

FOR WHAT IT'S WORTH

For What It's Worth is a service for members of the Oklahoma Homebuyer Education Association. We welcome your response to the items reported or other information you would like to share with homebuyer education professionals. Send your responses to Tricia Auberle at HomebuyerEd@okacaa.org

The average cost of a home sold in 2010 in Oklahoma increased to \$151,684, a three percent increase over 2009 per the Oklahoma Association of Realtors website. Statewide, 40,510 homes were sold which is nearly ten percent less than in 2009. Nationally, the average price of a home is \$290,000 (*U.S. Census data*).

Tax liability clarification. Some calls have come in from homeowners who took advantage of the first-time homebuyer tax credit three years ago. Apparently some people think the requirement to pay it back was changed in 2009. What they misunderstand is that the payback requirement change was only for those who took the credit in 2009. The change was not retroactive to 2008. So save yourself the trouble of looking into it. Those who took the credit in 2008 must begin paying it back (over 15 years) beginning with this filing season.

IDA study credits homebuyer education. A study conducted by the Assets for Independence program which provides funding for Individual Development Accounts (IDAs) shows that low- and middle-income homebuyers using IDAs are two to three times less likely to lose their homes to foreclosure. Also, only 1.5% of IDA users have high-interest loans as opposed to 20% of low- or middle-income buyers not using an IDA. The study attributes the difference to matched savings, financial/homebuyer education and oversight or guidance regarding loan products.

Loan modification workshops hosted by Wells Fargo, Chase and Bank of America are continuing around the country. However, none are scheduled for Oklahoma. Chase also expanded their network of local homeownership centers from 51 to 76 locations to accommodate more mortgage holders. It has taken a long time for the servicing industry to respond but it appears they have finally come around.

These lenders' websites can be a tool if your client's loan is with one of them. Chase and Bank of America both have a "Help for Homeowners" option on their home pages. Wells Fargo's is a little farther into the site. Look under "Loans" and click "Home Mortgage." A "Homeowner Assistance" option is in the right column.

One major lender reports that the Home Affordable Modification Program accounts for only about 30% of its modifications. The other 70% did not meet HAMP eligibility requirements. Still, people called and ended up getting a modification from the servicer. I'd count that as a successful outcome that is at least partially attributable to the publicity generated by the program.

The Federal Home Loan Bank of Topeka will be providing annual support for the Oklahoma Homebuyer Education Association again this year. We hope that you have developed a partnership with an FHLB member bank in your community. Partnerships can result in down payment assistance for your clients through the First Time Rural Homeownership Program and the Targeted Ownership Program for persons with disabilities. Real estate is still the best way for people with limited incomes to develop a major asset and the FHLB set-aside programs for down payments have benefitted hundreds of rural Oklahomans. Thanks, FHLB!

OHEA Calendar and Continuing Education/Professional Development Opportunities

April 8, Foreclosure Scam Summit cosponsored by OHEA provides 2 CEUs. The program starts at 11:30 and ends at 2:00. Lunch will be served. Sponsors include NeighborWorks American, FDIC, FRB and OK Assets. Email Emhall@fdic.gov for reservations. Seating is limited.

April 25 – 29, OHEA Homebuyer Education Train the Trainer workshops prepare candidates for certification as homebuyer educators. Contact HomebuyerEd@okacaa.org for registration.

May 17 & 18, HUD National Servicing Center *Early Delinquency Servicing Activities and HUD's Los Mitigation Training* is two days of classroom training after you complete an online module for a total of 13 CEUs. Register at hud.gov.

August 16 & 17, HUD National Servicing Center *Early Delinquency Servicing Activities and HUD's Los Mitigation Training* is two days of classroom training after you complete an online module for a total of 13 CEUs. Register at HUD.gov.

August 30 – September 2, State Housing and Energy Conference at the Embassy Suites Hotel in Norman. Usually this track consists of seven 1.5-hour sessions provided by OHEA.

TBD: The Ninth Annual Homebuyer Education Conference will be held in the fall. We have not yet determined how many hours of continuing education this program will provide. Last year several OHEA members suggested we schedule the new Comprehensive Continuing Education class as a track at this conference. We welcome your thoughts on this concept.