



# INDUSTRIAL COMMISSION OF NORTH DAKOTA

John Hoeven  
Governor

Wayne Stenehjem  
Attorney General

Roger Johnson  
Agriculture Commissioner

News Release

March 26, 2003

For Immediate Release

## FIRST-TIME HOMEBUYER PROGRAM LIMITS INCREASE STATEWIDE

BISMARCK – The Industrial Commission has increased the purchase price and income limits statewide for the Home Mortgage Finance Program, better known as the First-Time Homebuyer Program. The Commission's action is in response to information provided by the North Dakota Housing Finance Agency (NDHFA) showing increases in average home purchase prices and median income.

"The first-time homebuyer program has made homeownership a reality for more than 24,000 North Dakota families," said Governor John Hoeven. "The income for many of these families would be insufficient to own a home without assistance and this program lifts the barriers to homeownership for low- to moderate-income families."

"By increasing the income limits, more North Dakotans now qualify for first-time homebuyer loans," said Attorney General Wayne Stenehjem. "This is something we can all be excited about as increased homeownership opportunities means economic and social benefits for all of North Dakota."

"The purchase price limits are based on a combination of the data provided by local sales surveys and by applying an approved methodology to the Federal Home Loan Bank's Mortgage Interest Rate Survey," Agriculture Commissioner Roger Johnson said. "The data is analyzed early in the year so that the new limits are available going into spring when home purchase activity typically reaches its peak."

The Internal Revenue Service allows the NDHFA and other issuers of mortgage revenue bonds to use a limitation based on local data rather than the IRS's published 'safe harbor' limits, provided the limitation is based on more accurate and comprehensive data.

Homebuyers who have not owned a home during the past three years may be eligible for the first-time homebuyer program. Borrower income and home purchase price limits vary by family size and county.

"Statewide we had an increase in the average sale prices during 2002, therefore we proposed the increase in the respective purchase price limits," said Pat S. Fricke, NDHFA executive director. "We have also elected to increase the new construction limit based on the rising cost of newly built homes and an affordability factor based on the homebuyer's household income."

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 or its homebuyer programs, contact the agency at 701-328-8080, 800-292-8621 or 800-366-6888 (TTY). Information is also available online at [www.ndhfa.org](http://www.ndhfa.org).

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

For further information: Pat Fricke (701) 328-8080



# NORTH DAKOTA HOUSING FINANCE AGENCY

## Home Mortgage Finance Program

### ANNUAL INCOME LIMITS

(Effective March 26, 2003)

County	HMFP Family Size		HomeKey Family Size	
	Less than 3	3 or more	Less than 3	3 or more
Cass, Mercer	\$ 60,100	\$ 69,115	\$ 30,050	\$ 34,558
Burleigh, Morton	59,100	67,965	29,550	33,983
Grand Forks, Oliver, Traill	54,100	62,215	27,050	31,108
Ransom, Richland	53,400	61,410	26,700	30,705
All other Counties	51,800	59,570	25,900	29,785

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

### ACQUISITION COST LIMITS

(Effective March 26, 2003)

County	New Construction	Existing			
	1 Unit	1 Unit	2 Units	3 Units	4 Units
Cass	\$ 150,000	\$ 119,409	\$ 134,455	\$ 162,755	\$ 189,264
Burleigh & Morton	150,000	98,421	110,821	134,147	155,996
Grand Forks	150,000	90,862	102,311	123,845	144,017
All other Counties	150,000	90,066	101,415	122,761	142,756

### MORTGAGE LOAN INTEREST RATE

(Effective for reservations received on or after February 11, 2003)

	Monthly Payments	Rate	P&I Factor/ \$1,000 Loan	Maximum* Points/Fees	Purchase** Price
Option 1:	1 – 12	4.75%	5.2165	3.0	98.5%
	13 – 24	5.05%	5.3944		
	25 – 360	5.35%	5.5707		
Option 2:	1 – 360	5.15%	5.4603	3.0	98.5%
Option 3:	1 – 360	5.35%	5.5841	1.5	100.0%
HomeKey:	1 – 36	4.35%	4.9781	1.5	100.0%
	37 – 360	5.35%	5.5370		

\* No more than 1.5 charged to the borrower(s).

\*\* Percentage used to calculate Committed Amount.

PARTICIPATING LENDERS  
(As of February, 2003)

Alerus Financial  
America's Home Loans  
American Federal Bank  
American State Bank, Dickinson  
Bank Center First, Bismarck  
Bank of Glen Ullin  
Bank of Hamilton  
Bank of Minto  
Bank of Tioga  
BNC National Bank  
Bremer Bank(s)  
Capital Credit Union, Bismarck  
Citizens Community Credit Union, Devils Lake  
Citizens State Bank, Cavalier  
Community First National Bank, Grand Forks  
Community National Bank Grand Forks  
CountryBank USA, Cando  
Dacotah Bank Hettinger  
Dacotah Bank Rolla  
Dakota Community Bank  
Dakota West Credit Union, Watford City  
Dakota Western State Bank  
Farmers & Merchants Bank, Hatton  
Farmers & Merchants State Bank, Tolna  
Farmers & Merchants State Bank, Langdon  
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 Southwest Bank, Bismarck  
First State Bank, Buffalo  
First State Bank Buxton  
First State Bank Golva  
First State Bank Harvey  
First State Bank Munich

First State Bank of LaMoure  
First State Bank Wilton  
First United Bank, Park River  
First Western Bank & Trust, Minot  
F-M Mortgage Corporation  
Gate City Bank  
Great Plains National Bank, Belfield  
Kirkwood Bank & Trust  
Lakeside State Bank, New Town  
Liberty State Bank, Powers Lake  
Lewis & Clark Community Works, Bismarck  
McKenzie County Bank, Watford City  
ND Air National Guard Credit Union, Fargo  
Northland Educators Federal Credit Union, Fargo  
Peoples State Bank, Fairmount  
Peoples 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, Mandan  
Security State Bank, Wisek  
St. Alexius Medical Center Credit Union, Bismarck  
State Bank & Trust of Kenmare  
State Bank of Fargo  
State Bank of Lakota  
Strasburg State Bank  
Town & Country Credit Union, Minot  
Union Bank, Beulah  
Union State Bank, Hazen  
United Community Bank of ND, Leeds  
United Savings Credit Union, Fargo  
Valley Mortgage Inc.  
Walhalla State Bank  
Wells Fargo Home Mortgage  
Western Cooperative Credit Union  
Western State Bank, Devils Lake