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Down Payment Assistance Helps Make Homeownership Dreams a Reality *CDC Success Story May 2010*

In these difficult economic times, it is reassuring to know that help to purchase a home is still available. As a recognized full-service, affordable homeownership agency that develops housing, provides homebuyer education, and administers down payment assistance programs to hundreds of families each year, Community Development Corporation of Utah (CDCU) has the knowledge and experience to help potential homebuyers realize their homeownership dreams.

Down payment assistance has been a particularly important resource for many homebuyers who need that extra boost to make homeownership possible. In fact, CDCU was able to assist 60 homebuyers with down payment assistance in 2009 and expects similar results this year. A recent example is Elena Zazueta, a sales associate with Bank of Utah, who had been looking to purchase a home for sometime but lacked sufficient funds for a down payment.

Elena had heard about down payment assistance programs but did not know much about them, and wasn't sure if she would even qualify. After some diligent research, she was eventually

referred by a friend to CDCU's website. With new found hope and knowledge, she contacted CDCU Down Payment Assistance Coordinator, Francisco Ruiz to see if she was eligible for the program. Francisco worked with Elena to collect the necessary documents, and to her delight he was able to help her qualify for \$4,600 of down payment assistance through Salt Lake City Corporation.

"Elena was great to work with and this proved to be just what she needed to turn hope into reality," said Francisco. "It is so nice to have a home of my own," stated

Elena. "I have worked hard for this and am very grateful to CDCU for helping me make it possible."



Homebuyers requesting down payment assistance through CDCU are required to complete the homebuyer education course, and subsequent one-on-one counseling with a qualified housing counselor is highly encouraged. This helps ensure that the homebuyer is well informed and ready to face the challenges related to purchasing a home. The workshop and counseling teach

homebuyers about sound financial decision-making, how to avoid predatory lending, avoiding mortgage default and foreclosure, and much more. CDCU is a U.S. Department of Housing and Urban Development approved housing counseling agency and is also supported by the Housing Partnership Network. These and other valued partners have helped CDCU become the leading provider of homebuyer services in Utah.

Community Development Corporation of Utah actively administers down payment assistance programs in behalf of Salt Lake City Corporation, Salt Lake County, Sandy City, Taylorsville City, and Murray City in order to assist low- and moderate-income families overcome the initial hurdles of homeownership. Depending on the availability of funds, eligible households can receive up to \$10,000 in the form of a deferred, no interest loan to be applied toward their first home purchase.

Elena, like most who purchase their first home, quickly began to add her personal touches throughout the house including new paint, blinds, carpet, and even some additional insulation in the attic. Also, as a first-time homebuyer she was able to qualify for the recent \$8,000 federal tax credit and has plans for more interior improvements as well as exterior updates including some landscaping and possibly some stucco for the walls. When asked what she enjoyed the most about being a homeowner, she replied “I can do what I want to fix up my house and I can now start earning equity.”

Community Development Corporation of Utah expects to receive new down payment assistance funding by July and will immediately make it available for qualified recipients on a first-come, first-serve basis in areas throughout Salt Lake County. Those interested are encouraged to apply early as the approval process typically takes up to 45 days. CDCU also has several homes for sale and holds homebuyer education workshops twice a month in English and once a month in Spanish. Housing counseling services, including foreclosure mitigation, are available by appointment and full details concerning the programs CDCU offers can be found at www.cdcutah.org or by calling 801-994-7222.