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## **MEDIA RELEASE**

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### MHDC Helps More than 82,000 Missouri First-Time Homebuyers

Missouri Housing Development Commission (MHDC) for more than 30 years has provided low-interest, fixed-rate mortgage options to under-served Missouri households. The agency recently marked a significant milestone in its history, having provided a total of \$5 billion in mortgages to more than 82,000 first-time homebuyers.

“Our mortgage program has provided financing for a significant number of Missouri first-time homebuyers and has played an important role in the state’s housing market,” said Greg Spurgeon, single family homeownership administrator for MHDC. “The program offers reliable, fixed-rate financing to homebuyers through a public-private partnership with an impressive track record. We thank our lending partners for working with us in opening the door to homeownership for over 82,000 Missouri households.”

Because MHDC administers its first-time homebuyer program through a network of 50-plus private-sector lending institutions located across Missouri, homebuyers are able to apply for mortgages through their local financial organization. These mortgages are funded primarily through private capital, raised by the sale of MHDC’s mortgage revenue bonds in the municipal bond market.

A hallmark of MHDC’s mortgage program is its significantly lower foreclosure rate as compared to the industry average. The program’s focus on providing sustainable housing mandates prudent underwriting practices, including requiring fully documented proof of income and issuing only fixed-rate loans. MHDC intentionally avoided the practices of subprime lending institutions that helped lead to the country’s recent housing market collapse.

In fact, MHDC’s innovative programs have helped strengthen the state’s housing market by reducing the number of unsold houses available. One such program launched by MHDC was the Tax Credit Advance Loan (TCAL), the first of its kind in the nation. This program offered an advance payment of the \$8,000 first-time homebuyer tax credit created by the Obama Administration, to be used for down payment and closing cost assistance, helping first-time homebuyers whose only barrier to homeownership was the need for a significant down payment. After MHDC launched its TCAL program, many other state housing agencies followed suit, netting MHDC a national award for this innovative program.

Missouri Housing Development Commission provides financing for the construction and rehabilitation of affordable housing in Missouri, as well as the administration of low-interest mortgage loan programs available to first-time homebuyers. MHDC also

administers the Missouri Housing Trust Fund to help prevent homelessness and to provide emergency housing assistance for very low-income Missourians.

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NOTE TO EDITORS: Media questions should be directed to Andi Benson, communications administrator, at 816-759-6658 or [abenson@mhdc.com](mailto:abenson@mhdc.com). If you would like to receive this release by e-mail in rich-text format, please email [abenson@mhdc.com](mailto:abenson@mhdc.com) and provide the e-mail address.