

The History

In 1936, the government of Mississippi established through legislation the Veterans' Home Purchase Board. Although not funded until the end of WWII in 1946 with an appropriation of \$5 million, there existed then a strong understanding and appreciation of the need returning veterans had and would have for housing. It was also understood that there was a direct relationship between home ownership and successful re-assimilation into society. Subsequent appropriations during the Korean War and the Vietnam War brought the total appropriation to \$9.6 million. The Veterans' Home Purchase Board is and has been a self-sustaining Agency and has not received an appropriation from the General Fund since 1972. The **Veteran purchasers repay** their mortgage loans with monthly installments to principal plus interest at a below market rate. These repayments are collected by the Agency and are made available by a mortgage loan to **other qualified veterans** who are in need of housing. Through this process and careful stewardship, the State's investment of only \$9.6 million has grown to a trust fund of over \$225 million as of June 30, 2015; most of which is invested in mortgage loans. The growth of the trust fund and the operation of the Agency are funded by the income generated from the Veteran's repayment of the loans in the current loan portfolio. The Veterans' Home Purchase Board is a benefit to the whole State of Mississippi and affects all of its citizens directly and indirectly. Residential purchases and new construction stimulate the economy directly by creating jobs, increasing wages and generating additional tax revenues. The indirect effect of the increased sales of existing properties and new construction is the demand it creates for the supporting goods and services. This has a stimulating influence throughout the economy.

Over the years, the management of this fund has required a delicate balance of the average size loan, total loans in servicing and the weighted average interest rate received on those loans. This is necessary to support the new loan demand and cover the operating expenses while growing the trust fund. A simple review of the past Board Minutes of this Agency provides ample documentation that proper management of this trust fund has always been the primary concern of Board, management and staff.

It is and has been the strategic plan of this Agency throughout the years to continue improving its program by properly managing its operating expenses, adhering to all new lending laws and regulations while streamlining the Agency. This is and will be done while providing the best service possible to the Veterans of Mississippi and honoring the sacred debt this State owes to those who have and are willing to give the final measure of devotion.