

Virginia Housing's Sponsoring Partnerships and Revitalizing Communities Program (SPARC)

Topics for Discussion

- Program Goals
- Sponsor Eligibility
- Program Priorities
- Sponsor Responsibilities
- Program Success

What is SPARC?

- ❖ A special allocation of reduced rate funding made available by Virginia Housing to local governments, non-profits and housing industry partners to support special housing needs.
- ❖ SPARC reduces mortgage loans one (1) percent lower than VHDA's published First-time Homebuyer rate
- ❖ Supports a Sponsor's homeownership efforts.

Sponsor Eligibility

❖ Who can become a Sponsor?

- Local Governments
- Redevelopment and Housing Authorities
- Nonprofit Housing Organizations

❖ Sponsors must:

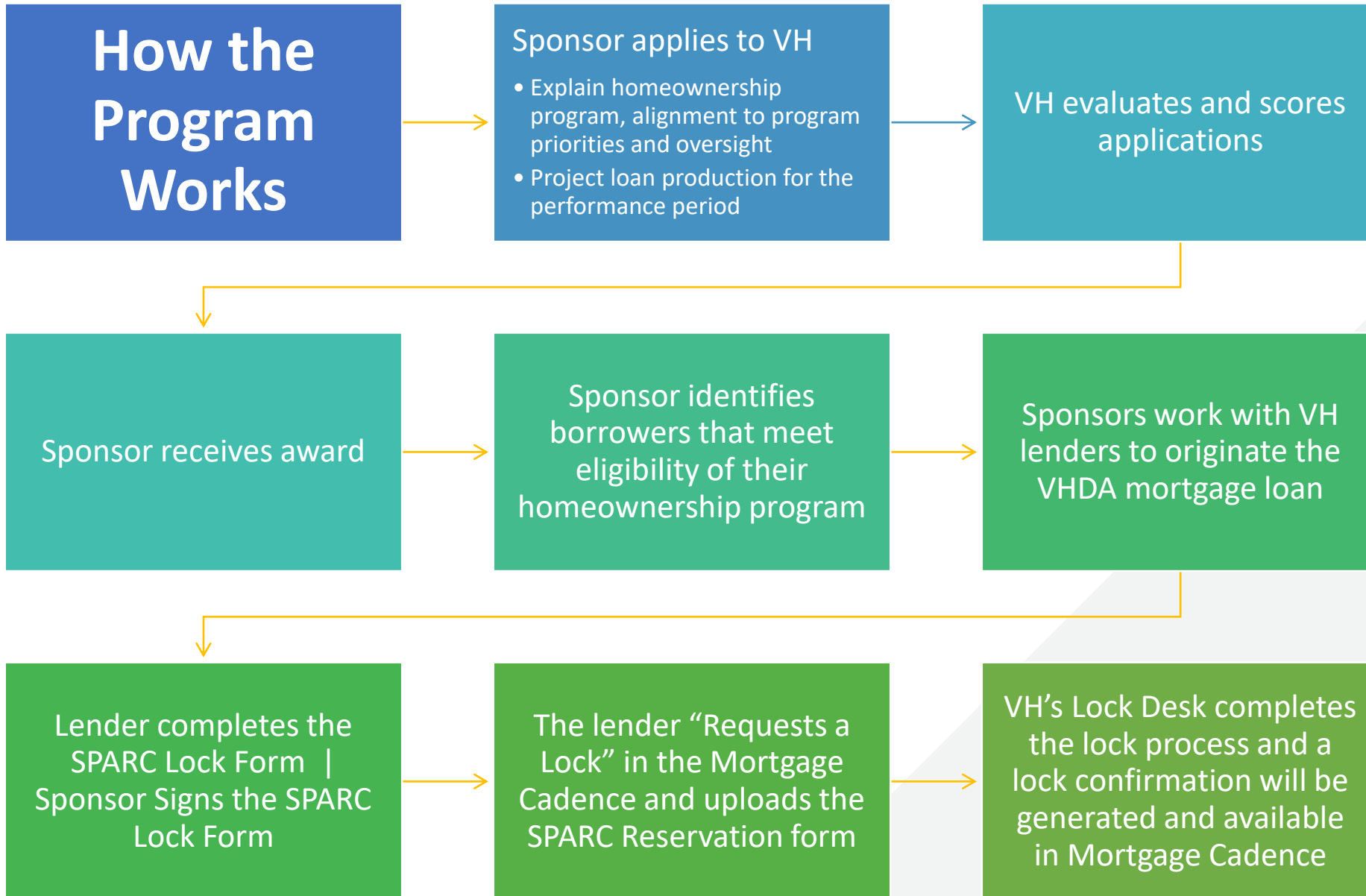
1. Have a minimum three (3) years of operations.
2. Carry out at least one of the following housing-related focuses:
 - a) Creating economically integrated and inclusive housing opportunities including housing options for people with disabilities.
 - b) Planning and Community Development to include significant attention to housing planning needs throughout Virginia.
 - c) Providing services and/or educational opportunities in order to further affordable housing.
3. Align with VHDA's mission of Helping Virginians Attain Quality, Affordable Housing

Program Priorities

- 1. Underserved Markets**
 - Increasing Housing Opportunities of Minorities and Diverse Cultures
 - VHDA's Underserved Regions
- 2. VHDA's Rural Housing Areas**
- 3. Community Revitalization**
 - Neighborhood Revitalization
 - Neighborhood Stabilization Program
 - Opportunity Zones

Sponsor Responsibilities

- ❖ **SPARC allocations should be used to leverage your existing homeownership program.**
- ❖ **Identify borrowers that meet your organization's Homeownership Program**
- ❖ **Identify VHDA lending partners to support your homeownership initiatives.**
- ❖ **Review and sign off on the loan reservation form.**
- ❖ **Managing your allocation and maintain supporting documentation for each mortgage loan reservation**



Leveraging Resources

Savings Example: Without SPARC		With SPARC:
\$225,000 Conventional 30-Year Loan	Fixed Interest Rate: 3.25% Principal & Interest: \$979.21	Fixed Interest Rate : 2.25% Principal & Interest: \$860.05
Savings: \$119.16 per month, \$14,29.92 per year, \$42, 897 over 30 years loan		

Next Funding Opportunity

- April 2021 application for FY22
- Application Process
 - We are interested in hearing about your Homeownership Program
 - Program details
 - Allocation Support
 - Program Sustainability
- Your request = your loan production
 - If the average home is 200,000 and you want to provide SPARC to 20 homebuyers your request is 4,000,0000

Questions

Thank You.
