

Housing

Homeownership in America is at an all-time high of 69.2% and minority homeownership is also now at an all-time high of 51.8%. President Bush has made expanding homeownership opportunities a priority, particularly for first-time, minority, and low-income buyers. At the same time, he is committed to dismantling the barriers to homeownership and to providing housing assistance to those most in need.

Since 2001, President Bush has:

- Pushed an aggressive housing agenda to dismantle the barriers to homeownership including housing discrimination;
- Issued *America's Homeownership Challenge* to the real estate and mortgage finance industries to encourage them to join the effort to close the gap that exists between the homeownership rates of minorities and non-minorities;
- Proposed increasing the supply of affordable homes through the Single-Family Affordable Housing Tax Credit;
- Increased support for self-help homeownership programs, which provide grants to national and regional non-profit and faith-based organizations to subsidize the cost of construction. Homebuyers contribute significant amounts of sweat equity or volunteer labor to construct the property;
- Proposed new Federal regulations that would significantly raise the targeted affordable housing lending requirements for the Nation's two largest mortgage finance companies, Fannie Mae and Freddie Mac. It is estimated that over the next four years an additional one million low- and moderate-income families would be served as a result of the new goals;
- Established a clear national goal in June 2002 of enabling 5.5 million new minority families to become homeowners by 2010. Since the President announced this goal, over 1.6 million minority families have become homeowners. Congress' recent enactment of the President's American Dream Downpayment Fund will help expand homeownership opportunities for 40,000 low-income, first-time homebuyers each year;
- Helped to achieve record-high homeownership rates and the highest level of single-family housing affordability in 30 years; and
- Established a goal to end chronic homelessness by 2012 by encouraging collaborations at the Federal, State and local level. Since that time, the Administration has provided new funding to homelessness programs, including \$35 million in grants to support innovative strategies in 16 communities. Forty-five States and territories have already created interagency councils to combat homelessness and over 120 cities and counties have agreed to develop 10-year plans.

The President's FY 2005 Budget for housing builds on the successes of the last three years. It includes:

- \$200 million to help approximately 40,000 low-income families with a down payment on their first home through the American Dream Downpayment Fund. Homeownership in America is at an all-time high of 69.2% and minority homeownership is also now at an all-time high of 51.8%. This fund will help address the gap between the numbers of minority and non-minority homeowners;
- \$65 million through the Department of Housing and Urban Development (HUD) and the U.S. Department of Agriculture (USDA) for the Self-Help Homeownership Opportunities Program and new mortgage insurance programs to help first-time homebuyers overcome the biggest barriers to homeownership – the down payment and impaired credit;
- A single-family homeownership housing tax credit of up to 50% of the cost of constructing or rehabilitating a home to promote the development of affordable single-family homes for low-income homebuyers;
- Zero-Downpayment for Federal Housing Administration-insured single-family mortgages for first-time homebuyers;
- More than \$3 billion for programs directly addressing programs that help homeless individuals and families. The Budget also continues and strengthens the commitment to end chronic homelessness through the Samaritan Initiative, a competitive grant program of \$70 million for housing with supportive services including substance abuse treatment and primary health care;
- Strengthening of the tenant-based housing assistance program by permitting more flexibility to housing authorities to tailor assistance to local needs, thereby creating a program that can help more families move from dependence to economic self-sufficiency. Improves fiscal management and strengthens accountability of the tenant-based voucher program to ensure that the same number of families are served while controlling costs;
- The Development Challenge Pilot initiative to test ways to better target, coordinate, and leverage community development programs; and
- Support for rural homeownership through the Department of Agriculture with \$2.7 billion in home loan guarantees for low to moderate-income rural residents and \$1.1 billion in direct loans for very low- to low-income borrowers who are unable to secure a mortgage through a conventional lender. In the FY 2005 Budget, these loans are expected to provide 42,800 homeownership opportunities to rural families across America.

For Other Information About the President's Accomplishments and Proposals:

FY 2005 Budget

Department of Housing and Urban Development: <http://www.whitehouse.gov/omb/budget/fy2005/hud.html>

Faith-Based and Community Initiatives

The White House: <http://www.whitehouse.gov/government/fbci/>

Department of Health and Human Services: <http://www.hhs.gov/fbci/>

Department of Housing and Urban Development: <http://www.hud.gov/initiatives/fbci/index.cfm>

Home Ownership

The White House: <http://www.whitehouse.gov/infocus/homeownership/>

Department of Housing and Urban Development: <http://www.hud.gov/initiatives/homeownership/index.cfm>