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Louisville Metro Housing Authority celebrates 400th closing in Homeownership Program

Louisville, KY (October 10, 2022) - Louisville Metro Housing Authority (LMHA) is celebrating the recent purchase and closing of the 400th home in the Homeownership Program.

LMHA's Homeownership Program allows eligible Housing Choice Voucher (HCV) or Public Housing participants to use their subsidy toward a mortgage payment instead of rent. Participants must complete pre-purchase Homeownership Counseling to become "mortgage ready." The counseling program covers topics like searching for a house, home maintenance, budgeting and money management, credit counseling, price negotiation, and securing mortgage financing.

"This program takes dedication and hard work to complete," said Tyese Stokes, mother of two and new owner of a 4-bedroom, 2-bathroom home in the Shawnee neighborhood. "Thankfully, LMHA assisted me every step of the way. I feel extremely blessed to own this home."

Program partners include the U.S. Department of Housing and Urban Development, 5/3 Bank, Apprisen, Louisville Metro Office of Housing and Community Development, Louisville Urban League, Republic Bank, Stockton Mortgage, and The Housing Partnership, Inc.

In 1997, LMHA became the first affordable housing agency in the nation to utilize HCV subsidy assistance toward mortgage payments for persons with disabilities or employed heads of households without homeownership history. Mortgage support is coupled with intensive post-purchase case management and individual development accounts for home maintenance to increase the likelihood of asset appreciation and decrease the risk of foreclosure.

"400 families have put in countless hours of education, counseling, budgeting, saving, and preparation to obtain this dream," said LMHA Homeownership Specialist Stephanie Payne. "We are especially proud of their hard work and excited to reach this milestone!"

As homeownership rates rise across the nation, so do foreclosure rates for low-income homeowners. LMHA's Homeownership Program addresses spiraling foreclosures, predatory practices, and a lack of resources for home maintenance. The purpose of the program is to equip low-income households with information to protect their equity, provide enough savings for home repair, and encourage routine maintenance. Enrollees also actively participate in post-purchase activities that support their efforts to maintain their homes.

LMHA offers a comprehensive route to self-sufficiency for low-income families through mortgage assistance, counseling, and maintenance support. LMHA's Homeownership Program provides the tools to acquire, protect, and maintain the home as an asset and help families achieve the American Dream of homeownership. LMHA residents who want to learn more about the Homeownership

Program are encouraged to call the Homeownership Program Hotline at 502-569-6060 extension 6960 or visit LMHA1.org and click the “Homeownership Program” quick link.

Requirements to Participate:

- Complete HUD-approved pre-purchase counseling and education
- First-time homeowner (hasn't owned a home in three years)
- Minimum income requirements:
 - For households where Head of Household is elderly (age 62+) and/or disabled:
 - Receives at least \$10,092 annually from any income source (equivalent to the monthly maximum SSI benefit of \$841 X 12)
 - For working family households:
 - Employed 30+ hours per week and earning at least \$14,500 annually; or
 - Employed 25+ hours per week and earning at least \$16,494 annually
- All household members (excluding the Head of Household – see above) who are 18 years of age or older must be working full time OR in school full time OR a combination of working and in school OR elderly (age 62+) OR disabled
- Has not defaulted on a mortgage under the Homeownership option
- Does not have a present ownership interest in another residence
- Has not been in the termination of assistance process more than once in the last two years
- Has a stable family composition of at least one year
- Has completed a one-year lease through LMHA HCV or Public Housing
- Has been under the current rental lease, in the same unit, for over one year
- Must be a month-to-month tenant or the landlord is willing to make an exception
- Does not owe outstanding debt to LMHA or any other housing authority

Program Data:

- 400 homes purchased
- 49% of program participants are Elderly or Disabled
- 250 individual households are still on the program
- Average homes sales price is \$115,365
- Average mortgage interest rate is 4.61%

About Louisville Metro Housing Authority

Louisville Metro Housing Authority (LMHA) is a quasi-governmental agency responsible for the development and management of federally subsidized housing in the Louisville, Kentucky Metro area. LMHA presently manages over 3,700 public housing units with eligibility determined primarily by federal income guidelines. LMHA is committed to setting a standard of operational excellence in providing quality, affordable housing opportunities for residents to achieve self-sufficiency and an enhanced quality of life, and to collaborating with community partners to build strong, viable neighborhoods. For more information, please visit LMHA1.org.