

Impact of *Privately-Funded Down Payment Assistance (DPA)*



DPA Impact in *Maryland (MD)*

21,121	}	Approximate number of constituents who became homeowners from DPA
\$4,205,400,341.92	}	Amount of mortgages generated because of DPA
\$260,638,251.09	}	Tax revenue generated to State and local governments by newly constructed homes bought with DPA*

DPA Impact Across the U.S.

1.8M	}	Approximate number of constituents who have benefited from DPA
\$231.7B	}	Amount of mortgages generated because of DPA
\$22.1B	}	Tax revenue generated to State and local governments by new home construction bought with DPA *

*Equals \$82,269, which is the average amount of tax revenue generated from a typical newly constructed single family unit.

Quick Facts

Down payment assisted loans are *NOT* sub-prime loans.

DPA loans have nothing to do with the collapse of the housing market.

Program participants must qualify for a loan on their own merits, just like everyone else, which are fully documented and verified, 30 year fixed-rate loans. DPA programs do not "get" people into loans.

Reform measures have been put forward to address every single stated concern on DPA through H.R.600 (DPA reform bill).

There is a difference between DEFAULT, FORECLOSURE, and CLAIM. Defaults do not mean foreclosure and certainly do not mean a claim.

The claim rate for DPA loans is 6%, family or government assisted is 5%, and no down payment assistance is 3%, according to GAO-06-25, after three year seasoning.

More about *HR 600 and the effect on the economy*

Congressional Budget Office scored the HR 6694 (HR 600's predecessor in the 110th) as revenue neutral and could perhaps make money for the Treasury.

Creditworthy buyers are needed to stimulate the housing economy and bring back neighborhoods harmed by the mortgage crisis. HR 600 will do help this goal.

Without DPA, the decline in home values will only get worse as fewer new homebuyers are able to enter into the market. Before their elimination on October 1, DPA programs provided over \$100 million per month of downpayment assistance and helped 25,000 creditworthy homebuyers per month.

State and local governments depend on stable home prices for tax revenue to provide vital services and infrastructure maintenance. Without the help of HR 600, services could be cut and possibly raise taxes for minimum operational expenses.

NO tax-payer dollars to fund their programs / DPA programs added over \$38 billion to the economy from 2000-2008



Support DPA! Your constituents do.

