

# The Palm Beach Post



## \$8,000 home loan program has few takers

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A \$30 million home loan program approved by Florida Legislators this year has garnered little interest from Palm Beach County homebuyers with few applications completed and no money awarded despite a looming deadline.

The Florida Homebuyer Opportunity Program was created to lend up to \$8,000 to first-time buyers for a down payment. The loan is then paid off when the buyer receives the federal tax credit, which, unless extended, will go to people who close on a home by or on Nov. 30.



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The state allocated about \$1.06 million to Palm Beach County and its four jurisdictions working under the State Housing Initiatives Partnership, including Boca Raton, Boynton Beach, Delray Beach and West Palm Beach.

That's enough to give out an estimated 132 interest-free loans.

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Yet just 15 buyers have so far been approved for the loan countywide and some cities, such as Boynton Beach, have received no applications despite advertising the program.

"It has gotten off to a slow start, which is regrettable," said Marla Martin, communications manager for the Florida Association of Realtors, which lobbied for the program. "But it's a new program. Nobody had any hard and fast expectations."

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Statewide, about \$820,965 in loans have been awarded, less than 3 percent of the available money, according to the Florida Housing Finance Corporation.

Wellington Meffert, general counsel for the corporation, said timing has been a problem with the state doling out money in increments as it is received from real estate documentary taxes.

And while millions of dollars have trickled down statewide since the beginning of the fiscal year July 1, some jurisdictions were wary about accepting applications until they had money in their account.

Also, local loan administrators said \$8,000 is a small enticement for buyers, and may be one reason why applications are low.

"A lot of our clients usually go for the larger down payment amounts so they are traditionally used to \$25,000 or \$50,000," said Jessica Parrish, who oversees St. Lucie County's State Housing Initiatives Partnership.

St. Lucie County, including the jurisdictions of Fort Pierce and Port St. Lucie, was allocated a total of \$394,721 from the Florida Homebuyer Opportunity Program.

They've had slightly more success getting applicants with a total of 28 residents accepted and one loan being awarded.

Parrish said she advertised the \$8,000 loan with another larger program, which helped attract more applicants.

Any money left over from the new loan program after the Nov. 30 deadline passes will be put into the account for the State Housing Initiatives Partnership.

"When this program ends, if there is still money, it will go to home buyers through programs that provide down payment assistance," Meffert said.

Interested people can get more information on how to apply at [www.floridahousing.org/home/housingpartners/localgovernments/FL\\_HOP.htm](http://www.floridahousing.org/home/housingpartners/localgovernments/FL_HOP.htm)

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