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### **Nevada to Receive Federal Foreclosure Prevention and Neighborhood Stabilization Assistance**

\$101.2 million in housing bond funds and \$513,076 in tax credits

Carson City, NV – The State of Nevada will receive foreclosure prevention and neighborhood stabilization assistance through the United States House of Representatives Resolution (H.R.) 3221, the Housing and Economic Recovery Act of 2008. H.R. 3221, was approved by the U.S. Senate on July 26 by a vote of 72 to 13. The bill was passed in the House of Representatives on July 23 by a vote of 272 to 152.

“This housing economic stimulus package will help many of Nevada’s residents who are on the brink of losing their homes created by the foreclosure crisis,” said Governor Jim Gibbons. “This package will provide broader and more flexible tools to help sustain homeowners through these difficult times in addition to providing increased economic incentives to help our state’s first-time homebuyers get into home ownership.”

The bill represents the most comprehensive response yet to the American mortgage crisis and will help some families facing foreclosure keep their homes, help other families avoid future foreclosures, and help the recovery of communities harmed by clusters of empty homes caught in the foreclosure process. It is one of the most important housing reforms in decades.

Nevada is slated to receive \$101.2 million in Mortgage Revenue Bonding authority (MRB)-and \$513,076 in additional allocating authority through the Nevada Housing Division’s Low-Income Housing Tax Credit Program for each of the next two years. The tax credit program will ultimately generate approximately \$4.4 million per year in equity for affordable multi-family housing development. The state and local jurisdictions will receive additional Community Development Block Grant (CDBG) funds to purchase and rehabilitate homes that already have been foreclosed upon to help revitalize and strengthen communities.

The resources provided in the bill will be invaluable for Nevada, which has consistently led the nation in foreclosures this past year. H.R. 3221 will help many of our state’s families avoid foreclosure while giving others greater opportunity to purchase available affordable homes.

Under the H.R. 3221 bill, those families whose income is above the Division’s current 115% limit for anyone buying their first home and have the general qualification

criteria may still qualify for a federal tax credit of up to \$7,500 which has to be paid back as an interest free loan over 15 years.

Under this new bill the Housing Division will be able to provide refinancing lending within the same income and sales price limits that are available for all first-time homebuyers.

“The Nevada Housing Division has an excellent bond program for the state’s first-time homebuyers,” said Governor Jim Gibbons. “H.R. 3221 allows for an expansion of the program to reach more families. The Division offers not only favorable mortgage interest rates and down-payment assistance for homebuyers who earn up to 115% of the area median income, but now refinancing and tax credits can help many of our state’s moderate income individuals and families. This is especially important for veterans, those returning soldiers now have options to avoid foreclosure and stay in their homes.”

According to Chas Horsey, Administrator, Nevada Housing Division, “The bill will help the rental market as well by providing more funds to expand and improve the Low-Income Housing Tax Credit Program. This is crucial to the construction and rehabilitation of affordable multi-family rental units.”

Through the bills provision for emergency assistance for Neighborhood Stabilization Funding, Nevada will benefit by the appropriation of grants to the state and localities for the redevelopment of abandoned and foreclosed homes and housing counseling. Nevada’s portion of the nationally designated \$3.92 billion in appropriations will be established by HUD on a funding allocation formula based on the number and percentage of home foreclosures, subprime mortgages, and homes in default or delinquent in each state or locality.

For more information on this housing stimulus package and its impact for Nevada, go to [www.nvhousing.state.nv.us](http://www.nvhousing.state.nv.us) and click on Nevada Housing Division Summary (Housing and Economic Recovery Act of 2008, H.R. 3221).

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