

FOR IMMEDIATE RELEASE
“BRIDGING THE GAP TO HOMEOWNERSHIP”
with Forgivable 0% Interest Second Mortgages

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After living in subsidized rental housing for nine years, Theresa Hunt was sure that her dream of homeownership would never come true. But she was wrong. Earlier this month, Ms. Hunt purchased her first home, a three-bedroom house on Ann Street in Newport. “I’ve come a long way!” Ms. Hunt exclaimed as she signed her closing documents. Ms. Hunt’s steady employment, good credit and perseverance enabled her to obtain a first mortgage loan, making her a perfect candidate to receive a Community Investment Partnership Program (CIPP) loan from The Housing Authority of Newport (HAN). Through CIPP, the Housing Authority provides qualifying families with a forgivable, 0% interest, second mortgage loan for up to 25% of the purchase price of a home.

Funding for CIPP has been provided by the U.S. Department of Housing and Urban Development as part of the Housing Authority’s HOPE VI Grant. The purpose of the funding is to provide purchasers earning up to 80% of Area Median Income a chance to own their own home. For example, a family of four earning up to \$51,600 qualifies for this program and a single person earning no more than \$36,100 would also qualify. Of course, steady income, good credit, and the ability to obtain a conventional mortgage are also required. Purchase price of the home may not exceed \$140,000.

By making these second mortgage loans available, the cost of homeownership is more affordable because of the program’s unique ‘burn-off’ provision. No payments are required and the loan is reduced by 20% each year the purchaser lives in the home. At the end of five years, the loan is completely forgiven. Area lenders are enthusiastic about working with potential homebuyers to use this program in conjunction with their community outreach lending programs, which expand the opportunities for working families to own their own home.

So, if you thought you could never own a home, or if you dreamed of purchasing a better home, you cannot afford to miss this opportunity! Mayor Thomas Guidugli thinks the program is great. “Newport is on a roll and while economic development is great, the most important part of any city is its residents. Homeowners stabilize neighborhoods and have pride in the community”, he said. The Mayor especially urges teachers, health care workers, police and firefighters to look into this great opportunity...

**For more information, contact: Housing Authority of Newport, Mortgage Program
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