

IN THE MARKET FOR A HOUSE?

GET \$30,000 IN DOWNPAYMENT ASSISTANCE!!!

It sounds like spam, but it's for real. That is, if you qualify, if you take the required coursework, and, most of all, if you really need the help.



And with the price of land in the Lowcountry being what it is, most of us can use a little help. Local wages just won't cover the price of real estate anymore.

Renting is fine, but it can only get you so far. After 30 years of renting you're left with nothing except the satisfaction of having kept a roof over your head. But after paying off a 30-year mortgage, you'll have something even better: a big fat asset.

According to info I got at a recent homebuyers class, if you pay \$750 in rent for 30 years, after inflation and all of that stuff, you will end up paying over \$500,000. That's half million dollars, and you're left with nothing.

Not good. When lots of players end up with nothing at the end of game, despite having played with great enthusiasm and gusto, it's kind of like, you know, bad social policy. But hand-outs aren't the answer either.

So we start talking about giving people a "hand up." We -- "we" meaning the social science experts -- know that for a community to get stronger, individual families need to build up their own financial assets. And that takes work -- "work" meaning changes in behavior.

Jeff Foxworthy nailed it in a recent Parade magazine article, where he's quoted as saying, "People figure that if you gave a redneck a billion dollars, he would buy Armani suits. That's just not the case. We'd still wear T-shirts and jeans. And we would go to every NASCAR event instead of just once a year. When you give us money, we'll get our truck lifted and go buy the biggest grill we can."

That's a crude analysis, but it is pretty much what the researchers say, too. Poor people don't do well with lump sums. I say, if it's lottery winnings, fine, let people blow it. That's their choice. But if that lump sum is government money, I don't want to see it getting spent on a big screen TV and an Escalade that's going to be repossessed within a year's time.

What does this have to do with downpayment assistance? Well, in this case, to develop our community assets, people need a lump sum to get a hand up, so they can buy a house. But that money is not well spent if they end up going into foreclosure; that weakens our community and creates additional vulnerability.

So the second order of business is changing the behavior of our social services system. You hear this phrase a lot: "We need to give people a hand up, not a hand out." But realistically, which one is easier if you are a social services worker?

When you give a hand out, that's easy. People take it and leave. Then they're out of your hair, and you are free to deal with the 9,999 other people in your caseload. This kind of work is easily delegated, and easily relegated to the 9 to 5.

It's different with a hand up. When you give someone a hand up, you are making a commitment to be there for them for the long haul. You have to fully engage, get a firm grip, and flex those muscles. It's hard, hard work, and it's long term. And if you are going to make that level of commitment -- a commitment of your professional time, and a commitment of our community's resources -- you have the right to expect some form of commitment in return.

That's what this homebuyers class is all about. It's about making a commitment to becoming a different person: a savvy consumer, a parsimonious spender, and a scrupulous saver. And if

you do what it takes, you can get some pretty good downpayment assistance.

The Lowcountry Community Development Corporation, with it's co-sponsor, Bank of America, holds this class almost every month; the next class will be in August. It takes two consecutive Saturdays, from 9 am to 4 pm. Each month the class is held in a different location, so sometimes it's in Beaufort, sometimes in Bluffton, sometimes on Hilton Head Island.

The class I was in was held at Burton Wells Park, which by the way has a really awesome weight room and two nice racquetball courts. At the conclusion I received a certificate.

The certificate itself isn't worth any money. But having taken this class means that, when the time comes for me to buy a home, I will be eligible for up to \$20,000 in downpayment assistance from the South Carolina Housing Trust Fund. Residents of other Lowcountry counties can get up to \$10,000; they get less because there is a lower median income in Jasper, Hampton and Colleton.

I may also qualify for a 5-to-1 match from the Federal Home Bank of Atlanta. If I come up with \$2,000 of my own money, I can get \$10,000 in matching funds.

If this sounds good to you, visit the Lowcountry Community Development Corporation Web site, www.cdcorp.net. There you'll find more information on how to enroll in the class. They'll give you a hand up.

And you can forget about buying a bigger grill.