

IDA Matched Savings Program



COVENANT
COMMUNITY CAPITAL

What is an IDA?

An IDA (Individual Development Account) is a federally recognized program offering matched savings to low-to-moderate income families aspiring to build assets such as homeownership and emergency savings accounts. Covenant's IDA provides \$2,000 of Match Savings for qualified first-time homebuyers saving \$2,000 towards closing and \$500+ for an emergency fund.

IDA MATCHED SAVINGS

**+\$2,000 IDA Client Personal-Savings
Contributions for Closing**

+ \$2,000 Homebuyer IDA Matched Savings

+ up to \$2,000 Bonus Benchmarks

= UP TO \$6,000 TOWARDS CLOSING COSTS



IDA *for* HOMEOWNERSHIP

ELIGIBILITY REQUIREMENTS

- **Employed Adult** applicant must be age 18+ and have documentable earned income
- **Earned Below Income Limits** using the Adjusted Gross Income of the most recent tax return.

Household Size	1	2	3	4	5	6	7	8
Max Earned Income	\$49,600	\$56,700	\$63,800	\$70,850	\$76,550	\$82,200	\$87,900	\$93,550

- **Have an SSN or ITIN** using most recent IRS tax return.
- **Reside and purchase a home in the Greater Houston Area** in any of the counties listed below:
Harris • Brazoria • Chambers • Fort Bend • Galveston • Liberty • Montgomery • Waller
- **First-time Homebuyer** does not own a home at least 3 years prior to closing (some exceptions apply).

IDA *for* HOMEOWNERSHIP ELIGIBILITY REQUIREMENTS

- **Able to Complete IDA Program Financial Education Classes** and other program requirements.
- **Able to Make Monthly Deposits** or recommended 5%+ of income from paycheck into IDA by direct deposit.
- **Save for at least 6+ Months** (minimum 3 months if pre-approved for a mortgage loan and referred by a HUD-approved housing counseling agency)

First Steps

IDA PROGRAM PROCESS



COVENANT
COMMUNITY CAPITAL

1. **Get enrolled** in Covenant's prize-linked IDA program
2. **Open a Capital One 360 Savings Account** designated as your IDA account and make a deposit of at least \$1 and plan to save 5%+ of each paycheck.
3. **Complete IDA required classes:** homebuyer education and Assets workshop
4. **Save at least \$500** in your IDA account
5. **Enroll in the Prize Linked Savings** bi-annual drawing
6. **Sign Matched Savings Agreement** for Homeownership, if applicable

Second Steps

IDA PROGRAM PROCESS



COVENANT
COMMUNITY CAPITAL

7. **Develop an ActionPlan** for homeownership and bonuses with your coach
8. **Reach individualized homebuyer goals** (income, credit, and savings)
9. **Save at least \$2500** in your IDA account for the purchase of your home
10. **Get pre-approved for a mortgage loan** and shop for a home
11. **Receive IDA Matched Savings gift funding** at the closing table

PRIZE LINKED SAVINGS

IDA ACCOUNT BALANCE

BI-ANNUAL PRIZE DRAWING

\$500+

\$50

\$1,000+

\$100

\$2,000+

\$200

\$4,000+

\$400

\$16,000+

\$1,600



BONUS BENCHMARKS



	Benchmark	Value	Indicator
1	Consumer Debt	+\$200	\$0 balance on all active consumer debt before closing
2	Credit Score	+\$200	700+ Credit score with mortgage approval
3	Emergency Fund	+\$200	Maintain \$1,000+ in IDA 6+ months before closing
4	5% Savings	+\$200	Saving 5% of paycheck 6+ months before closing
5	Retirement Savings	+\$200	Monthly contributions in a qualified retirement plan
6	Life Insurance	+\$200	Have standard term or whole life insurance plan
7	Educational Attainment	+\$200	Complete job training/education after IDA enrollment
8	Blood Pressure	+\$200	Recent Blood Pressure less than 120/80
9	Estate Plan	+\$200	Have a notarized will
10	IDA Withdrawals	-\$200	Make unauthorized withdrawals from the IDA account
11	School Quality	+\$200	New home has equal or improved zoned school rating
12	Debt Ratio	+\$200	Affordable mortgage note less than 1/3 of income

Credit Builder Loan

Optional



\$180 Loan 12 Months \$15 Monthly Payment

0% Interest No Application Fee No Hidden Fees

Eligibility:

- IDA for Homeownership
- Have less than 4 active lines of credit or no active installment debts
- Kept a balance of \$50 in your checking account for the past 2 months

IDA PARTICIPATING LENDERS

- Allegiance
- Amegy
- Bank of America
- Cadence
- NACA
- Prosperity



Overview of IDA Program Benefits

- Prize Linked Savings Opportunity
- Get started with \$1 and a plan to save
- Matched Savings of \$2K
- 3 Year Agreement
- Free Savings Account
- Second Chance Banking Available
- Free Homebuyer Education and Coaching
- Referrals to United Way THRIVE Network
- Credit Builder Loans 0% interest rate
- Bonus Benchmarks: up to \$2K
- Dependable Matched Savings Funding
- Stackable Matched Savings Funds
- Participating Lenders
- Matched Savings Provided as a Gift
- IDA Graduate 4:1 Education IDA (\$250/\$1,000) for graduating students



COVENANT
COMMUNITY CAPITAL



COVENANT

COMMUNITY CAPITAL

Feel free to email us!

- Paulina@CovenantCapital.org
Enrolment Counselor
- Sfairfield@CovenantCapital.org
CEO/Founder
- Sonia@CovenantCapital.org
Financial Service Coordinator
- Veralisa@CovenantCapital.org
Asset Coach

Hi!

Thank
You!