

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-4778-N-01]

Notice of Funding Availability (NOFA) for the Research Studies on Homeownership and Affordable Lending Fiscal Year (FY 2002)

AGENCY: Office of Policy Development and Research, HUD.

ACTION: Notice of funding availability (NOFA).

SUMMARY: *Purpose of the NOFA.* The purpose of this NOFA is to fund technical studies that will guide development of public policy to increase affordable lending, reduce downpayment constraints, and promote homeownership, especially for low- and moderate-income and minority families and in geographical areas which have been underserved by the mortgage finance system. HUD particularly seeks studies that will provide empirical basis for its regulation and monitoring of two Government-Sponsored Enterprises (GSEs)—Fannie Mae and Freddie Mac, including the effects of such regulation and monitoring on affordable lending in the primary mortgage market. Specific topics of interest include:

1. Homeownership

a. Factors underlying the increase in homeownership during the 1990s and policy implications for the current decade;

b. Accounting for the remaining income and racial disparities in homeownership rates, and policy approaches that could remove barriers for prospective low-income and minority homeowners; and

c. Supply constraints and regulatory barriers that impact homeownership opportunities and could potentially impair the effectiveness of affordable lending programs.

2. Affordable Lending

a. Determinants of problems faced by low-income and minority families in accessing mortgage credit;

b. Determinants of downpayments;

c. The role of major mortgage market institutions such as Fannie Mae, Freddie Mac, the Federal Housing Administration, and depository institutions in increasing credit access for low- and moderate-income and minority families and their communities; and

d. Effects on targeted populations of setting alternative levels of the GSE affordable housing goals and defining the goals in alternative ways.

Available Funds. \$570,000 from HUD's FY 2002 research and technology appropriation. HUD anticipates funding 15 to 20 studies on these topics; studies will be funded through cooperative agreements, up to a maximum of \$40,000.

Eligible Applicants. Academic and not-for-profit institutions located in the U.S., state and local governments, and federally recognized Indian tribes are eligible to apply. For-profit businesses also are eligible; however, they are not allowed to earn a fee or profit.

Application Deadline. July 21, 2003.
Match. None required.

Additional Information

I. Application Due Date, Further Information and Technical Assistance

Application Due Date. Your completed application is due on or before July 21, 2003.

Address for Submitting Applications. All applications must be either mailed or sent via overnight/express mail delivery, addressed to: Department of Housing and Urban Development, Financial Institutions Regulation Division, Office of Policy Development and Research, 451 Seventh St., SW., Room 8212, Washington, DC 20410.

Application Submission Requirements. New Security Procedures. HUD has implemented new security procedures that affect application submission procedures. Please read the following instructions carefully and completely. HUD will not accept hand-delivered applications. Applications may be mailed using the United States Postal Service (USPS) or may be shipped via one of the following delivery services: DHL, Falcon Carrier, FedEx, United Parcel Service (UPS), or United States Postal Service Express Mail. *No other delivery services are permitted into HUD Headquarters without escort. You must, therefore, use one of these carriers.*

Mailed Applications. Your application will be considered timely filed if your application is postmarked on or before 12 midnight on the application due date and received by the designated HUD office on or within fifteen (15) calendar days of the application due date. *All applicants must obtain and save a Certificate of Mailing showing the date when the application was submitted to the USPS.* The Certificate of Mailing (which is USPS Form 3817) will be your documentary evidence that your application was timely filed.

Applications Sent by Overnight/Express Mail Delivery. If your application is sent by overnight delivery

or express mail, your application will be timely filed if it is received before or on the application due date, or when you submit documentary evidence that your application was placed in transit with the overnight delivery/express mail service by no later than the application due date. Due to new security measures, you must use either USPS express mail or one of four carrier services that do business with HUD headquarters regularly. These services are DHL, Falcon Carrier, FedEx, and UPS. Delivery by these services must be made during HUD's headquarters business hours, *i.e.*, between 8:30 a.m. and 5:30 p.m. eastern time, Monday through Friday.

Other Transmission Methods. Only applications submitted via mail or one of the express carrier services identified above will be accepted. Facsimile, e-mail, or other types of transmission are not acceptable.

For Further Information. You may contact: Dr. John Gardner, Financial Institutions Regulation Division, at the Department of Housing and Urban Development, Financial Institutions Regulation Division, Office of Policy Development and Research, 451 Seventh St., SW., Room 8212, Washington, DC 20410, telephone (202) 708-0614, extension 5868, or Mr. Patrick Tewey, Grants Officer, extension 4098 (these are not toll-free numbers). Hearing- and speech-impaired persons may access the above telephone number via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

II. Amount Allocated

Approximately \$570,000 from HUD's FY 2002 Research and Technology appropriation will be available to fund research studies proposals in FY 2002. Cooperative agreements will be awarded on a competitive basis according to the Rating Factors described in Section VII(D). HUD anticipates awarding 15 to 20 cooperative agreements ranging up to \$40,000 each. Applications exceeding this amount (unless the excess is provided through cost-sharing) will be deemed to be non-responsive.

III. Program Description; Eligible Applicants; Eligible Activities

(A) Program Description. Background.

(1) *General Goals and Objectives.* *Homeownership.* HUD invites proposals for studies of:

(i) Homeownership changes during the 1990s, particularly models that explain national and local trends in home buying, and policy implications of the changes;