NEWS

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

State housing agency awards $660,000
for El Paso County homeownership

(AUSTIN) — Recognizing that homeownership is the key to creating stable families and communities, the Texas Department of Housing and Community Affairs (TDHCA) has announced a major funding award to two nonprofit organizations serving El Paso County that will assist eligible residents with the purchase of their first home and provide economic benefits to the local construction industry.

TDHCA awarded a total of $660,000 in homebuyer assistance funds to the El Paso Credit Union HOAP and Organizacion Progresiva de San Elizario which will provide a combined 66 households with down payment and closing cost assistance.

"El Paso County is a vibrant, growing county, but unfortunately the housing market has outpaced the income of some residents, particularly for those living in rural areas of the county," said Michael Gerber, TDHCA Executive Director. "These funds will help families overcome the biggest obstacle many homebuyers face: meeting the down payment and closing cost requirements.

"Promoting homeownership is a critical mission of the Department," he continued. "Besides helping to strengthen families and neighborhoods, these funds will help generate local construction jobs and increase area employment opportunities. We're proud to help our nonprofit partners and contribute to an improved quality of life for residents of El Paso County."

The El Paso Credit Union HOAP, a nonprofit corporation formed by eight area credit unions promoting homeownership and homebuyer education, will utilize its $550,000 award to help establish an Individual Development Account (IDA) program. IDAs are specialized savings accounts for closing cost assistance for qualifying first time homebuyers in which the corporation provides matching contributions on a two-for-one dollar basis. The organization estimates that it will help 55 qualifying households.

Organizacion Progresiva de San Elizario (OPSE) will use its $110,000 award to assist approximately 11 eligible first time homebuyers living in colonias within the county. Participating families build energy-efficient adobe homes through OPSE's self-help housing program, combined with down payment and closing cost assistance from the organization. OPSE expects to assist 11 eligible households with this award.

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TDHCA awards homebuyer assistance funds to eligible applicants through the Department's HOME Investment Partnerships (HOME) Program, which helps provide down payment and closing cost assistance to qualifying first time homebuyers. Additional funds were provided El Paso Credit Union HOAP through the state's Housing Trust Fund.

Assistance through the HOME Program is limited to 6 percent of the home purchase price or $10,000, whichever is greater. Eligible applicants include qualifying units of local government, public housing authorities, Community Housing Development Organizations and other nonprofit groups, and qualifying for-profit organizations.

The U.S. Department of Housing and Urban Development (HUD) is the funding source for the HOME Program. The program is designed to serve households earning no more than 80 percent of the area median family income. For El Paso County, this equals an annual income of $34,900 for a family for four.

About The Texas Department of Housing and Community Affairs

The Texas Department of Housing and Community Affairs is Texas' lead agency responsible for affordable housing, community services, energy assistance, and colonia housing programs. The Department annually administers more than $400 million through for-profit, nonprofit, and local government partnerships to deliver local housing and community-based opportunities and assistance to Texans in need.

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