

HUD HEARTLAND NEWS



US Department of Housing and Urban Development
Sioux Falls, South Dakota Field Office

HUD Assistance in Disaster Areas



Flooding is unfortunately something South Dakota has been dealing with for quite some time. This year flooding occurred in many counties throughout the state. In all, 31 counties have been declared disaster areas and are eligible for Federal Emergency Management Agency's public assistance funding.

For individuals personally affected by the disaster and requiring assistance, HUD offers:

- Immediate foreclosure relief by granting a 90-day moratorium on foreclosures and forbearance on foreclosures of Federal Housing Administration (FHA) insured home mortgages.
- Programs for damaged or destroyed properties by utilizing the [Section 203\(k\)](#) loan program. The 203(k) program enables homebuyers and homeowners to finance both the purchase and/or refinancing of a house and the costs of its rehabilitation through a single mortgage. It also allows homeowners who have damaged houses to finance the rehabilitation of their existing single-family home.
- HUD has a special mortgage insurance program under [Section 203\(h\)](#) of the National Housing Act to assist disaster victims. Under this program, individuals or families whose residence was destroyed or damaged to such an extent that reconstruction or replacement is necessary are eligible for 100 percent financing.

New Affordable Apartments in Sioux Falls

Crocus Meadow Apartments recently opened on June 15 in Sioux Falls and are owned and managed by [Accessible Space, Inc.](#) The 15-unit wheelchair accessible apartments feature an elevator, community room, on-site laundry, and an outdoor patio. The project, designed and built for individuals with physical disabilities, was financed with funds provided by HUD's [Section 811](#) Supportive Housing for Persons with Disabilities Program.



The Section 811 Program provides interest-free capital advances to nonprofit organizations to construct or rehabilitate rental housing with supportive services for very low-income persons with disabilities who are at least 18 years old. The program also provides rental assistance for project residents. Residents pay 30 percent of their adjusted gross income in rent while Section 811 pays the difference between the monthly HUD-approved operating cost and the rent received from the tenant.

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CALENDAR OF EVENTS:

August 19

[VA Stand Down
Fort Thompson](#)

September 14-16

[Realtor Convention
Pierre](#)

September 23

[VA Stand Down
Sioux Falls](#)

October 18-19

[SDMHA State Convention
Sioux Falls](#)

November 8-9

[SDHDA Housing Conference
Pierre](#)



RESPA Moves



As of July 21, 2011, the Real Estate Settlement Procedures Act (RESPA) is no longer administered and enforced by HUD. It has moved to the [Consumer Financial Protection Bureau \(CFPB\)](#). RESPA requires that a standardized Good Faith Estimate (GFE) be provided to loan applicants so they may be informed about settlement costs and interest rate related terms. The estimate must include an itemized list of fees and costs associated with the loan and must be provided within three business days of applying for a loan. Consumers with questions related to their mortgage or to their lender or servicer can contact CFPB's Response Team at (855) 411-2372 or at their [web site](#).

Phone toll-free (800) CALLFHA or (800) 225-5342, M-F, 7am-7pm CT

Email: answers@hud.gov

Search online: www.hud.gov/answers



Notice for Housing Counseling Agencies

All agencies participating in the HUD Housing Counseling Program should have a HUD compliant Client Management System (CMS) no later than the end of FY 2011. This application must be used when recording client intake information during every counseling and workshop session. This will eliminate the need to manually enter data directly into the Housing Counseling System (HCS).

Beginning October 1, 2011, all agencies must submit their information using their CMS. All agencies should ensure that their CMS is compatible with the latest HUD standard. The latest standard is ARM 4.0. For further information regarding guidance and assistance in selecting and utilizing the CMS, visit the HCS CMS [web site](#).



FHA Resource Center Changes

On August 15, 2011, FHA's Resource Center email and web address will change. The email address will change from info@fhaoutreach.com to answers@hud.gov. The web address will change from www.fhaoutreach.gov/FHAFAQ to www.hud.gov/answers. The FHA Resource Center phone number remains the same at (800) 225-5342.



Streamlined 203(k)

FHA's [streamlined 203\(k\)](#) program augments the [standard 203\(k\)](#) program and is designed to assist homeowners a way to finance less extensive repairs and improvements to their homes. The program permits homebuyers to finance up to an additional \$35,000 into their mortgage to improve their home before move-in.



The streamlined 203(k) program is intended to facilitate uncomplicated rehabilitation and/or improvements to a home for which plans, consultants, engineers and/or architects are not required. Some common repairs that are permitted with this program are repair or replacement of roofs, gutters, and downspouts, heating, ventilating, and air conditioning, floor covering, plumbing, electrical systems, painting, etc.

South Dakota Single Family FHA Information

<u>FY2011 Statistics</u>	<u>Apr</u>	<u>May</u>	<u>June</u>
Loans Insured	205	231	284
First-Time Homebuyers	88	109	158
Minority Homebuyers	12	15	8
Default Rate	1.36%	1.36%	1.37%
Foreclosure Rate	0.61%	0.61%	0.63%
REO Properties			
Acquired	10	16	13
Sold	22	1	16
Owned	48	63	60

Summer Intern

The South Dakota HUD Office was fortunate to have Brittany Anderson serve as a summer intern for the past few months. Brittany has worked on several projects and has helped answer general HUD questions for customers. Brittany graduated from Roosevelt High School in 2010 and in the fall will begin her sophomore year at Wheaton College, located in the western suburbs of Chicago where she will continue her studies in Applied Health Science. Brittany's parents live in Sioux Falls and she has two older sisters, one who is teaching in Colorado and one who is working in Chicago. Brittany enjoys running, biking, reading and volunteering.



Funding for Homeless Veterans



HUD and the Department of Veterans Affairs Supported Housing (HUD-VASH) Program provides long-term case management, supportive services, and permanent housing support. With the recent addition of

25 HUD-VASH vouchers for the Rapid City area, HUD and the VA are now able to serve 195 homeless veterans in South Dakota.

HUD provides Housing Choice vouchers for HUD-VASH to participating public housing authorities to assist with rent payments. Eligible homeless veterans receive VA-provided case management and supportive services to support stability and recovery from physical and mental health, substance use, and functional concerns contributing to or resulting from homelessness. The program goals include promoting maximal veteran recovery and independence to sustain permanent housing in the community for the veteran and the veteran's family.

Participating housing authorities and veteran facilities:

- Sioux Falls Housing - Royal C. Johnson Veterans Affairs Medical Center, Sioux Falls
- Pennington County Housing – Black Hills Health Care System, Ft. Meade Campus, Rapid City
- Meade County Housing – Black Hills Health Care System, Ft. Meade Campus, Rapid City

New Concept in Shift House

The City of Sioux Falls Department of Community Development, along with several other groups, recently announced the winner of the Affordable Housing Design competition. Architecture Inc.'s submission of the **Shift House** was selected among several entries. The "Shift House" concept was designed to "shift" the perception of what affordable housing can be. The emphasis was to show the benefits of sustainable design incorporated into affordable housing and to create homes that would provide residents with a higher quality of life using replicable strategies.



The Shift House, to be built in the Whittier Neighborhood in Sioux Falls, is designed long and narrow to fit the lot and has a division between public and private space. It uses many green concepts and energy-saving appliances. Construction on the home is scheduled to begin this fall.

The City of Sioux Falls and Sioux Falls Housing Corporation will build the home for approximately \$100,000 utilizing a combination of city funds, Community Development HOME Funds, and Community Development non-federal revolving funds. Once completed, the home will be sold to a qualified buyer who must be at or below 80% of the area median income. Affordable Housing Solutions/Sioux Falls Housing Corporation will find and qualify the new owner.

Current Grant Opportunities

[Sustainable Communities Regional Planning Grant Pre-Application](#)

Close Date: August 25, 2011

[Fair Housing Initiative Programs - Private Enforcement Initiative](#)

Close Date: August 29, 2011

[Fair Housing Initiative Programs - FHOI & EOI](#)

Close Date: August 29, 2011

[Self-Help Homeownership Opportunity Program \(SHOP\)](#)

Close Date: September 6, 2011

[Community Challenge Planning Grant Program](#)

Close Date: September 9, 2011

To apply for any of the grants, go to www.grants.gov.

New HUD Mailing List

HUD invites all stakeholders and interested parties to join the new Emergency Solutions Grants Program mailing list. The Emergency Solutions Grant Program mailing list will be used to notify Emergency Shelter Grant recipients and sub recipients, Continuum of Care leaders, field office staff, and other interested parties about policy changes and clarifications, program management tools, and other items of general interest regarding HUD's Emergency Solutions Grants Program.

To join the mailing list, go to HUD's [Homelessness Resource Exchange \(HRE\)](#) and click on "Listservs" in the banner.

Loss Mitigation Training

FHA's National Servicing Center offers free on-line training on loss mitigation. The training is for HUD-approved lenders and servicers, HUD-approved housing counseling agencies, non-profit housing counseling agencies, HUD employees, and other approved users. The classes provide training for the industry in helping homeowners who are having difficulty making their monthly house payment. If interested in learning more about loss mitigation, register at this [web site](#). Once you have registered, look for the NSC Module Training.

Multifamily Housing What's New

For the most current information from HUD's Multifamily Housing HUB in Denver, go to their [web site](#).

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This is a quarterly publication of the South Dakota HUD office. For active internet links, view the newsletter online at www.hud.gov/southdakota

Please contact us if you have any news or updates to include in our newsletter.

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NeighborWorks Training

NeighborWorks America is offering free stabilization eLearning courses through the end of September 2011. To register for the classes, click on the NeighborWorks [web site](#), scroll down to the section "LEARN HOW TO REGISTER", create an account, log in and register for the classes. The classes include:

- * **AH295el:** Community Stabilization: An Introduction to REO Acquisition, Rehab, Disposition and Management
- * **AM121el:** Fundamentals of Asset Management
- * **HO265el:** Counseling Clients Seeking Rental Housing
- * **NR231el:** Stabilizing Neighborhoods in a Post-Foreclosure Environment
- * **HO260el:** Counseling Buyers of REO Properties

Public Housing News-To-Use

For the most current information from HUD's Office of Public Housing in Denver, go to their [web site](#).

Need a HUD Publication?

HUD publications such as handbooks, forms, posters, mortgagee letters, etc. are available through HUD's Direct Distribution Center. Most items are available online and are available 24 hours per day; however, some must be mailed. They can be ordered either online or by phone. To access the DDC on-Line ordering system, register with a user name and password by clicking on this [link](#).



Requests can be made 7:00 a.m. – 4:15 p.m. CT Monday – Friday by phone at (800) 767-7468.

Mission of the U.S. Department of Housing and Urban Development: To create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes; utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination; and transform the way HUD does business.