



INDUSTRIAL COMMISSION OF NORTH DAKOTA

Doug Burgum
Governor

Wayne Stenehjem
Attorney General

Doug Goehring
Agriculture Commissioner

NEWS

For Immediate Release

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INCREASE IN HOMEOWNERSHIP PROGRAM INCOME LIMITS APPROVED

BISMARCK, ND - The North Dakota Industrial Commission has approved an increase of the income limits for North Dakota Roots, a program that provides affordable financing, and down payment and closing cost assistance to households who may have previously owned a home and first-time buyers whose income exceeds the limits of North Dakota Housing Finance Agency's (NDHFA) FirstHome™ program.

"Almost 43,000 households have successfully achieved homeownership with North Dakota Housing Finance Agency's assistance," said members of the Industrial Commission in a joint statement. "By increasing the North Dakota Roots program's income limits, we hope more households will be able to attain that goal and establish themselves and their families in North Dakota."

The commission, consisting of Gov. Doug Burgum as chairman, Attorney General Wayne Stenehjem and Agriculture Commissioner Doug Goehring, oversees NDHFA.

With the Commission's approval, the Roots program's maximum income limits were set at 200 percent of area median income, \$167,800 to \$193,200. The limits vary depending on the county in which the financed home is located.

"During discussions with community leaders and our lending partners, they cited the difficulty of finding a secondary market for loans that don't qualify for conventional financing," said Jolene Kline, NDHFA's executive director. "By offering this financing option, NDHFA can partner more effectively with our lenders. Without a market for these loans, community growth is hindered particularly in rural areas."

NDHFA's homeownership program funding is provided by secondary-market capital. A network of private-sector lenders originate loans on behalf of the agency and sell the loans to NDHFA when they are closed. All of the servicing is retained in state.

Through Roots, NDHFA provides financing to approximately 230 households annually. So far this year, the average program user's household income is \$84,170 and the average loan is \$212,300.

Known primarily for the financing it offers first-time homebuyers, NDHFA expanded its capacity to new and returning North Dakotans in 2002 dubbing the program "North Dakota Roots." In 2014, citing the struggle of households whose income exceeds FirstHome's program limits to afford the down payment requirements associated with conventional financing, the agency expanded Roots to any qualifying household earning up to 140 percent of the area median income. The maximum Roots loan amount must comply with the current Fannie Mae/Freddie Mac conforming loan amount or the limits of the applicable loan insurer/guarantor. All of NDHFA's borrowers are expected to meet normal credit underwriting standards and occupy the property as their principal residence.

NDHFA is a self-supporting state agency dedicated to making housing affordable for all North Dakotans. More information on the agency's homeownership programs is available online at www.ndhfa.org.

- 30 -

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