

Frequently Asked Questions

What is VAMA?

VAMA stands for Voluntary Affirmative Marketing Agreement. It was signed by the U.S. Department of Housing and Urban Development (HUD) and the National Association of Home Builders (NAHB) on January 28, 1995. The VAMA Program is administered by the Home Builders Association of Northern California (HBANC).

What is required to enroll in the VAMA program?

A builder must complete and sign an agreement form (page 4) to enroll and then file a Notification of Intent to Market 60 days prior to the beginning of sales (certain grace periods may apply to projects already being marketed).

What are my obligations as a builder under VAMA?

The Affirmative Marketing requirements contained in VAMA are essentially the same as you would have to demonstrate if you filed a separate plan for each project. Participating builders must include the Fair Housing logo in all brochures and advertisements, for example. Builders are also bound by the guidelines governing the use of human models in advertising. You should read a complete copy of the Agreement (page 3) before signing the agreement form on page 4.

What does VAMA do for builders?

Builders who are signatory to VAMA can significantly reduce the time and paperwork it takes to get FHA approval on their projects, because separate Affirmative Marketing programs do not have to be filed for each project or phase. Thus, there is no risk of having your Affirmative Marketing plan rejected by FHA for re-submission. In exchange for this simple and expedited system, the builder agrees to apply Affirmative Marketing techniques to all projects built subsequent to the signing of the VAMA signature card.

What are the 2008 loan limits?

The Economic Stimulus Act of 2008 permits FHA to insure loans on amounts up to 125 percent of the area median house price, when that amount is between the national minimum (\$271,050) and the maximum (\$729,750).

What assistance is available to help comply with the affirmative marketing requirements?

HBANC can put you in touch with your local Community Housing Resource Board, a community-based organization appointed by HUD to promote fair housing and equal opportunity. In addition, you may request a Fair Advertising Task Force kit, which was produced in 1987 to help real estate advertisers recognize and avoid discriminatory advertising practices.

Frequently Asked Questions (continued)

How long before I receive the documents needed to submit to the FHA?

It takes the HBANC less than one week to process your paperwork.

How should multi-phase projects or projects that already have units sold be submitted to VAMA?

Your Notification of Intent to Market filings must correspond to your FHA submissions. If you are submitting Phases I and II of a four phase project, then file only for those two phases. Generally projects should be submitted 60 days prior to the beginning of sales. However, recent changes in the FHA's regulations regarding the acceptance of a Certificate of Reasonable Value (CRV)/Master Certificate of Reasonable Value (MCRV) from the Department of Veterans Affairs have affected many builders with units already sold. In such cases, submit for all unsold units, plus any units in escrow or with deposits on them.

What geographic area is covered by VAMA?

The HBANC's jurisdiction includes projects built in the following California counties: Alameda, Contra Costa, Lake, Marin, Mendocino, Monterey, Napa, San Benito, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano and Sonoma.

Who can participate in VAMA?

All HBANC members that are classified as Builder Members, and comply with the definition of "Builder" in HBANC's by-laws; "trial builder members" can use this service, but must pay escrow assessments on any units that use VAMA. All Builder Members must agree to pay escrow assessments on VAMA units regardless of whether the escrow day closes during membership term. HBANC does not offer this service to non-members, and other local HBAs/BIA's will not certify outside of their territory.

Is there a cost?

There is no charge for this service to HBANC Builder Members.

Where can I get a copy of the VAMA agreement?

A VAMA enrollment package can be requested by calling HBANC at (925) 820-7626. Also, many lenders are familiar with the VAMA program and may have complete enrollment packages already on hand in their offices.

This question and answer forum is meant to provide a general overview of VAMA only, and should not be construed as a complete explanation of the program.

Frequently Asked Questions about Fair Real Estate Advertising

Does the Law actually prohibit using only Caucasian models?

Both state and federal fair housing laws prohibit any expression of an illegal preference. Repeated use of models of one race can be perceived as “preferring” that ethnic group and can discourage representative of other groups from applying for the housing being advertised.

If an ad shows one couple, or a family group, how can they be ethnically integrated?

First, by prominently displaying the Equal Opportunity logo and slogan; this gives a clear signal that the project is integrated and that all races are welcome. Secondly, it is recommended that the couple or family group not always be of the same race. Ideally, when models are used the ad should be designed to allow for an integrated scene. The additional sales generated by appealing to a broader public should make such advertising cost-effective.

Is there a formula for determining how often non-Caucasian models should be used?

No. The advertiser should consider the ethnic make-up of the general population and vary the advertising in similar proportions.

Will use of “integrated” models be proof of non-discrimination in the event a home seeker files a complaint?

No. Advertising is but one indicator of a policy. The actual practice must be free of bias as well.

What if no models were used at all?

The advertiser has the freedom to choose where or not models are used. It is recommended, in the spirit of fair housing, that the logo be included in all advertising irrespective of the layout.

Who can be called to answer questions?

Feel free to call the U.S. Department of Housing and Urban Development, Fair Housing and Equal Opportunity Division at (213) 894-8000 or visit <http://www.fairhousing.com> to find a Fair Housing Agency near you.

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