

## Supporting Affordable Homeownership

Minnesota Housing works with partners to offer affordable home loans, homebuyer education and investments in single family home development.



### Homebuyer Loan Programs

Our network of participating lenders around the state help buyers find the right Minnesota Housing loan for their situation and budget, including Start Up for first-time buyers and Step Up for repeat buyers and refinancing.



**As little as 3% down, plus downpayment loans up to \$12,000.**

Minnesota Housing borrowers don't need 20% down to get into a home. Eligible borrowers can go as low as 3%, and even add a downpayment and closing cost loan up to \$12,000.



**Affordable rates.**

Minnesota Housing offers affordable, fixed interest rates. Current rates can be found on our website at [www.mnhousing.gov](http://www.mnhousing.gov) and are subject to change.



**Low or no mortgage insurance options.**

With our exclusive conventional loan products, options for reduced or no mortgage insurance are available to lower monthly payments.

Our team of Business Development Representatives work throughout the state to engage lenders, real estate agents and potential buyers through events, training opportunities and one-on-one support. If you'd like our team to attend an event in your community, contact Henry Morimoto at [henry.morimoto@state.mn.us](mailto:henry.morimoto@state.mn.us) or 651.296.7975.

### Homebuyer Education

Homebuyer education or counseling is a great place to start the homeownership journey. Advisors teach about the process, answer questions and help clients decide if homeownership is a good fit.

Homebuyer education is required for most of our homebuyers. It's easy and convenient with both in-person and online options available. Buyers can choose from the following approved providers and courses:

- **Framework®:** Online homebuyer education on your own time and at your own pace
- **Home Stretch™:** In-person workshops around the state taught by experienced housing professionals
- **Realizing the American Dream:** An interactive, in-person course covering the aspects of purchasing a home
- **Homeownership Capacity Program:** For additional assistance with improving credit, developing a spending plan, developing a savings plan, or reducing debt. Our partner organizations provide in-depth financial coaching to set clients up for success when they're ready to purchase a home.

## Community Homeownership Impact Fund (Impact Fund)

The Impact Fund helps communities preserve and create single-family, owner-occupied, affordable homes across Minnesota. Resources are available through a competitive Request for Proposal published each spring.

The Impact Fund provides funding for administrators for owner-occupied rehabilitation, interim financing, affordability gap, and value gap. Affordability gap is the difference between the purchase price of a home and what a homebuyer can afford in a first mortgage. Value gap is the difference between the appraised value (fair market sales price) and the total development cost of a home.

### Eligible Applicants

- Cities
- Housing and Redevelopment Authorities
- For-profit and nonprofit organizations
- Indian tribes or tribal housing corporations
- Public Housing Agencies
- Joint powers boards

### Income Limits

Household income cannot exceed 115% of greater of state or area median.

### Eligible Use of Funds

All projects must supply or improve owner-occupied, single-family housing and comply with Green Communities Criteria. Eligible uses are:

- Acquisition, rehabilitation and resale of existing housing
- Owner-occupied rehabilitation
- New construction, including demolition or removal of existing structures with rebuild
- Reducing interest rates on Minnesota Housing home improvement loans through a Community Fix Up Initiative

### Interested?

Contact Nick Boettcher at [nick.boettcher@state.mn.us](mailto:nick.boettcher@state.mn.us) or 651.296.9567. A list of Impact Fund projects funded in 2017 is available at [www.mnhousing.gov](http://www.mnhousing.gov) > News.

Are you looking for a single family development partner? Contact Rose Teng at the Metropolitan Consortium of Community Developers at 612.843.3270 to connect with nonprofit single family developers.



**Impact Fund Recipient:  
Carver County CDA  
Waconia Townhomes**

- Four units
- Per unit development costs of \$199,300 to \$220,500
- Impact Fund per unit investment of \$31,825 using Housing Infrastructure Bond proceeds
- 80% area median income limit



**651.296.3617**  
**[www.mnhousing.gov](http://www.mnhousing.gov)**

Minnesota Housing does not make or arrange loans. It is neither an originator nor creditor and is not affiliated with any Lender. The terms of any mortgage finance transactions conducted in connection with Minnesota Housing programs, including important information such as loan fees, the annual percentage rate (APR), repayment conditions, disclosures, and any other materials which are required to be provided to the consumer are the responsibility of the Lender.

