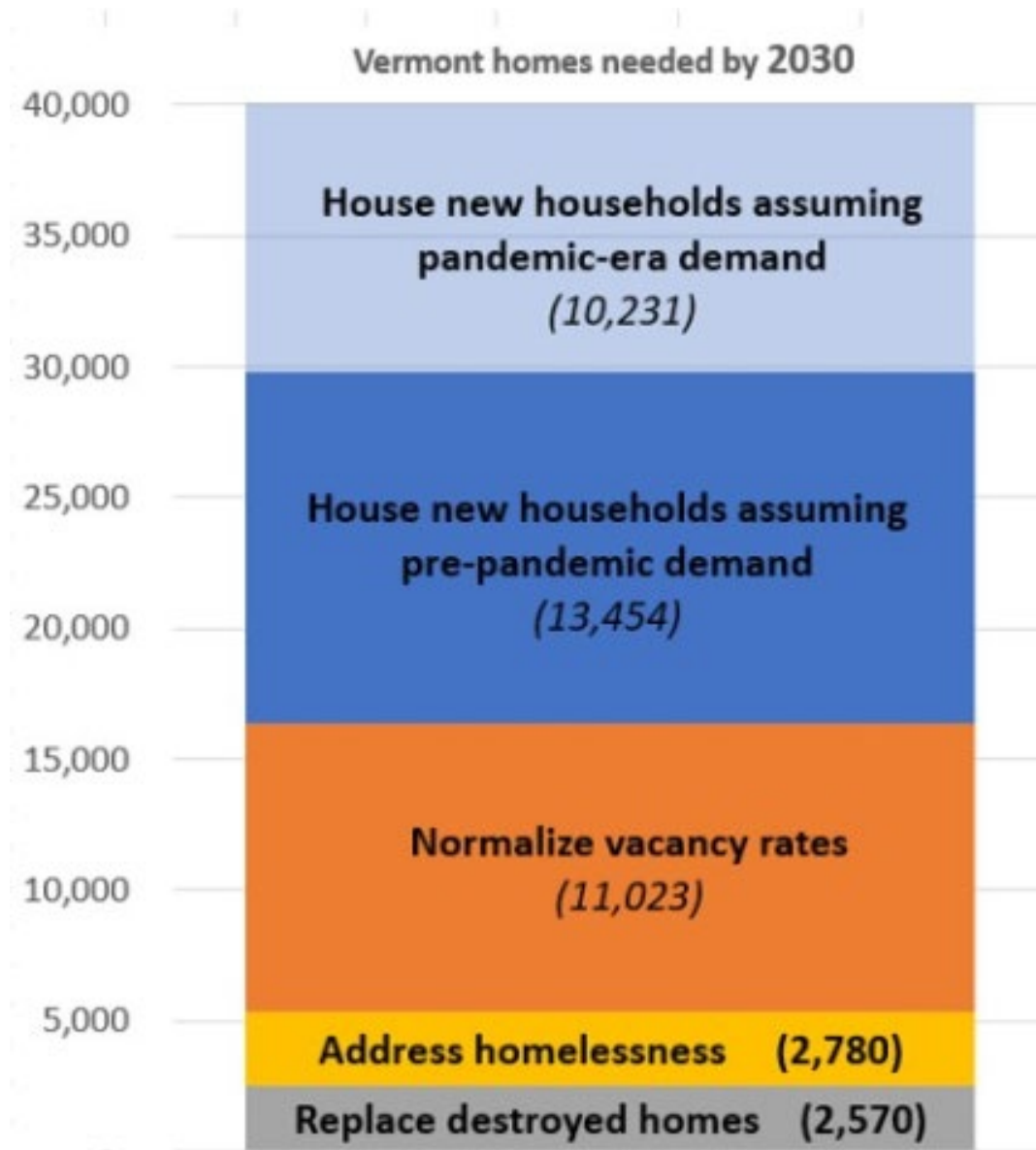




# Housing Investments

Maura Collins, Executive Director [mcollins@vhfa.org](mailto:mcollins@vhfa.org)

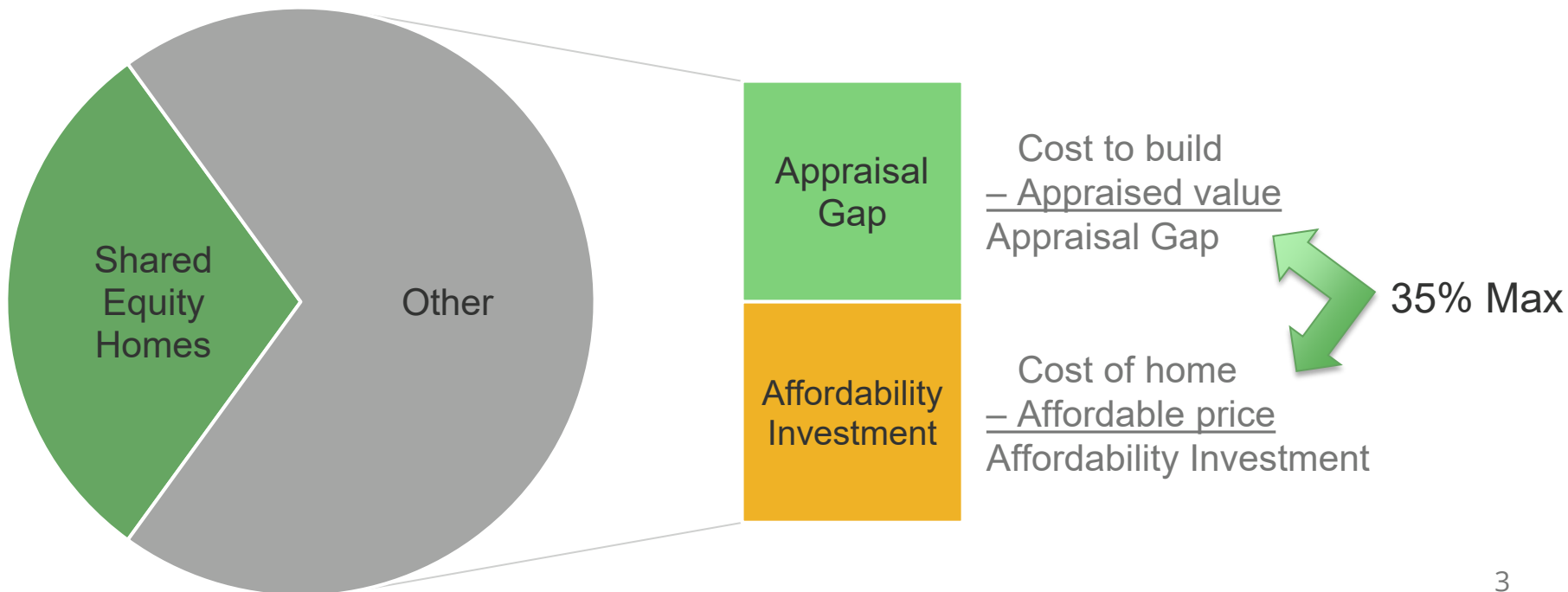
# Immediate need for housing



# Homeownership Development

💰 Launched in 2022 session with \$15 million

🎯 **Goal:** Incentivize homebuilders to construct or rehabilitate for-sale homes for households earning  
⏴ 120% AMI (~\$100,000 income)





# Homeownership Need



 Applications open 8 weeks

 17 applications

➤ 141 homes with 297 bedrooms

 In 15 towns across 9 counties

 \$23 million in funding requests

➤ FY23: \$15 million + BAA: \$9 million (thank you!)

 March 13<sup>th</sup>: Awarded 12 projects for 92 homes (\$15 million)

➤ 12 condos in St. Johnsbury; 35 homes in Middlebury; 26 homes in Shelburne; 2 in Randolph; 4 homes in Woodstock; 4 condos in N. Bennington; 9 Habitat homes in Barre, Burlington, Manchester, Bennington & Vergennes

 May: Award additional \$8 million

 FY24 funding of \$20 million

# Rental Revolving Loan Fund



💰 \$20 million in Governor's Budget

🏢 Economic development-spurred initiative



Middlebury / News and Announcements / News / 2022 / April 2022

Middlebury College Acquires Land for Affordable and Workforce Housing



🎯 **Goal:** Support workforce by building/renovating rental housing for those earning 150% AMI (~\$110,000 for 2)


- 65% - 80% AMI
  - \$80% - 150% AMI
- } **Lesser** of 35% development cost; or  
\$150,000/unit (for 65-80% units)  
\$100,000/unit (for 80-150% units)

💖 Permanently invested in a Revolving Loan Fund

# Design of Program

 Why needed?

Cost to build  
- Developer equity (10% of total)  
- Loan from bank based on rents (55%)  
35% gap = this program ✨

 Preferable loan terms (low interest, interest only)

➤ Enhanced if leveraging municipal, employer contributions, other

 Minimum affordability requires at least:

➤ 7 years; loan repayment + 3 years; or term of loan + 3 years

 Rent caps of 3%/year

 Income certification at all move ins

 Must show continued relationships with employers

# First Generation Homebuyer Pgm



💰 Launched with in 2022 session with \$1 million

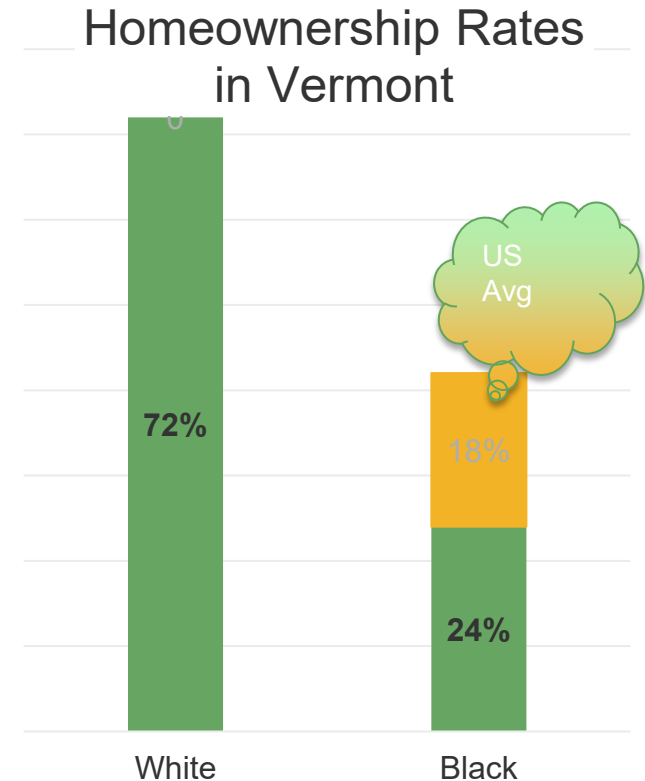
🎯 **Goal:** Lowering barriers to homeownership

🤔 2022: Who is a 1<sup>st</sup> Generation buyer?

- First time homebuyer; AND
  - Parents of one borrower doesn't currently own a home; OR
  - One borrower was in foster care











💡 2023: Changed definition:

- First time homebuyer; AND
  - Parents of one borrower never owned a home; OR
  - One borrower was in foster care



# Results so far...



-  Outreach to BIPOC-led organizations
-  Launched early November
-  Participating pilot lenders
  -  Spurring private investment
-  \$15,000 grant
  -  Can combine with VHFA's 0% loan for down payment & closing costs
-  5 funded grants + 16 in process = 21 active households
-  Lots more who are prequalified and searching for homes
-  Enough funding for about 36 more grants
-  \$1 million to continue program into summer

