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WISCONSIN HOUSING AND
ECONOMIC DEVELOPMENT AUTHORITY

MEDIA RELEASE

For Immediate Release: May 12, 2009
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WHEDA Loan Product To Help Eligible Home Buyers Purchase Foreclosed Homes

Madison – In an effort to rebuild neighborhoods impacted by foreclosure and spur homeownership opportunities, the Wisconsin Housing and Economic Development Authority (WHEDA®) proudly announces a niche loan product targeting the purchase of foreclosed homes in seven counties in Wisconsin.

The Wisconsin Neighborhood Advantage loan can be used to purchase and repair foreclosed-upon single family homes in Brown, Dane, Kenosha, Milwaukee, Racine, Rock and Waukesha counties. The home buyer must meet the program's income limits, occupy the property as a primary residence after purchase, complete all repairs within 90 days after closing, and meet other property eligibility requirements.

“We know there is no easy solution to the foreclosure problems in our communities,” said WHEDA Executive Director Antonio Riley. “With the Wisconsin Neighborhood Advantage, we have a tool that can go right to work stabilizing property values and building stronger neighborhoods.”

The Wisconsin Neighborhood Advantage is the first of its kind in the country, leveraging \$6.2 million from federal NSP funds which secured the Neighborhood Housing Services of America (NHTSA) as an investor in the loans. The NSP funds were allocated by the Wisconsin Department of Commerce.

To be eligible, a borrower must use a participating Wisconsin Neighborhood Advantage lender. Training for those lenders, as well as real estate professionals and others will be held in three locations during the first three weeks of May. WHEDA will begin accepting loan applications by June 1st.

“WHEDA is fortunate to work with partners like the Department of Commerce and NHTSA to be able to play a significant role in revitalizing neighborhoods. With WHEDA still unable to offer a home loan product to first time homebuyers, the investment from NHTSA and the leveraged dollars through Commerce allow us to be doing what we do best – help people become homeowners and build strong neighborhoods,” said Riley. “Thanks to the vision of NeighborWorks America and the dialogue that group helped establish with NHTSA and others, we are doing something very unique.”

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NHSA is a national nonprofit secondary market, and worked with WHEDA to develop this loan product, which, said President and CEO Mary Lee Widener, NHSA hopes will become a model for other states to follow.

“We’re pleased that NHSA can be a bridge between state governments and investors who are long term partners in NHSA’s work,” said Widener. “Working with WHEDA, we’re bringing \$33 million of new private sector capital to the work that Governor Jim Doyle and the state of Wisconsin are doing to help communities reclaim formerly foreclosed properties and strengthen neighborhoods.”

Borrowers interested in learning more about the Wisconsin Neighborhood Advantage should go to <http://www.wheda.com/HomeBuyers/WHEDAMortgages/> and find a participating lender.

WHEDA is an independent state authority that works with lenders to provide low-cost financing for housing and small business development in Wisconsin. For more information on WHEDA’s housing programs, call (800) 334-6873 or visit WHEDA’s web site www.wheda.com.

Neighborhood Housing Services of America (NHSA) is a national nonprofit secondary market. NHSA collaborates with private sector institutional investors, philanthropic organizations, NeighborWorks® America and governmental entities to improve mortgage industry products and services for community initiatives. For over 30 years, NHSA has been a lending resource to the community development field. NHSA’s lending activities are supported by its e-commerce platform, delivering Web-based automated underwriting, and loan product selection and pricing. In 2006 NHSA created a nonprofit subsidiary, NHSA-Just Price Solutions (JPS), to operate NHSA’s e-commerce platform. As a total solution for nonprofit housing providers, NHSA provides the affordable financing, services, and products that strengthen communities and improve lives for the long term. To learn more go to www.NHSAonline.org.

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