

Florida Non-Profit Housing, Inc.'s Quarterly Review Newsletter

Summer 2024, Volume 9 Issue 2

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*Congratulations DAHFH *Home Ownership events *Agencies update Energy Standards *USDA seeks apps for Disaster Home Repair Grants	2	USDA is redoubling its efforts to equip potential homebuyers with resources and information they need to be ready to take full advantage of its critical programs as funding is available. This month, the Department is highlighting the ways USDA Rural Development homeownership programs have historically given people in rural America and on Tribal lands the opportunity to build wealth and equity, and a foundation for a brighter future for themselves and their Families. www.rd.usda.gov/newsroom/news-release/usda-celebrates-national-homeownership-month-106
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HISTORY OF HOME OWNERSHIP MONTH

During the time of the Great Depression, the banks did not have any money to lend, and the average borrower didn't have any cash. As a result, people could not afford to buy homes, while existing homeowners often failed to pay their debt.

To stabilize the housing market, the U.S. government created the Homeowners' Loan Corporation in 1933, the Federal Housing Administration in 1934, and the Federal National Mortgage Association (now known as Fannie Mae) in 1938. All these institutions took homeownership to new heights and helped prevent a crash in the housing market.

What changed the face of the housing industry, along with that of the American economy, was the G.I. Bill of 1944. This bill provided subsidized mortgages for the veterans of World War II. Another milestone in the history of American housing came when Congress passed the Fair Housing Act of 1968. The Act was signed by President Lyndon B. Johnson and banned discrimination in housing based on religion, race, gender, and national origin. It came into being only a few days after the assassination of Martin Luther King, Jr.

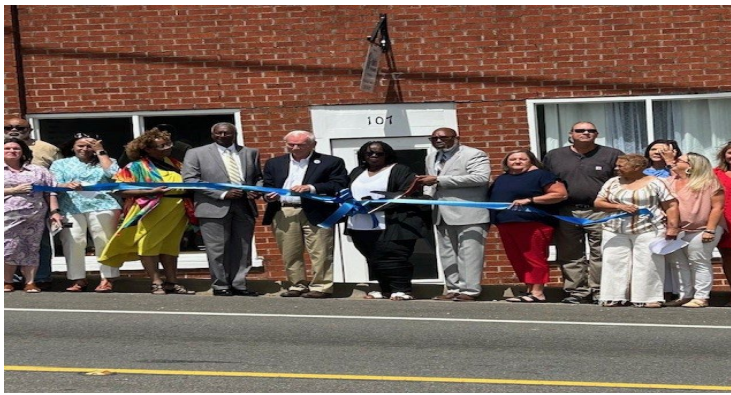
In its 87 years of existence, the Federal Housing Administration (FHA) has created almost \$4 trillion in household wealth for Americans. It has helped more than forty-four million citizens to become homeowners.

National Homeownership Week began in 1995, which was a strategy of the administration under President Bill Clinton to increase homeownership across America. Later, in 2002, President George W. Bush expanded the period of observance from a week to the entire month of June. National Homeownership Month reinforces the belief that owning a home is one of the steps towards achieving the American dream. Courtesy of <https://nationaltoday.com/national-homeownership-month/>

CONGRATULATIONS DAHFH

FNPH wants to congratulate Demopolis Area Habitat for Humanity in Demopolis, AL, on the closing of their Self-Help Grant March 28, 2024. Their staff Terrie Charleston (Executive Director), Charlene Rowser (Recruiter), and Sandra Charleston (Bookkeeper) have devoted and worked hard to bring The Mutual Self-Help 523 Program into their community. They have a community that is working together to bring more opportunity and future growth for years to come. They have proposed to build 12 homes and currently have six loans obligated, waiting to be closed. They also have 36 applicants in recruitment.

They held their groundbreaking event on June 20, 2024, in view of National Home Ownership Month. FNPH attended the event to provide support and encouragement for future success.



HOME OWNERSHIP EVENTS SCHEDULED IN THE SOUTHEAST REGION

Housing Assistance Corporation (HAC) had a Groundbreaking Event in their Little White Oak Subdivision June 17, 2024, Columbus, NC.

Mountain Projects, Inc. (MPI) had a celebration with USDA for the completion of their Harris Estates June 18, 2024, in Sylva, NC.

Demopolis Area Habitat for Humanity had a Groundbreaking Event June 20, 2024.

Housing In Partnership (HIP) is having an event to assist a family with painting their home in Eustis, FL June 26, 2024.

FNPH grantees are dedicated hard working people that are achieving remarkable success in helping their communities with homes.

AGENCIES UPDATE ENERGY EFFICIENCY STANDARDS

Some federally supported new housing construction, including single-family homes supported by USDA's Section 502 direct, Section 502 guaranteed, or Section 523 self-help programs, will be required to meet updated energy efficiency standards under a [determination](#) announced by [HUD and USDA](#) on April 25. In recognition of challenges, they may face in implementing the changes, rural persistent poverty rural areas have a 24-month compliance period rather than the shorter timeframes for other places; USDA will publish a map identifying where the longer compliance period applies. After the agencies proposed them last year, a [comment letter](#) circulated by HAC and signed by more than 80 other organizations [supported](#) the updated standards because they will reduce homebuyers' utility bills. The letter also suggested ways to cover the upfront costs of building to higher standards.

USDA SEEKS APPLICATIONS FOR REMAINING RURAL DISASTER HOME REPAIR GRANTS

Funding Will Help People in Rural Areas Repair Homes Damaged by 2022 Presidentially Declared Disasters. USDA Rural Development Under Secretary Dr. Basil Gooden announced that USDA is seeking applications for the remaining funding under the [Rural Disaster Home Repair Grant Program](#).

USDA launched the program last year to help people repair or relocate homes damaged by calendar year 2022 [presidentially declared disasters](#). Through funding opportunities like this one, USDA stands ready to help people access the resources they need to rebuild their homes, their communities, and their lives. Read the full [stakeholder announcement](#).

NOTICE OF SOLICITATION OF APPLICATIONS FOR SECTION 514/516

USDA Rural Housing Services (RHS) and Rural Development (RD) is soliciting competitive pre-applications for Section 514 Off-Farm Labor Housing loans and Section 516 Off-FLH grants. These programs are for the construction of new Off-FLH units for domestic farm laborers, retired domestic farm laborers, or disabled domestic farm laborers.

The purpose of this program is to increase the surplus supply of affordable housing for farm laborers. There is such a shortage of affordable housing within this demographic. The Notice outlines the method used to allocate funds, the pre-application and final application process, and submission requirements. The application deadline is July 3rd to read the whole Notice click on the following link, www.federalregister.gov/documents/2024/05/09/2024-10173/notice-of-solicitation-of-applications-for-section-514-off-farm-labor-housing-loans-and-section-516

FNPH Announces New Farmworker Program Director

Lucy Castillo joined FNPH on May 1, 2024, as the Farmworker Program Director. Lucy comes to us with 17 years of experience working at Highlands County Board of County Commissioner as the Housing Coordinator. Within her position she assisted with county programs to help community members with down payments, foreclosure prevention, owner-occupied rehabilitation, rehousing and rental assistance.

With Lucy's passion and local community government knowledge, she will be overseeing and growing our non-profit housing corporation, developing units of local housing for low and very- low housing families and for farmworkers.

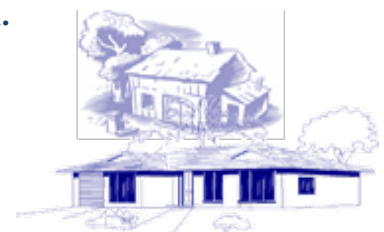


UPDATES TO THE SALES COMPARISON APPROACH FOR MANUFACTURED HOUSING

USDA relies on the U.S. Department of Housing and Urban Development (HUD) Handbook 4000.1 for appraisal analysis and reporting requirements. These property requirements serve to protect the borrower's interest, minimize the lender's loss, and reduce the potential risk to the government in the event of liquidation.

Recently, the HUD has updated the exception in the Sales Comparison Approach for Manufactured Housing section of the Single-Family Housing Policy Handbook 4000.1. In this update, the exception states that for a Manufactured Home certified based on the construction requirements of Fannie Mae's MH Advantage® or Freddie Mac's CHOICEHome® program, the Appraiser must include at least two comparable sales with similar certification, when available. If fewer than two comparable MH Advantage® or CHOICEHome® sales are available, the Appraiser must use the most appropriate site-built comparable sales available. The Appraiser must also provide detailed justification to support the Appraiser's selection of comparable Properties and the adjustments made for dissimilarities to the subject Property. You can view all details of the updated Mortgagee Letter 2023-18, [here](#).

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MULTIFAMILY INSURANCE DEDUCTIBLES RISE

The Federal Housing Administration is [changing its requirements](#) for wind and named storm insurance coverage at multifamily properties with FHA mortgage insurance. FHA is increasing the maximum allowable deductibles, so insurance policies will cost property owners less. HUD explains the changes in guidance documents [here](#) and [here](#).

HOMES IN PARTNERSHIP BREAKS GROUND ON NEW PHASE OF SUBDIVISION

Homes In Partnership located in Eustis, Florida broke ground in March on an additional phase of lots for their Self-Help Housing Program in Zellwood, Florida.

The Holly Creek subdivision is located between Mt. Dora and



Apopka, Florida. The site offers country living at its best. HIP is offering five different house plans with either 3- and 4-bedroom single family homes.

SFH Direct Loan and Grant Programs

Disaster Assistance Update - With the posting of [Procedure Notice \(PN\) 611 dated April 19, 2024](#), changes were made to Handbook-1-3550, Appendix 10, Single Family Housing Field Guidance on Disaster Declarations, to lower the maximum Section 504 grant assistance in Presidentially declared disaster areas from ten percent of the national average area loan limit to \$15,000. As noted in the PN, this action follows a reduction in available funding.

Please visit [Rural Development Disaster Assistance | Rural Development \(usda.gov\)](#) for general disaster guidance and resources.

USDA in Partnership with the Akwesasne Housing Authority Helps Family Achieve Dream of Homeownership on the St. Regis Mohawk Reservation

In recognition of Homeownership Month this June, USDA Rural Development (RD) New York's State Office had the privilege of celebrating the newest homeowner on the St. Regis Mohawk Reservation. Randa Martin and her four children welcomed the RD team and staff from the Akwesasne Housing Authority to their newly constructed home in Hogansburg, N.Y., a community on St. Regis Mohawk tribal land. RD presented the family with a red maple tree, planted together with Martin's sons in memory of their late father, Richard Lebehn. <https://www.usda.gov/media/blog/tag/national-homeownership-month>

USDA INTEREST RATE INCREASE

Programs	June 2024 Interest Rate	July 1, 2024 Interest Rate
Rural Housing (RH) 502 Low- Very-Low	4.75%	4.875%
Single Family Housing (SFH) Non-Program	5.25%	5.375%
Rural Housing Site (RH) 524 Non-Self-Help	4.75%	4.875%

SHARE YOUR SUCCESS STORIES

FNPH is seeking success stories of Self-Help families. We are interested in the life changing achievements of our grantees and the participating families. Help us spotlight your hardworking staff and families. Please submit your stories of homeownership. We also ask that you send along several photos and an authorization to FNPH. For more information or a submission, please email Dora Murphy at dmurphy@fnph.org.

Advance Notice: Revisions to HB-1-3555, Chapters 9, 10, and 16

The Single-Family Housing Guaranteed Loan Program (SFHGLP) is pleased to announce upcoming revisions to technical Handbook 1-3555, Chapter 9, Income Analysis; Chapter 10, Credit Analysis; and Chapter 16, Closing the Loan and Requesting the Guarantee. These changes are expected to be implemented on May 6, 2024. Below are some of the highlighted revisions:

Chapter 9 – Income Analysis

Clarified that tax transcripts not received prior to closing will not delay the loan closing but are still required to be obtained and retained in the lender’s permanent loan file. Includes written and email verifications as acceptable methods for verifying employment within 10 days of loan closing.

- Clarified the most recent asset information available at the time of loan application should be obtained by the lender.
- Removed “part-time income” from the Income and Documentation Matrix (Attachment 9-A) and included this type of income under “base wages.”
- Clarified repayment income guidance for “unreimbursed employee or business expenses” on the Income and Documentation Matrix (Attachment 9-A).

Chapter 10 – Credit Analysis

- Added monthly subscription services, gym memberships, etc. to the list of eligible sources of non-traditional credit.

Chapter 16 – Closing the Loan and Requesting the Guarantee

- Updated the maximum insurance deductible permitted to 5% of the total coverage amount for hazard insurance and \$10,000 for flood insurance.
- Clarified that when permitting a high deductible, lenders must be mindful of the applicant’s repayment ability to ensure the deductible selected is reasonable and will not cause undue hardship on the applicant.

Copies of the upcoming revisions are available for review on the [Loan Origination page of the USDA LINC Training and Resource Library](#), under the sub-heading “New”. sfhgld.program@usda.gov.

USDA INVITES APPLICATIONS FOR GRANTS TO STRENGTHEN RURAL COOPERATIVES

USDA Rural Development announced that USDA is inviting applications for grants to strengthen rural cooperatives and expand access to new and better markets for people in rural America. USDA is making \$5.8 million in grants available under the Rural Cooperative Development Grant (RCDG).

The program is designed to start, improve, or expand rural cooperatives and other mutually owned businesses that will help improve economic conditions in rural areas. Nonprofit organizations and institutions of higher education are eligible to apply for grants to provide technical and cooperative development assistance to individuals and rural businesses. The maximum award is \$200,000. USDA is particularly interested in applications that will advance Biden-Harris Administration priorities to:

- Reduce climate pollution and increase resilience to the impacts of climate change through economic support to rural communities.
- Ensure all rural residents have equitable access to Rural Development (RD) programs and benefits from RD-funded projects; and
- Help rural communities recover economically through more and better market opportunities and through improved infrastructure.

Additional information on these key priorities is available at <https://www.rd.usda.gov/priority-points>. Electronic applications must be submitted to grants.gov by 11:59 p.m. Eastern Time on June 3, 2024. Interested applicants are encouraged to contact their local USDA Rural Development State Office well in advance of the application deadline to discuss their project and ask any questions about the RCDG program or the application process. Contact information for state offices can be found at www.rd.usda.gov/contact-us/state-offices

Additional information on the required materials and how to apply for the RCDG program are available on page 23551 of the April 4, 2024, Federal Register. If you would like to subscribe to USDA Rural Development updates. Go to the bottom of the page at: www.rd.usda.gov/contact-us/state-offices.