



INDIVIDUAL DEVELOPMENT ACCOUNT (IDA) PROGRAM OVERVIEW

The Greater Washington Urban League's (GWUL) IDA savings program is designed to assist you in the purchase, down payment or funding toward homeownership. An IDA is a special savings account for people with low to moderate incomes. If you save in an IDA, your money will be matched with donations provided by Countrywide Bank. That means that you can receive another dollar or more for every dollar you save in an IDA. Typically, IDA savings and match money can be used to pay for education or start a small business. However, the purpose of GWUL's IDA program is to help you purchase a home.

How much can I earn in matching funds?

The maximum that any individual can earn in IDA matching funds is \$1,800. In other words, you will get \$1,800 total – the \$300 you save at \$50 per month for 6 months and the \$1,800 you earn. Anything you save beyond \$300 will still be yours, but will not be matched.

How long can I save in my IDA?

You can save in your IDA for 12 months. You must save in your IDA for 6 months before you can make a withdrawal for an approved asset purchase.

Where do the matching funds come from

GWUL is a non-profit organization. Countrywide Bank is funding GWUL's IDA program. Matching fund contributions are tax-deductible, so if you know of an individual or business that would like to contribute to the GWUL IDA program, please send them our way!

Can you tell me more about how the IDA program works?

Sure. There are 4 key steps to successfully achieving your goal in the GWUL IDA program:

- ❑ Step 1: Attend an IDA orientation.
- ❑ Step 2: Submit a complete IDA application packet to GWUL.
- ❑ Step 3: Get approved and save money in your IDA each month.
- ❑ Step 4: Complete required 20 hours of financial literacy and homeownership training.

What type of training will I receive?

All IDA Savers are required to attend financial literacy and homeownership training that cover topics such as: setting and reaching financial goals, developing and maintaining a household budget, and understanding credit and your credit score.

Homeownership Counseling

- Learn how much house you can afford
- Learn where to get down payment and settlement help
- Find out if you qualify for a DC Home Purchase (if you live or want to live in DC)
- Find out if you qualify for a Maryland Home Purchase Assistance (CDA) Assistance Program (HPAP) loan (for DC residents only)
- Understand the settlement process
- Get tips for maintaining your household and learn how to avoid foreclosure

To qualify for a GWUL IDA, your total household income (adjusted gross income, after taxes) cannot exceed 85% of the median family income for the District of Columbia and 80% for Prince George's County, Maryland. Your household includes all adults and children who live together and share expenses—related or unrelated. Child support payments should not be included in your household income.

Note: TANF and Earned Income Tax Credit (EITC) recipients automatically qualify for the GWUL IDA program.

Other eligibility criteria:

- You must be a resident of the District of Columbia or Prince George's County, Maryland to participate.
- Your total assets must be less than \$10,000 if you live in the District of Columbia and \$5,000 if you live in the State of Maryland, excluding the value of your primary residence and one vehicle.
- Homeownership savers must be qualified first-time homebuyers.

Qualified IDA Expenses:

- Settlement, financing or closing costs or cost of acquiring, constructing or reconstructing a primary residence for a first time homebuyer.

IDA Savings are Payable to:

- The Settlement agency or vendor.

Required Documentation for payment of matching funds:

- Signed settlement sheet, invoices and receipts of payment, copy of check to settlement agency or vendor.