

HOUSING AFFORDABILITY

Introduction:

Home ownership is the leading indicator of the economic health of our community, and for too long we have had our city sold to multinational investment firms, pricing out hard-working residents from their childhood community. This proposal addresses the growing concern of companies buying up single-family properties, driving up prices and reducing housing affordability for families. By utilizing government bonds to back mortgages, we can provide families with lower interest rates compared to those available to companies, promoting home ownership and increasing housing accessibility for families.

I. Creation of Government Bond-Backed Mortgages:

A. Establishment of a Mortgage-Backed Securities Program:

1. Create a program that issues government bonds to fund a 4% interest rate mortgage to individuals and families to compete for home ownership.
2. The bonds would yield 3% annually, allowing for the 1% difference to fund all administrative functions and create a revenue-creating system.

B. Mortgage Underwriting and Risk Mitigation:

1. Develop a thorough underwriting process to evaluate borrowers' creditworthiness and assess risk factors to maintain responsible lending practices and ensure the sustainability of the program.
2. Allow for families and individual with proof of long-term underemployment to allow for lower monthly payments with a .5% higher interest rate, with a 1% higher bond-yield to attract private funding.

II. Affordable for Families:

A. Competitive Interest Rates:

1. Set interest rates for mortgages backed by government bonds 4% to allow for real competition and make housing affordable for families a reality.
2. Give incentives of .25% lower interest rates for individuals who have roots through primary school graduation, family ties greater than 10 years, first-time home buyers or soldiers stationed here to give priority to local community development and not gentrification.

B. Family-Focused Mortgage Products:

1. Introduce specialized mortgage products tailored to families, including longer-term repayment options and reduced closing costs, encouraging family-oriented housing choices.
2. Subsidize closing costs and give tax credits to sellers who sell to a family using this program or who would otherwise qualify but are using a government-backed or privately financed Mortgage

IV. Encouragement of Homeownership Stability:

A. Moratorium on Resale for Corporate Buyers:

1. Implement a temporary moratorium on the resale of single-family properties purchased by corporations to ensure stability and prevent speculation, allowing families to find and secure affordable homes.

2. Create exceptions so that for every 5 bond-backed mortgages purchased by investment firms allows for 1 single-family property purchase to increase home ownership while helping to allow for indirect rental assistance through a competitive housing market.
- B. Private Incentives:
1. Provide incentives for corporations to convert purchased single-family properties into affordable rental units for families, increasing rental housing stock and addressing housing demand.
 2. Provide tax deductions for private parties, business or personal, who reinvests their portfolio or capital gains into bond-backed mortgages.

Conclusion:

The creation of government bond-backed mortgages with affordable interest rates will help address the issue of companies buying up single-family properties, making homeownership more accessible for families. By prioritizing first-time homebuyers, encouraging stable homeownership, and providing a competitive edge against corporate buyers, we can nurture a housing market that serves the needs of families and ensures long-term community stability.