

RAIMONDO, RHODE ISLAND HOUSING LAUNCH 'OCEAN STATE GRAD GRANT' TO ATTRACT YOUNG PROFESSIONALS TO RI

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<http://www.rhodeislandhousing.org>

Governor Gina M. Raimondo today joined with representatives of Rhode Island Housing and Rhode Island College to launch Ocean State Grad Grant, a new program designed to encourage recent college graduates to make their home in Rhode Island.

"Rhode Island Housing's Ocean State Grad Grant program takes an innovative approach to keeping young professionals here in Rhode Island," said Governor Raimondo. "Sparking a comeback for Rhode Island's economy is my top priority, and this program is a creative solution to one of the greatest challenges we face: making sure our children have access to opportunities for living and working in Rhode Island."

The Ocean State Grad Grant program, administered by Rhode Island Housing, awards grants for mortgage down payments to recent college graduates. Grants equivalent to 3.5 percent of the home's purchase price, up to \$7,000, are available for qualified recent graduates buying their first home in Rhode Island.

"Making housing affordable for the newest members of our workforce is an important part of Rhode Island Housing's mission to build a bridge to the middle class for more Rhode Islanders," said Barbara Fields, Executive Director of Rhode Island Housing. "We expect demand for homeownership among Millennials to increase in the coming years. The Ocean State Grad Grant program encourages young professionals to lay down roots in Rhode Island, where they can contribute their talents to the local economy and be active members of our communities."

Rhode Island ranks 42nd of 50 states in percentage growth between 2000 and 2013 in the number of residents aged 25 to 34 with at least a 4-year degree, according to a Rhode Island Housing analysis of U.S. Census data.

According to the Joint Center for Housing Studies of Harvard University's The State of the Nation's Housing 2015 report, "Although members of the millennial generation are starting to find their footing in the job market and helping to propel rental demand, many of these young adults are saddled with rent burdens and student loan payments that will slow their transition to homeownership."

Despite these challenges, Millennials have a strong interest in homeownership. According to a 2015 survey by the Urban Land Institute, 70 percent of Millennials anticipate owning a home by 2020.

“Rhode Island College has nearly 40,000 alums who are Rhode Island citizens,” Dr. Nancy Carriuolo, President of Rhode Island College. “However, buying a new home has become increasingly difficult for recent college and university graduates, many of whom are struggling with debt. We salute Governor Raimondo for providing the leadership for this innovative program that will create proud homeowners, increase the numbers of college-educated citizens, and contribute to our economy.”

Today’s launch event for the Ocean State Grad Grant program was held in front of Alex + Ani Hall at Rhode Island College. The event kicked off a statewide radio and online advertising campaign to help make potential first-time homebuyers aware of the program.

The program is open to first-time homebuyers who have recently graduated from an accredited institution with an associate, bachelor’s, master’s or doctoral degree within 36 months prior to closing on their mortgage. Graduates may have earned a degree from any institution for higher education recognized by the U.S. Department of Education’s Database of Accredited Postsecondary Institutions and Programs.

“I grew up in Rhode Island, I love living here, and I want our talented recent college graduates to choose to live here as well,” said Travis Escobar, President of the Millennial Professional Group of Rhode Island and a 2013 graduate of Rhode Island College. “As a recent graduate, an Ocean State Grad Grant could help make it possible for myself and many millennials to build a career and start a family here in Rhode Island.”

In order to be eligible, the property must be purchased using a Rhode Island Housing-funded first mortgage from a Participating Lender or through the Rhode Island Housing Loan Center. Borrowers may also qualify for an additional grant through Rhode Island Housing to help with closing costs.

The Ocean State Grad Grant is designed as a forgivable second mortgage. If the buyer sells their home within the first 5 years after closing on the loan, a portion of the second mortgage would have to be repaid, based on 20 percent per year. Rhode Island Housing has allocated \$350,000 for the program.

To apply for the program, contact one of Rhode Island Housing’s Participating Lenders or a Rhode Island Housing Mortgage Specialist. Learn more on the program’s website, <http://www.gradgrant.org>.