

DSHA Launches Homeownership Program for Recent College Graduates

DOVER – Governor John Carney and Delaware State Housing Authority (DSHA) Director Anas Ben Addi announced the launch of a new homeownership program for recent college graduates at an event recognizing Homeownership Month. The new program, Homes for Grads, will offer discounted rates on DSHA's down payment assistance loans for homebuyers who have graduated college with a four-year degree or higher in the last three years.

Joining the Governor and Director Ben Addi to launch the program were elected officials, higher education officials, realtors, lenders and housing counselors.

Homes for Grads will provide a reduced mortgage rate of 50 basis points or one-half of a percentage for recent college graduates when they are accessing one of DSHA's Preferred Plus loans which include down payment and settlement assistance.

"Having an educated workforce is critically important to our state, but one of the economic development challenges we face is attracting college graduates to our state and keeping them here," said Governor Carney. "The Homes for Grads program is another incentive we can offer to encourage these graduates to make Delaware their home. We think this can have a lasting impact on our state's economic wellbeing by encouraging our best and brightest residents to stay here in Delaware, contributing to our economy and to our communities."

With the cost of a college education continuing to rise each year, many graduates will leave school with student debt, including 65 percent of Delawareans. This debt can be a significant barrier to affording monthly payments and saving

for a down payment.

“We want to make buying a home a reality for more Delawareans throughout our state. The Homes for Grads program will help us reach this recent college graduate population who may be struggling with student debt and facing other barriers to homeownership,” said Director Ben Addi. “The program will make the home-buying process easy and affordable for those who have just completed their college education.”

“The Homes for Grads program offers a great opportunity for Delaware State University graduates to put down roots here in our state,” said Provost Tony Allen. “Our graduates have the knowledge and skills that Delaware employers are looking for, and this new program provides an additional incentive to encourage them to buy a home and stay in Delaware after they finish their schooling.”

Homes for Grads is being funded with a \$10 million commitment from DSHA and will be subsidized by revenues from DSHA’s primary homeownership loan programs. In addition, the program is financed with support from Discover Bank.

“Discover Bank is proud of our successful partnership with DSHA to provide mortgages to low- and moderate-income borrowers throughout our state,” said Bank President James J. Roszkowski. “This Homeownership Month, I am pleased to say that, through our partnership with DSHA, we helped over 2,200 families reach the goal of homeownership last year, with over \$350 million in mortgage financing. The Homes for Grads program is an excellent example of DSHA’s creative strategies to improve the mortgage program. Discover Bank has \$50 million in commitment remaining to DSHA for mortgage financing in 2019 to support this effort, and others, to help our neighbors, and our communities.”

DSHA will work with its participating lenders to offer the Homes for Grads program to recent college graduates. Tracy

Chongling, vice president of mortgage lending at Guaranteed Rate, a participating DSHA lender, said she sees great potential in the new Homes for Grads program and is thrilled to be able to offer it to potential homebuyers. "I hear every day from Delawareans who do not think they will be able to afford to buy a home, including many college graduates who have not been able to save for a down payment due to student loan debt," she said. "This new program will help so many of these individuals and families achieve the American dream of buying their own home."

Buyers who participate in the Homes for Grads program must meet eligibility requirements for DSHA's homeownership loan programs, including credit score and income limits. They will be required to have a minimum credit score of 620. If their credit score is not at this number, DSHA offers financial coaching to help buyers improve their score and get on the path to homeownership.

In correlation with the launch of this new program, DSHA is also adjusting the income levels for its homeownership programs in order to provide more opportunities for residents to purchase homes in Delaware. The new income limits are based on the area median incomes for Delaware's three counties and are tied to the number of people living in a household. Previously, DSHA used a flat household income limit for all buyers. The new income limits can be found on [DSHA's homeownership website](#).

Recent college graduates who are interested in learning more about how to participate in Homes for Grads should visit [DSHA's homeownership website](#) or [contact a participating lender](#).