



Who?
What?
When?
Where?

WHY?

Making an Impact - Knowing your WHY
2024 PAAO Grant Management Workshop

Virginia Individual Development Accounts (VIDA)

The Virginia Individual Development Accounts (VIDA) Program is a special savings program that helps eligible individuals expand their financial education skills and build assets.



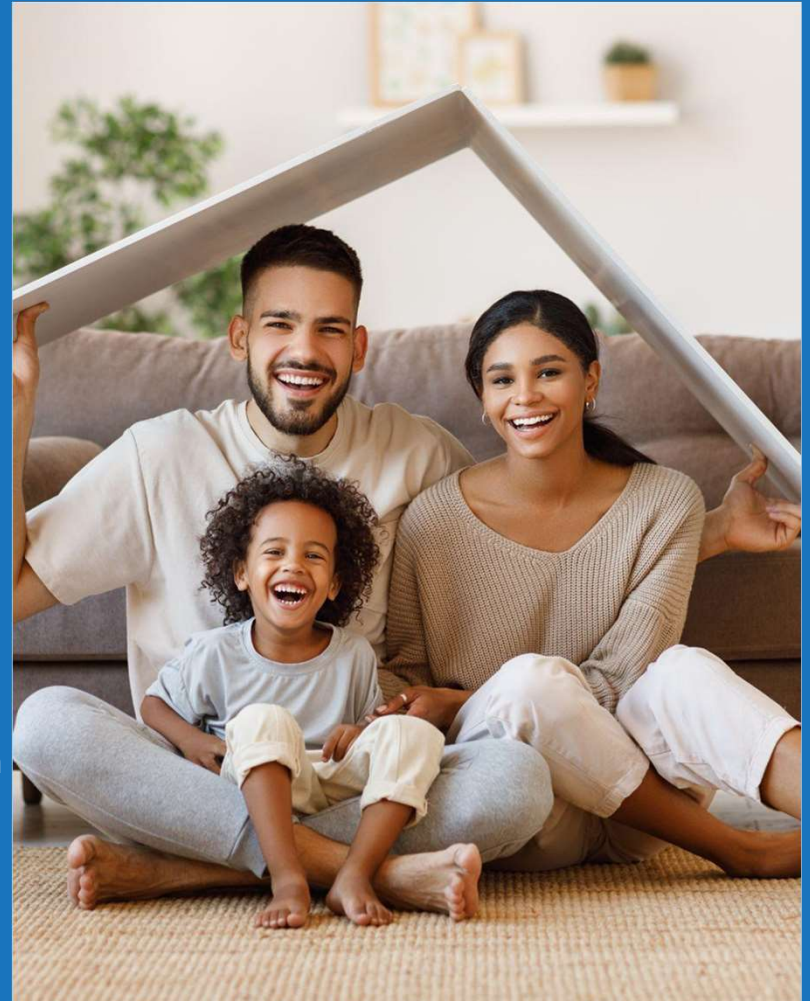
Increase financial Knowledge



Boost Savings



Build wealth through homeownership



What is the program's objective?



**Increase Financial
Knowledge**



Boost Savings



**Build Wealth
through
Homeownership**

VIDA Helps to: Build Financial Knowledge

Participants will receive at least eight hours in financial education classes, topics will include:

- Realizing the importance of credit
- Managing debt
- Developing a spending plan

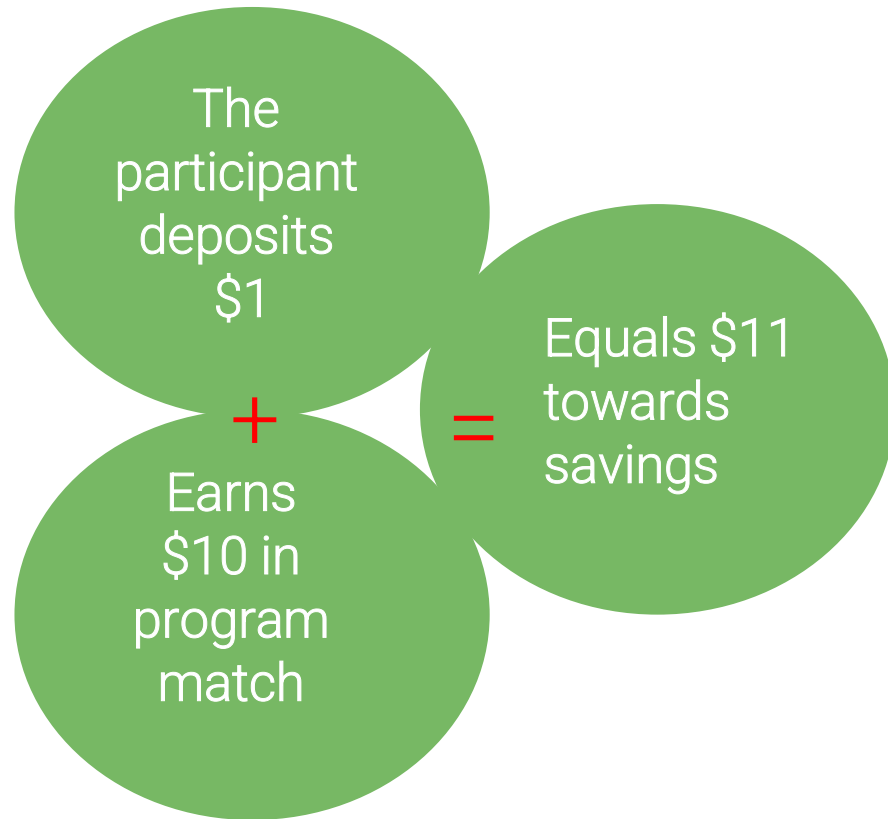
Participants will also receive homebuyer education classes to prep them for their home purchase.





VIDA Helps to: Boost Savings

Every dollar the participant (or saver) saves into their VIDA account, the program will match the deposit with \$10 in program match until they earn a total in \$10,000 in matching funds.





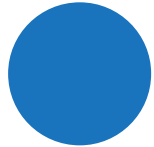
VIDA Helps to: Acquire an asset through a home purchase

Participants use the money they saved along with the match earned through the program towards their **down payment** and **closing costs** to purchase their home.



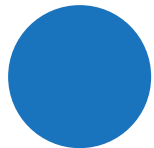


Who is eligible to participate in VIDA?



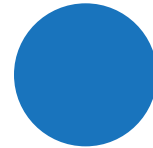
Residency

Must be a U.S. citizen or legal resident, residing within Virginia



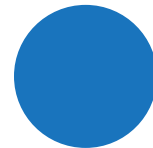
Employment

Must be employed full-time or have self-employment income



Networth

Must have less than \$10K in networth

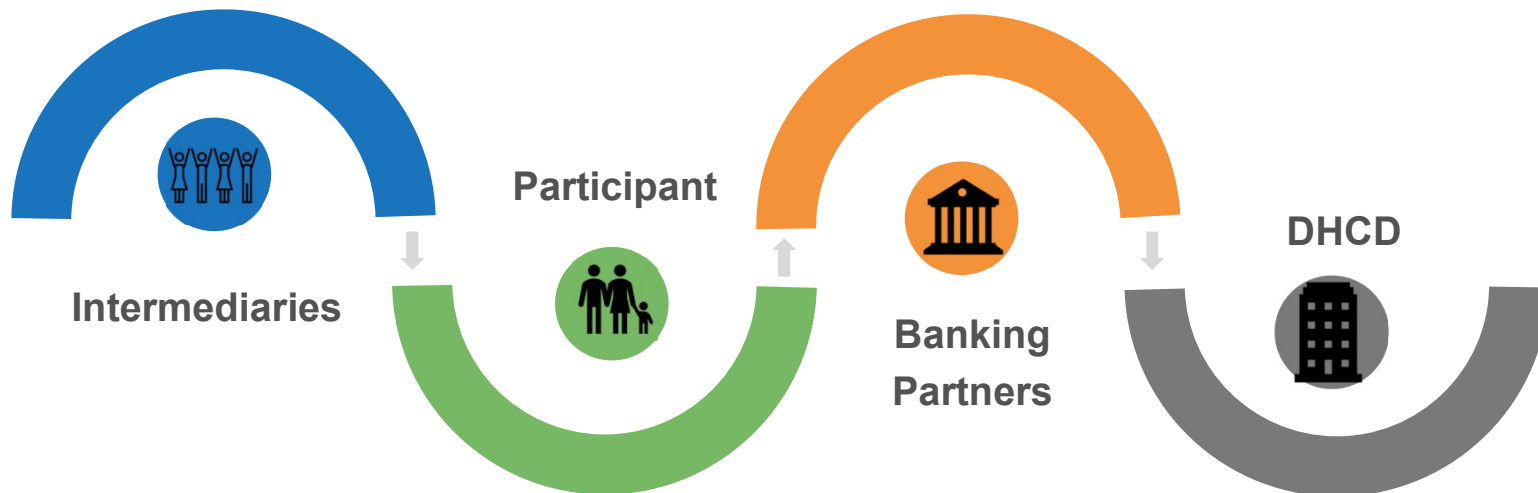


Income Guideline

Must meet program income requirements at 80% or below the area median income

How does it work?

Key players include intermediaries, participants, banking partners along with DHCD





What is the intermediary's role?

Intermediaries:

- Market and recruit applicants
- Review candidate applications and determine program eligibility
- Assist potential candidates with budget, credit, savings goal and other issues
- Provide one-on-one financial/housing counseling
- Provide savers with training
- Assist savers with their withdrawal process



What is the Participant's Role?

The participant works with the intermediary throughout the application, enrollment, and home purchase process.

While the participant is saving, they will work on correcting credit issues.



Enroll in the program for a minimum of four-months

Save at least \$40 per month via direct deposit

Complete financial and home buyer education

Work with the intermediary to complete their home purchase



What is the role of the banking partners and DHCD?

The program's banking partners offer fee free accounts and work with DHCD to open the participants' accounts.

DHCD will generate saver bank statements each month, which includes the total match earned in escrow. In addition, DHCD will provide account monitoring, and match funds distribution.



❏ What are the characteristics of a successful saver?

Ideal participant:

- First-time homebuyer
- They have a homeowner mindset, that is their goal and they are willing to do what it takes to purchase a home
- Possesses ability to make deposits; stable income
- Completes educational training requirement
- Corrects credit issues
- Seeks financial counseling and mortgage readiness guidance



Ms. Blackwell, a VIDA saver, wanted to reduce debt and improve her credit scores before purchasing a home. With the assistance of Southside Community Development and Housing Corporation, a VIDA intermediary, she achieved her goals.

It was through SCDHC's home development program that she found an affordable home that fit her needs. Ms. Blackwell was able to accelerate her savings through VIDA, which matched her savings.

Quick VIDA Stats

Graduates

78 participants purchased a home



Savings Timeframe

Average participant enrollment timeframe is 16 months



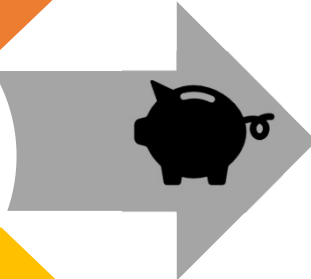
Graduation Rate

Overall graduation rate is 48%



Average Graduate Savings

The average graduate savings amount is \$1,200



Average Home Price

The average home purchase price is \$192,237



Home Sales

\$14 million in home sales



Tying it Together



What's new with VIDA?

Improved Program Design:

Eligible individuals enroll in the program once they have completed pre-enrollment activities.

Pre-enrollment Activities Include:

- Minimum credit score of 580 or higher
- Pre-enrollment financial and/or housing counseling session
- Develop a savings plan with intermediary
- Application deposit of \$100 to open an account
- \$40/month deposit; four-month enrollment
- Slots are on a first eligible, first served basis
- Intermediary administrative reimbursement is \$1,000 per homeownership graduate





Questions?

(please post in the chat)

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Up Next: Five Minute Break

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**VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT**
Partners for Better Communities