



HOMEOWNERSHIP PROGRAMS

SDHDA Program	Purpose What is the program's goal?	Program Type How does it work?	Eligible Applicants Who can apply?	Authorized Purposes What can funds be used for?	Purchase Price	Rates & Terms Rates subject to change	Key to Success	When to Apply
Community Home Improvement Program (CHIP)	Provides low interest loans for eligible borrowers to improve or repair the borrower's present single family home.	SDHDA Participating CHIP Lenders originate the loan. This loan is <u>not</u> based on existing home equity.	South Dakotans who meet income limits. Your total gross household income is a maximum of \$82,800 for a household of 2 or less or a maximum of \$96,600 for a household of 3 or more.	Room Additions, Kitchen Cabinets, Siding, Flooring, Heating/Air Conditioning, Painting, Foundations, Plumbing, Windows/Doors, Decks, Roofing, Insulation, Wiring, Accessibility Updates, Hardware, Water Softners, Smoke/Fire Alarms, Radon/Mold Mitigation, etc.	N/A	The interest rates for CHIP Loans is 2.9%. CHIP Loans have level monthly payments. Loan amounts and terms are determined on an individual basis. There are no loan-to-value requirements and minimal costs.	Contact a participating CHIP Lender. Applicant complete ALL applicable parts of the application form FULLY and include ALL documents and supplementary materials required	Year Round
Repeat Homebuyer Loan Program	Provides low interest fixed rate mortgage loans and cash assistance for homebuyers looking to purchase beyond their first home.	Over 75,000 families have trusted us to finance their first home. Now we have a way to help repeat homebuyers get into their next home.	South Dakotans who meet income limits. Your total gross household income is a maximum of \$82,800 for a household of 2 or less or a maximum of \$96,600 for a household of 3 or more.	The funds can be used to purchase a home beyond the first time or for those homebuyers who do not meet the First-Time Homebuyer Program requirements.	\$305,800 or less	30 year fixed mortgage loan. Interest rates vary.	Contact a Participating Lender. Applicant must complete ALL applicable parts of the application form FULLY and include ALL documents and supplementary materials required	Year Round
Construction Loan Guarantee Program	Provides construction loan guarantees to lenders for contractors who build affordable single family housing.	SDHDA will guarantee up to 50% of the total construction loans made to an individual contractor.	Contractors who build single family housing in communities with a documented need for additional affordable housing.	To build single family affordable housing.	Maximum sales price cannot exceed \$200,000	Construction loans provided by the lender may not exceed 85% of the total value of the housing unit (including lot and improvements), not to exceed costs. SDHDA will charge 0.5% of the loan amount.	Contact SDHDA.	Year Round
Housing Enhancement Loan Program	Provides low interest construction loans to builder members of the South Dakota Home Builders Association for speculative homes.	The program gives an incentive for builder members to build speculative homes.	Builders who are members of the South Dakota Home Builders Association	To build speculative homes.	The maximum loan value of the homes is \$250,000	Only speculative homes qualify. The maximum loan is 80% of the value of the home. There is an origination fee of 1% of the amount of the loan. The maximum term of a loan is 12 months, however, a builder may be considered for an extension of 6 months if requested. The interest rate the first six months of the loan is 0%. The interest rate the second six months period is 1/2 of the market rate used by the SDHDA.	Contact SDHDA for an application.	Year Round

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First-time Homebuyers	Provides low interest fixed rate mortgage loans and cash assistance for homebuyers purchasing their first home.	The objective of the program is to make the dream of homeownership a reality for South Dakota first-time homebuyers by providing low interest rate mortgage loans and down payment and closing costs assistance by contacting a SDHDA Participating Lender who originates the loan. The loan will be serviced by SDHDA's Master Servicer.	South Dakotans who meet income limits, purchase price limits and have not owned a home in the last three years.	The funds can be used to purchase a home and depending upon the interest rate, funds can also be for down payment and closing costs assistance.	All Counties \$250,200 or less Targeted Areas \$305,800 or less	30 year fixed mortgage loan. Interest rates vary.	Contact a Participating Lender. Applicant must complete ALL applicable parts of the application form FULLY and include ALL documents and supplementary materials required.	Year Round
Mortgage Credit Certificate (MCC)	Reduces the amount of federal income tax you pay, giving you more disposable income.	SDHDA Tax Credit (MCC), a Mortgage Credit Certificate is issued allowing a percentage of your mortgage interest to be used as a dollar-for-dollar reduction in your tax bill and the remaining interest paid is still eligible for the home mortgage interest deduction.	South Dakotans who meet income limits, purchase price limits and have not owned a home in the last three years.	To reduce the amount of federal income tax you pay, giving you more disposable income.	All Counties \$250,200 or less Targeted Areas \$305,800 or less	\$120,000 or less 50% MCC rate, \$120,001 to \$150,000 40% MCC rate, or \$150,001 or over 30% MCC rate \$2,000 is the maximum credit per year based on tax equity.	Contact a Participating Lender. Mortgagors will need to file IRS Form 8396 when filing their annual federal income taxes. The maximum credit is limited to \$2,000 per year. Amounts exceeding this limit may be carried forward through the next three years exhausted.	Year Round
Governor's House Program	Created as a way to provide reasonably sized, affordable homes to income-qualified individuals and families.	The objective of the program is to give South Dakota residents a quality, low-cost, low-maintenance, energy efficient place to call home.	Must meet income limits, must be homebuyer's only residence and has not owned a home in the last three years.	To purchase a Governor's House.	Two-Bedroom \$44,700 Three-Bedroom \$51,700	Household income cannot exceed \$48,300 for couples or individuals and \$55,200 for families of three or more. For families and individuals under the age of 62, net worth must be less than \$90,000 and less than \$70,000 in liquid assets. For families and individuals age 62 and older, net worth must be less than \$175,000 and less than \$100,000 in liquid assets.	Contact a Governor's House Sales Representative. Applicant complete ALL applicable parts of the application form FULLY and include ALL documents and supplementary materials required	Year Round
HERO Homebuyer Education	To educate potential homebuyers about safely purchasing a home.	The objective of the program is to learn what steps to take to help you become a homeowner.	South Dakotans	To provide homebuyer education to help you to achieve and master homeownership.	N/A	FREE HERO classes.	Contact a HERO education provider and attend classes.	Year Round