



COMMONWEALTH of VIRGINIA

Virginia Department of Housing
and Community Development

For Immediate Release

June 1, 2010

Contact: Hollie S. Cammarasana
Public Relations Director
(804) 371-7006
hollie.cammarasana@dhcd.virginia.gov

Through VIDA, family realizes dream of homeownership

- VIDA program highlights success during National Homeownership Month in preparing home buyers through financial literacy training, credit counseling and matched savings -

Richmond, VA – According to the Annie E. Casey Foundation, experts estimate that a good credit rating will save the average borrower \$250,000 in interest over a lifetime. Whether its credit card interest, saving on down payments or security deposits, or on student loans, car loans, and more – having good credit means saving money.

During National Homeownership Month, recognized each June, the Virginia Department of Housing and Community Development (DHCD) encourages individuals or families thinking of homeownership to consider enrolling in the Virginia Individual Development Accounts (VIDA) program.

VIDA provides a savings match of two dollars to every one dollar saved, up to \$4,000, for eligible low-income working Virginians saving to purchase their first home.

However, a critical component of VIDA is the requirement of “savers” to complete financial literacy training and credit counseling as well as homebuyer education.

“Through VIDA future homeowners are provided with financial literacy training and help with improving their credit score,” said Louellen Brumgard, DHCD associate director. “By helping individuals improve their credit and learn more about how to manage their money they are more prepared to take that next step into homeownership.”

Staunton, Virginia resident Thomas Huffman and his wife had always dreamed of owning their own home. A machine operator at McQuay International, Huffman, his wife and two children heard about VIDA one night on the evening news.

“It sounded like a wonderful opportunity to get an extra boost toward becoming a homeowner,” said Huffman.

Through his local VIDA intermediary, Mercy House, Huffman enrolled in the program, saved \$2,000 on his own, and received a \$4,000 match through VIDA. The family closed on their home in July of 2008, and have been proud homeowners for nearly two years.

- more -

“We were already at bare essentials,” said Huffman. “But we learned how to be frugal and find ways to increase our savings – to be more aware of what we put our money toward, and to focus on our goal.”

Studies show that a poor credit score can not only cost in interest, but may affect their finances in many ways including through higher insurance premiums, employment eligibility, higher security deposits on utilities, and more. Financial literacy education is key toward improving an individuals’ ability to purchase and sustain a home.

“Program graduates are always thrilled to be buying their first home,” said Brumgard. “But they also tell us that what they learned about keeping their finances in order is as valuable as the match they received to their savings.”

Eligible individuals must: be a U.S. citizen or legal alien; be employed; meet household income requirements; and must have a dependent child under the age of 18 living in their home if saving for business or education. Interested individuals are encouraged to visit: www.dhcd.virginia.gov/vida or call (888) VIDA-WIN for more information.

DHCD partners with various intermediary organizations, such as Mercy House that provide educational and technical assistance to help their clients through the program. More than 380 individuals have received financial management training under the program. Currently 411 individuals participate in VIDA, and 153 have graduated, obtaining their goal of homeownership, continued education, or business ownership.

VIDA is administered by the Virginia Department of Housing and Community Development (DHCD). VIDA is a partnership between DHCD, the Virginia Department of Social Services, the Virginia Housing Development Authority, and the U.S. Department to Health and Human Services – Office of Community Services’ Assets for Independence Grant.



Thomas Huffman, his wife Joesette and their two children stand in front of their new home.

Follow DHCD on:



###

Editor’s note: Interviews are available upon request. For additional story ideas and information, contact Hollie Cammarasana at (804) 371-7006 or hollie.cammarasana@dhcd.virginia.gov.