

Home Incentive Purchase Plan Announcement Effective June 1, 2002

Bankers Trust Company, Neighborhood Finance Corporation and Drake University have come together to offer all Drake employees a Home Incentive Purchase Plan. This plan supersedes the plan initiated in February 1997. This new plan was approved by the President's Cabinet and is effective June 1, 2002.

The plan provides financial support to full-time Drake University employees purchasing an owner-occupied, single-family dwelling in the Drake area. North-South boundaries of this area are Clark Street to Cottage Grove, and East-West from 23rd to 31st Street.

Drake University will provide up to \$2000 to be used for a down payment or costs related to closing such as; abstracting, appraisal fees, title opinion, credit report, prepaids or origination fees. Please note that IRS regulations require that this incentive be treated as taxable income.

Contact Drake's Business and Finance office at 271.3116 for more information.

The Neighborhood Finance Corporation has several programs that can be combined with the Drake housing incentive program. In addition, Bankers Trust will add incentives, including discounting origination fees and attractive interest rates. Buyers must meet loan requirement criteria, credit worthiness and other requirements stipulated by either NFC or Bankers Trust. For forgivable loans on improvements, the purchaser is required to have lived in the home at least one year.

The partnership with Drake University, Bankers Trust and Neighborhood Finance Corporation offers great benefits to our employees by offering significant financial support for home ownership – and strengthens the community surrounding our campus. It also demonstrates Drake's long-term commitment to enriching our neighborhood by attracting and supporting new homeowners.

Contacts at these institutions are:

Bankers Trust: Contact Deb Buenting at 515.222.2013 or 515.222.5893

Neighborhood Financing Corporation (NFC): Contact Gary Dodge at 246.0010 or gldodge@neighborhoodfinance.org Website: <http://www.neighborhoodfinance.org/>

There are no income limitations for NFC's program. The NFC program provides up to \$10,000 in forgivable loan money for a single house and \$20,000 for a multifamily structure converted to a single family home.

Iowa Finance Authority (IFA): Contact Mike Tramontina at 246.4990 or www.michael.tramontina@ifa.state.ia.us Website: <http://www.ifahome.com/index.asp>

Some Frequently Asked Questions and Answers include:

1. Do I have to obtain my loan through Bankers Trust or Neighborhood Financing?
No, you do not have to use either institution if you do not want the extra incentives they provide.
2. Do I have to utilize a specific realtor group?
No, you may use any realtor group.
3. Do I have to be a first time homeowner?
No, not to receive the Drake incentives. The Neighborhood Financing and Bankers Trust incentives may have different criteria; you will need to contact them.
4. Is this plan income-based?
No, it is not income-based for the Drake incentives. The Neighborhood Financing or Bankers Trust incentives may have different criteria; you will need to contact them.

The dwelling must be purchased within the following street boundaries:

North boundary: Clark Street

South boundary: Cottage Grove

East boundary: 23rd Street

West boundary: 31st Street

Note: The dwelling may reside on either side of the street.

Any owner-occupied, single-family dwelling house located within this square or these street boundaries qualifies when it becomes available for sale. If the house is split into apartments when you purchase it, it must be turned back into a single dwelling to qualify for the Home Incentive Purchase Plan.