



Amherst Historic District

Expanding Ownership Opportunities

Although the proportion of families who own homes has declined a little in recent years because of the impact of the Great Recession of 2009 and the resulting foreclosure crisis, achieving home ownership is still considered “The American Dream” by many New Hampshire residents. Low interest rates and a strong inventory of homes on the market make the possibility of home ownership viable for many households – but many households need help to qualify for a mortgage and to afford the cost of ownership. Many of the programs available to potential, or first-time, homebuyers are designed to give them the extra edge they need to become homeowners.

Homebuyer Counseling and Education

Homebuyer counseling and education opportunities are important elements to provide potential buyers with information that will help them become successful homeowners.

If a community is planning a first-time home ownership initiative, it should consider partnering with an organization that provides homebuyer counseling. Such organizations can provide a range of information about the purchasing process, such as how to budget; how to repair damaged credit; and an overview of the many types of mortgage products and down payment



A home in NeighborWorks® Southern New Hampshire's West Granite Project – before and after

NeighborWorks® Southern New Hampshire – Manchester and Nashua

NeighborWorks® Southern New Hampshire is a nonprofit organization dedicated to providing affordable housing opportunities for low- and moderate-income individuals and families living in Southern New Hampshire, including Hillsborough, a portion of Rockingham, and Merrimack Counties (for homeownership services) NeighborWorks® Southern New Hampshire's mission is to provide access to quality housing services through affordable rental development, home ownership education, and neighborhood enhancement services. The primary beneficiaries of their services are individuals and families who are at a disadvantage for achieving economic stability, such as single mothers, immigrants, and the working poor, but the entire economic and social well-being of the region is affected by the availability of quality, affordable housing and stable neighborhoods.

NeighborWorks® Southern New Hampshire has established a record of success through their major areas of activity: neighborhood development (real estate development and resident services) and home ownership education:

- ▶ **Real Estate Development:** Developing affordable housing for sale or rent for low- and moderate-income families and individuals;
- ▶ **HOMETeam:** A full service home ownership collaborative program whose purpose is to help individuals and families understand critical components of home ownership. Group seminars and/or individual counseling are provided in the following areas: first-time home purchase, foreclosure prevention and intervention, landlord training, financial capabilities, and HECM counseling.
- ▶ **Resident Services:** Involving our tenants and neighborhood residents in the civic life of their neighborhoods and the communities. NeighborWorks® Southern New Hampshire also provides a variety of enrichment programs for tenants of their properties.

Contact Information:

NeighborWorks® Southern New Hampshire
801 Elm Street, Second Floor
Manchester, NH 03101
(603) 626-4663
www.nwsnh.org

assistance programs available. Many also sponsor, or participate in, homebuyer fairs. Homebuyer education and counseling efforts are especially effective in reaching potential homebuyers who traditionally have had little contact with conventional financial service providers.

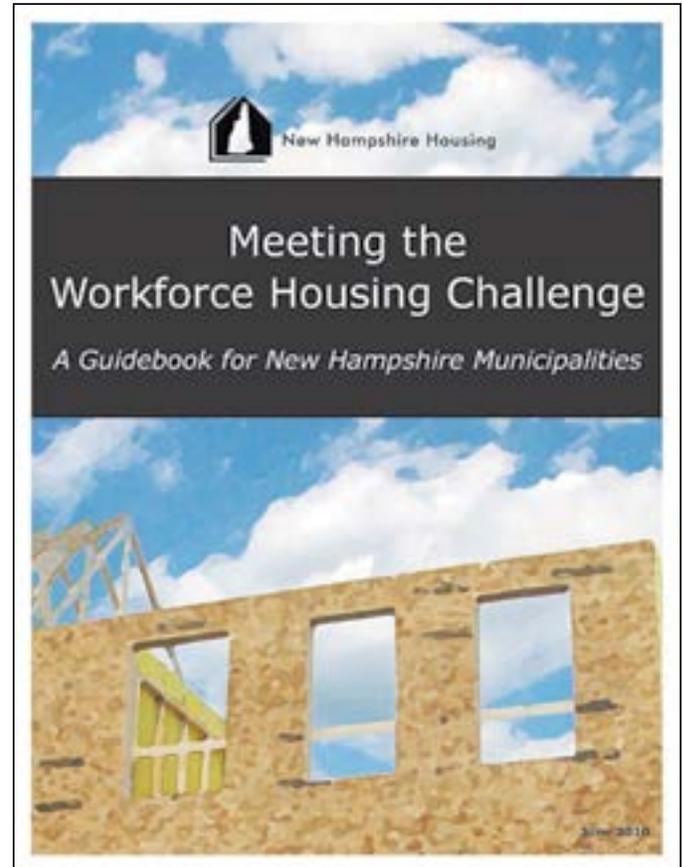
Down Payment Assistance and Mortgages

Many programs are designed to make ownership more affordable for first-time homebuyers. Using a variety of tools, including subsidized interest rates, down payment and closing cost assistance, and flexible underwriting criteria, low- and moderate-income individuals can become home owners in New Hampshire. Efforts to expand home ownership often involve collaboration between local governments, lenders and nonprofit organizations.

Some programs are government-funded, either directly or through the issuance of tax-exempt bonds. Many private lenders offer special programs for first-time homebuyers, municipal workers, and public safety personnel. Homebuyer counseling programs throughout the state can help determine which of these programs are appropriate for your community, and can help guide you through the process of accessing funding sources.

Purchase of Units for Resale with Restrictions

Another technique for increasing the housing inventory and home ownership opportunities for low- and moderate-income households is to combine home resale price restrictions with buyer income qualification.. For instance, a non-profit organization may purchase the least expensive home on the market in a community, renovate it, and sell it at a price below fair market value. This type of sale typically includes deed restrictions that limit the resale price and prevent windfall profits.. In some cases, the property seller can be convinced to choose this course by the positive implications of helping to maintain the supply of affordable housing units for local families and seniors, and the added tax benefit of selling to a non-profit organization.. Ensuring the long-term affordability of housing created, or acquired, with public resources is a crucial component of this technique.



Since enactment of the New Hampshire Workforce Housing Law, a number of communities have explored variations of long-term affordability restrictions in new housing, but it can be an administrative challenge for smaller municipalities, however, resources are available to assist communities with this work, including Meeting the Workforce Housing Challenge, a municipal guidebook created by New Hampshire Housing in 2010. This guidebook contains several models of long-term affordability restrictions, including one developed by New Hampshire Housing that seeks to balance the interests of developers, homeowners, lenders and communities. Reference to the guidebook can be found in the Appendix. [!\[\]\(e474458956c9a37fbf9586ddb60a7fa1_img.jpg\)](#)