

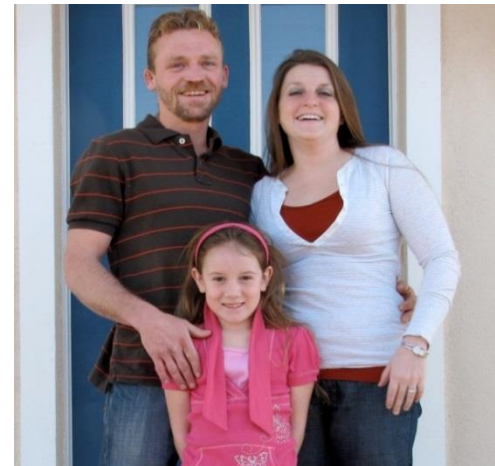


# Homebuyer Assistance Program

July, 2017

# HomesFund

- Community Development Financial Institution
- Provide capital to underserved markets
- Leverage-
  - BP America- \$1.1 Million
  - Energy Impact- \$500,000
  - CDBG- \$1.6 Million
  - CDFI- \$2 Million



# Archuleta County Housing Crisis

*“Rising rents, simultaneous increases in vacation rentals and decreases in long-term rentals, a lack of low price housing stock, and low wages have been identified as factors contributing to a perceived housing crisis. The lack of work force housing stymies economic growth and diversity when businesses cannot recruit employees because there is no place for them and their families to live.”*

(Archuleta County Housing Report 2016)



# HomesFund Offers:

Downpayment  
Assistance

Homebuyer Education  
Class

One-on-One  
Counseling



# Archuleta County AMI Levels

% Median	Number of Persons in Household:					
	1	2	3	4	5	6
50%	\$22,344	\$25,531	\$28,719	\$31,906	\$34,469	\$37,031
60%	\$26,813	\$30,638	\$34,463	\$38,288	\$41,363	\$44,438
65%	\$29,047	\$33,191	\$37,334	\$41,478	\$44,809	\$48,141
70%	\$31,281	\$35,744	\$40,206	\$44,669	\$48,256	\$51,844
80%	\$35,750	\$40,850	\$45,950	\$51,050	\$55,150	\$59,250
90%	\$40,219	\$45,956	\$51,694	\$57,431	\$62,044	\$66,656
95%	\$42,453	\$48,509	\$54,566	\$60,622	\$65,491	\$70,359
100%	\$44,688	\$51,063	\$57,438	\$63,813	\$68,938	\$74,063
110%	\$49,156	\$56,169	\$63,181	\$70,194	\$75,831	\$81,469
125%	\$55,859	\$63,828	\$71,797	\$79,766	\$86,172	\$92,578

# Affordability Gap- Archuleta

- Median Home Price \$269,000
- Households Income Needed \$53,000
- Households Earning Less 53%

# Affordability Gap – Archuleta County – Median Home Price of \$269,000

% Median	1	2	3	4	5	6
50%	-\$207,184	-\$190,485	-\$173,785	-\$157,085	-\$147,420	-\$134,398
60%	-\$183,772	-\$163,732	-\$143,693	-\$123,653	-\$112,387	-\$96,760
65%	-\$172,066	-\$150,356	-\$128,647	-\$106,937	-\$94,870	-\$77,941
70%	-\$160,360	-\$136,980	-\$113,601	-\$90,221	-\$77,353	-\$59,122
80%	-\$136,948	-\$110,228	-\$83,509	-\$56,789	-\$42,320	-\$21,484
90%	-\$113,535	-\$83,476	-\$53,417	-\$23,357	-\$7,286	\$16,154
95%	-\$101,829	-\$70,100	-\$38,371	-\$6,641	\$10,230	\$34,973
100%	-\$90,123	-\$56,724	-\$23,325	\$10,075	\$27,747	\$53,792
110%	-\$66,711	-\$29,972	\$6,767	\$43,506	\$62,781	\$91,430
125%	-\$31,593	\$10,156	\$51,905	\$93,654	\$115,331	\$147,887

# Affordability Gap – Archuleta County – Attainable home price of \$200,000

% Median	1	2	3	4	5	6
50%	-\$124,013	-\$107,314	-\$90,614	-\$73,915	-\$64,675	-\$51,652
60%	-\$100,601	-\$80,562	-\$60,522	-\$40,483	-\$29,641	-\$14,014
65%	-\$88,895	-\$67,186	-\$45,476	-\$23,767	-\$12,125	\$4,805
70%	-\$77,189	-\$53,810	-\$30,430	-\$7,051	\$5,392	\$23,624
80%	-\$53,777	-\$27,057	-\$338	\$26,381	\$40,426	\$61,262
90%	-\$30,365	-\$305	\$29,754	\$59,813	\$75,459	\$98,900
95%	-\$18,659	\$13,071	\$44,800	\$76,529	\$92,976	\$117,719
100%	-\$6,952	\$26,447	\$59,846	\$93,245	\$110,493	\$136,538
110%	\$16,460	\$53,199	\$89,938	\$126,677	\$145,526	\$174,176
125%	\$51,578	\$93,327	\$135,076	\$176,825	\$198,076	\$230,633



# Archuleta County Counseling and Education Results:

Households Served	50
Education and Counseling	12
Just Homebuyer Education	35
Just counseling	3
Homes Purchased	9

# Archuleta County Downpayment Assistance Results:

Households Served	1
Loans	2
Loan Amount	\$21,100
Amount leveraged	\$134,000
Loans in pipeline	\$33,000 (2 loans)

# Two Ways to Create Affordable Homeownership

- Deed Restrictions
- Downpayment Assistance / Loan Fund



# Deed Restriction Pros & Cons

- Pros:
  - Permanently affordable housing
  - Set aside workforce housing while the community still can.
- Cons:
  - Homes become stigmatized
  - Disincentive to invest
  - If market declines, homeowners are stuck
  - Only works well in extreme markets
  - Expensive to begin

# Downpayment Assistance Pros & Cons

- Pros:
  - Flexibility – family can buy the home they want
  - Equity not limited
  - Revolving – Permanent financing source
  - Program already set up and available
  - Works well in less extreme markets
- Cons:
  - Home isn't permanently affordable
  - Less marketable

# HomesFund Offers

- Downpayment Assistance
- Homebuyer Education
- 1-on-1 Housing Counseling

These services have been free for Archuleta County for the last year. However....



# HomesFund Funding

In 2017 we will exhaust our grant that allows us to provide education, counseling, and outreach to Archuleta County.

Local support is needed to:

- Show support for affordable homeownership programs.
- Continue offering programs.



# 2018 Archuleta Goals

- Hold 3 classes - 30+ households
- 10 households receive counseling services
- Deploy \$60,000 to 3-4 households
- Create 10 homeowners





# HomesFund in Archuleta County

- Suggestions as to how HomesFund can access funding for homeownership programs in 2018 are appreciated!

