



DELAWARE STATE HOUSING AUTHORITY NEWS RELEASE

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New DSHA Program Helps Homebuyers Save!

Dover – Governor Ruth Ann Minner today announced that Delaware State Housing Authority (DSHA) is offering 40-year mortgages for the first time to new homebuyers through the single highest bond issue in the agency’s history—\$85 million that will help 500 families purchase their first home. The primary advantage of a 40-year fixed rate mortgage is making the monthly payments more affordable without taking on the risk of an adjustable rate. Similar to the better known 30-year conventional mortgage, the key features of this new product include saving money each month and providing more purchasing power. The 40-year fixed mortgage also appeals to buyers with small down payments. In addition, participants can choose the assisted loan with the 40-year mortgage, which provides a grant equal to 3% of the mortgage amount for a slightly higher interest rate.

Governor Minner said, “This new innovative mortgage product will provide the help families need to own a home. It is through home ownership that many families first experience the satisfaction of true independence and stability. I am thrilled to be able to announce this initiative to place the ‘American Dream’ within reach of so many hard-working Delawareans.”

DSHA has surpassed an all-time high in affordable mortgage funding made available to reach even more first time homebuyers. This week, DSHA issued an additional \$85 million worth of “Zero Point,” below-market interest rate mortgages, now available as low as 5.69 percent to first-time homebuyers with low- and moderate-incomes. This marks the fourth issue this year, with \$60 million released in January, \$80 million in April, and another \$60 million in July, bringing the total issued in 2006 to a remarkable \$285 million.

Sandy Johnson, DSHA Director, said, “Not every mortgage product fits the needs of every person... we're working to create a broader range of products so that customers can find the right mortgage to suit *their* specific needs. By the end of this year DSHA will help more than 1,600 families buy a home.”

DSHA offers other programs to assist with down payment and closing costs. For more information on DSHA’s affordable homeownership programs, please call 888-363-8808 toll-free, or visit our website at www.destatehousing.com.

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(Include attached saving chart and lender participation list for interested homebuyers. New lenders may be added at any time.)

cmh:rvm

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