

HUD HEARTLAND NEWS



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

National Homeownership Month



June is National Homeownership Month, an opportunity for all to consider the benefits of homeownership. It is called the American Dream - the opportunity to own your own home. It is the biggest investment most people will make and it can provide an excellent return.

Homeownership provides many benefits. It gives stability to families, neighborhoods, and communities. Homeowners typically stay in their home 12 years as opposed to renters who move every 3 years. Homeownership improves neighborhoods. Homeowners are 28% more likely to improve their home and 10% more likely to participate in solving local problems. Homeownership also builds wealth and provides tax benefits.

During Homeownership Month, we applaud those individuals who provide counseling, lending, real estate, construction, and other services to homebuyers. Without their guidance, people would struggle with the complexities of the systems that are needed to create homeownership in this country. We applaud their hard work and the financial discipline and personal responsibility of our country's homeowners that help transform neighborhoods throughout our Nation and reflect the best qualities of America.

Let's Make Home Happen

HUD's Office of Housing Counseling recently announced a new visibility initiative for building awareness for HUD housing counseling. Its new motto "Let's Make Home Happen" is focusing on creating a consistent, cohesive, immediately recognizable graphic fingerprint and a powerful outreach program. The intention is to increase stakeholder awareness, change stakeholder perceptions, motivate behaviors, and create partnerships among stakeholders in easily accessing housing counseling resources.



The new slogan "Let's Make Home Happen" is a call to action for lenders, consumers, real estate professionals, and HUD employees working together to make owning a home happen for anyone and everyone. The new message hits home by clearly defining who we are and what we do: "HUD Housing Counseling provides trusted resources to empower consumers to make informed decisions." Its visual impact consisting of a bright orange rooftop tells you it all happens under one roof with the HUD Office of Housing Counseling logo embellished on the chimney. More information and resources are available on HUD's [website](#).

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CALENDAR OF EVENTS:

May 28, 2018
Closed for Holiday

June 6, 2018
[Native Homeownership Tour and Convening](#)
Yankton

June 12-13, 2018
[Homeless Summit](#)
Oacoma

June 27-28, 2018
[RuralX18](#)
Mitchell

July 4, 2018
Closed for Holiday



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

Email: answers@hud.gov

Search online: www.hud.gov/answers



Know Before You Owe

April 26, 2018, the Bureau of Consumer Financial Protection finalized an amendment to its “Know Before You Owe” rule. It states when lenders can pass on increased closing costs to consumers and disclose them.

The “Know Before You Owe” rule, in effect since October 3, 2015, created loan estimate and closing disclosure forms for consumers when applying for and closing on a mortgage loan. Clarification was needed on when creditors could pass on the increased costs.

As a result, in July 2017, the Bureau proposed an amendment to remove the timing restriction. After considering public comment, the Bureau is finalizing the amendment. The [final rule](#) takes effect 30 days after publication in the Federal Register.

FEDERAL HOUSING ADMINISTRATION

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

New Design for Governor’s House



The South Dakota Housing Development Authority announced changes to the Governor’s House, giving it a more modern look. Each 1,008 or 1,200 sq. ft. house is Energy Star certified. New features of the homes include an installed central air conditioner via a heat pump, poplar cabinets, new countertop pattern, under mount LED kitchen cabinet lighting, new box bay window, new siding colors, and new house facade.

Since 1996, the [Governor’s House Program](#) has served about 2,500 families in South Dakota with homes that are affordable and energy efficient. Qualifications, pricing, and other criteria include:

- \$49,700 for a 2-bedroom house; \$56,700 for a 3-bedroom house
- Household income cannot exceed \$48,300 for couples/individuals and \$55,200 for families of 3 or more.
- Under 62 years old, net worth has to be less than \$90,000 and liquid assets less than \$70,000.
- 62 and older, net worth less than \$175,000 and liquid assets less than \$100,000.
- Must be homebuyer’s only residence and must be placed within South Dakota.

Home Equity Conversion Mortgage Default Counseling

A home equity conversion mortgage (HECM) allows borrowers to use the existing equity in their home and doesn’t require immediate or monthly interest or principal payments. Although monthly payments are not required, there is still risk involved if the borrower fails to pay taxes, homeowner association fees, utilities charges, hazard insurance, or remain in the property as their principal residence.



HECM counselors assist borrowers with contacting the loan servicer as soon as possible to see if the delinquency can be resolved; determine options for financial assistance, seek other housing options; and refer the borrowers to a local Area Agency on Aging. For more information or for a listing of HECM counselors, visit HUD’s [website](#).

South Dakota Single Family FHA Information

<u>FY2018 Statistics</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>
Loans Insured	197	125	158
First-Time Homebuyers	105	61	86
Minority Homebuyers	8	2	4
Default Rate	2.77%	2.66%	2.26%
Foreclosure Rate	0.14%	0.11%	0.10%
REO Properties			
Acquired	9	7	6
Sold	3	3	10
Owned	31	35	31

Funding for Veterans



The Department of Housing and Urban Development (HUD) and the Department of Veterans Affairs (VA) announced additional HUD-Veterans Affairs Supportive Housing (HUD-VASH) vouchers for homeless veterans in the Black Hills. The \$121,458 will fund 24 vouchers to assist homeless veterans.

The vouchers are administered by the Pennington County Housing and Redevelopment Commission and the case management services are provided by the Black Hills VA Health Care System. The vouchers are a critical tool in helping communities effectively end homelessness among veterans.

Funds Available for Sioux Falls

The City of Sioux Falls [Community Development](#) Department utilizes HUD's Community Development Block Grant (CDBG) funds and Home Investment Partnerships Program (HOME) funds to support the community needs/priorities as identified in the Consolidated Plan. The needs/priorities identified in the 2015-2019 plan are:



- Core Neighborhood Redevelopment
- Neighborhood Revitalization
- Affordable Housing
- Home Ownership Assistance
- Programs that Increase Self-Sufficiency
- Fair Housing Education and Outreach
- Accessibility Modifications
- Public Facilities

The city is accepting applications for CDBG and HOME funds for the City of Sioux falls only. Applications are due on May 31, 2018.

Making Affordable Housing Work Act

Last Month, Secretary Ben Carson unveiled a package of reforms designed to offer public housing authorities, property owners and HUD-assisted families a simpler, less invasive, and more transparent set of rent structures, and places HUD's rental assistance programs on a more fiscally sustainable path. Through its [Making Affordable Housing Work Act](#), HUD is seeking to reform decades-old rent policies that are confusing, costly and counterproductive; and the incentives they create often fail to adequately support individuals and families receiving HUD rental assistance in increasing their earnings.

Homeless Summit

The 13th annual statewide [Homeless Summit](#), hosted by the South Dakota Housing Development Authority, is scheduled for June 12 -13, 2018 at the Arrowwood Resort and Conference Center in Oacoma. Participants can engage in conversations to prevent homelessness, attend workshops, and make connections at the networking events.

Award-Winning HUD Exchange



HUD, in partnership with Inner City Fund (ICF), received the 2017 Digital Government Project Experience Award for its website, [HUD Exchange](#). The award is given by the Center for

Digital Government to honor digital work from organizations that have greatly improved how their customers experience government and how services are delivered. HUD Exchange was the only Federal Government Experience category winner.

2018 Annual Homeless Count

On January 23, 2018, the Statewide Point-in-Time (PIT) Homeless Count revealed that 1,159 individuals were experiencing homelessness in South Dakota. The PIT count is a total number of sheltered/unsheltered homeless persons in a 24-hour time period. It counts those staying in emergency shelters, transitional housing, or motels paid for by an agency, and those staying in vehicles and on the streets.

Of the 1,159 homeless individuals counted, 63% were male 37% were female, 57% were American Indian, 28% were white and 15% were other. Of the total, 218 were children and 110 were veterans. This was a 21% increase in homeless individuals from last year's count. On the day of the count in 2017 there was a severe winter storm. During severe weather, the homeless often pool their money to stay in a motel or stay in shelters, making it difficult to find and count them.

Save the Date



The South Dakota Native Homeownership Coalition's annual [Coalition Tour and Convening](#) will be held June 6, 2018 on the Yankton Reservation. Participants will tour proposed homeownership sites, meet local homeowners, learn about recent planning efforts and strategic directions, learn about housing needs studies conducted on Yankton and Standing Rock, and share strategies to increase the number of appraisers.

Sexual Harassment in Housing

Every April, Assault Awareness Month brings awareness about sexual assault which is potentially a Fair Housing violation and is often unreported. To bring awareness, the Department of Justice’s (DOJ) Civil Rights Division has established a [Sexual Harassment in Housing Initiative](#). This is an effort to protect individuals from sexual harassment by landlords, property managers, maintenance workers, loan officers, or others who have control over housing.

Sexual harassment in housing includes demands for sex or sexual acts in order to buy, rent, or continue renting a home. It also includes other unwelcome sexual conduct that makes it hard to keep living in or feel comfortable in your home. This includes comments made about someone’s body, talking about sex, showing pornography, exposing self, asking for sexual favors in exchange for rent, threatening eviction, or physical contact without consent.

To file a complaint, contact the Civil Rights Division of the DOJ at (844) 380-6178 and/or HUD’s Office of [Fair Housing and Equal Opportunity](#) at (800) 877-7353. For further information or training regarding the Sexual Harassment in Housing Initiative, contact Alison Ramsdell, Assistant United States Attorney at (605) 357-2338.

2018 Income Limits

HUD released Fiscal Year 2018 [income limits](#) effective April 1, 2018. The income limits are used to determine eligibility for HUD-assisted housing programs. The income limits are based on Median Family Income estimates and Fair Market Rent area definitions.

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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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HUD’s Financial Integrity

HUD recently announced in a [press release](#) new measures to protect the financial integrity of the agency. The new Chief Financial Officer, Irving Dennis will institute new processes and controls, empower employees, and strengthen compliance and enforcement-related functions.

The new plan includes:

- * Agency-wide governance implemented for oversight, transparency, monitoring, and accountability;
- * Finance transformation by developing a plan to restore discipline and accountability in the financial and reporting systems;
- * Grant modernization by developing a holistic grant modernization plan to improve those processes; and
- * Process improvement by promoting a HUD culture focused on transparency and cost reasonableness.

Multifamily Housing What’s New

For the most current information from HUD’s Multifamily Housing Region West in Denver, visit their [website](#).

National Father’s Day



Father’s Day will be celebrated on June 17, 2018, a day of honoring fathers and their influence. Statistics show that children suffer when their fathers are absent which

is common among public housing households that are often headed by single, low-income mothers. Statistics from communities across the country indicated children raised in absent father families are more at-risk for a host of negative factors.

For the past eight years, HUD has celebrated National Father’s Day, connecting children living in HUD-assisted housing with their fathers. This year’s theme is “HUD Strong Families Initiative, Empowering Fathers, Mothers and Children”. Events can be planned for the month of June and range from a casual event such as a cookout or a fair to providing information on job training and healthy living. The focus is meant to be a starting point; either a celebration of existing relationships, or a reason to form first connections. For event ideas or how to register an event, visit HUD’s Father’s Day [website](#).

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.