community Bank of the Red River Valley
Community First Mortgage*
CountryBank USA*
Dacotah Bank*
Dakota Community Bank*
Dakota West Credit Union, Watford City
Dakota Western State Bank, Hettinger
Farmers & Merchants Bank, Hatton
Farmers & Merchants State Bank of Langdon
Farmers & Merchants State Bank, Tolna
Farmers Security Bank, Washburn
Farmers State Bank Crosby
First Community Credit Union*
First International Bank & Trust*
First Mortgage Service Inc., Fargo
First National Bank & Trust, Bottineau
First Security Bank – West, Beulah
First Security Bank, Underwood
First State Bank*
First State Bank, Buffalo
First State Bank Golva
First State Bank Harvey
First State Bank of LaMoure
First State Bank, Wilton
First United Bank, Park River
First Western Bank & Trust, Minot
F-M Mortgage Corporation, Fargo
Gate City Bank*
Great Plains National Bank*
Kirkwood Bank & Trust*
Lakeside State Bank, New Town
Lewis & Clark Community Works, Bismarck
Liberty State Bank, Powers Lake
McKenzie County Bank, Watford City
ND Air National Guard Credit Union, Fargo
Northland Educators Federal Credit Union, Fargo
People’s State Bank, Fairmount
People’s State Bank of Velva
Postal Family Federal Credit Union, Fargo
Ramsey National Bank & Trust of Devils Lake
Real Estate Mortgage Investment, Bismarck
Scandia American Bank, Stanley
Security First Bank of ND*
Security State Bank, Wishek
St. Alexius Medical Center Credit Union, Bismarck
Starion Financial*
State Bank & Trust of Kenmare
State Bank & Trust, Fargo
State Bank of Lakota
Strasburg State Bank
Town & Country Credit Union*
Union Bank, Beulah
Union State Bank, Hazen
United Community Bank of ND, Lees
United Savings Credit Union, Fargo
US Bank*
Valley Mortgage Inc., Fargo
Wells Fargo Home Mortgage*
Western Cooperative Credit Union*
Western State Bank*

*Multiple Locations