

FHA raises limits in every Oregon county for 2008

by Bend_Weekly_News_Sources

SALEM, Ore. -- The freedom to achieve prosperity through hard work and determination is a cornerstone of the American Dream. The opportunity that prosperity affords to own a home is in and of itself a dream realized.

Homeownership is important to the individual, to the community, and ultimately to the stability and economic health of the nation.

The long-term financial benefits to individual homeowners are well-documented. The Federal Reserve's Survey of Consumer Finances, conducted every three years since 1983, most recently reported the median net worth of renters to be \$4,000 compared to \$184,400 for homeowners.

When President Franklin D. Roosevelt established the Federal Housing Administration in 1934, he identified widespread homeownership as "the bulwark of democracy." The nation's economic stake in the housing market is immense. Household real estate holdings top \$20 trillion in the U.S. today (\$10.9 trillion net equity), accounting for 16 percent of total economic activity. Because of the social and economic benefits of homeownership, the government plays a key role in homeownership.

The U.S. Department of Housing and Urban Development published new FHA and conforming loan limits earlier this month, based on median home prices as mandated by the Economic Stimulus Act signed by President Bush in February. New loan limits for FHA and Fannie Mae and Freddie Mac are now calculated at 125 percent of the HUD published median prices. For example, in Multnomah County, the new limit for a

single-family residence is \$418,750, up from \$304, 950 last month. In Bend, the new limit for a one-family home is \$447,500, up from \$340,100. Check with HUD for the new limits by county in Oregon.

Â· FHA Secure is a new refinancing option that gives homeowners with non-FHA adjustable rate mortgages (ARMs) the ability to refinance into an FHA-insured mortgage. The FHA expects to help more than 300,000 families refinance their homes in 2008.

Â· FHA's SF Rehabilitation Loan program (203k) provides funds for repairing single-family properties. The mortgage amount is based on the projected value of the property with the work completed.

The FHA Down Payment Grant Program through AmeriDream, Inc., helps low to moderate income families with gift funds of up to 10 percent of the home's purchase price that do not have to be paid back. The program is not limited to first-time homebuyers. Telephone 1-800- CALL-FHA or go to www.fha.gov to learn more about FHA programs.

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