



# Vermont Housing Finance Agency

Maura Collins, Vermont Housing Finance Agency

January 2023

# My Goals

- 🎯 Overview of VHFA's role
- 🎯 Market failures
- 🎯 Highlights of a few programs
- 🎯 Get invited back

# VHFA's mission

Finance and promote affordable, safe and decent housing opportunities for low- and moderate-income Vermonters.

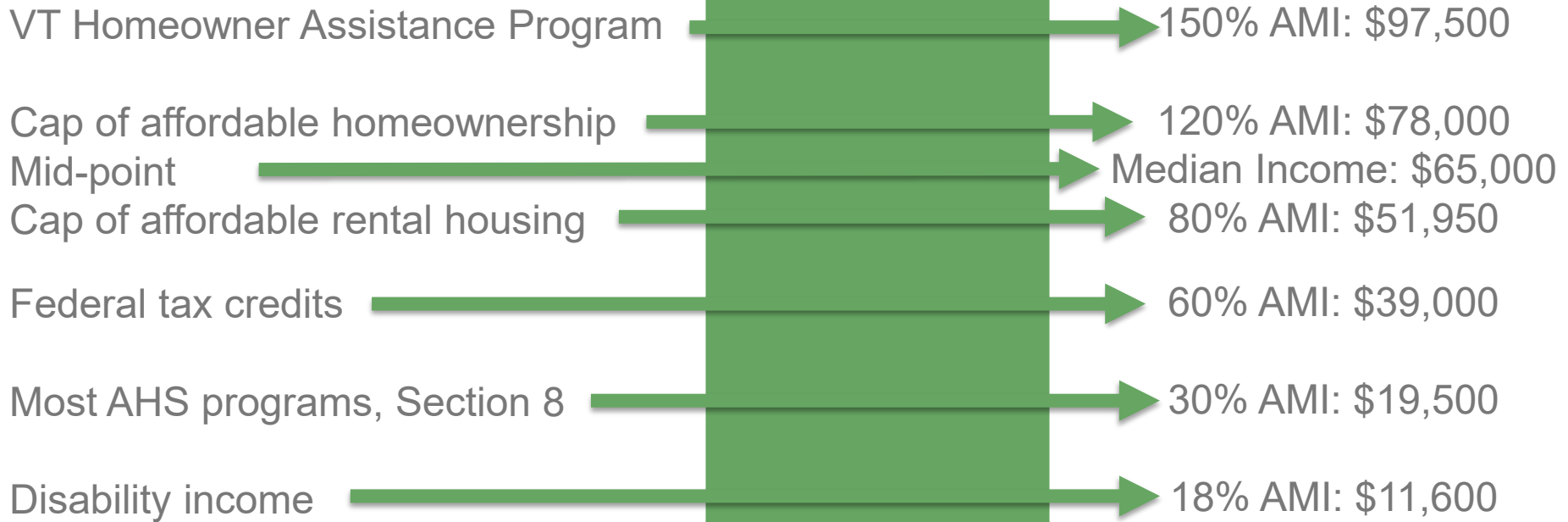




Top photo: Google

Bottom photo: Glenn Russell, VT Digger

# Income Levels



# VHFA's major program areas



Tax credits  
and loans for  
affordable  
housing  
developers



Mortgages and  
down payment  
assistance for  
homebuyers



Monitor rental  
housing  
investments for  
compliance, safety  
and financial  
stability



Research and  
work with  
communities  
to promote  
more  
affordable  
housing

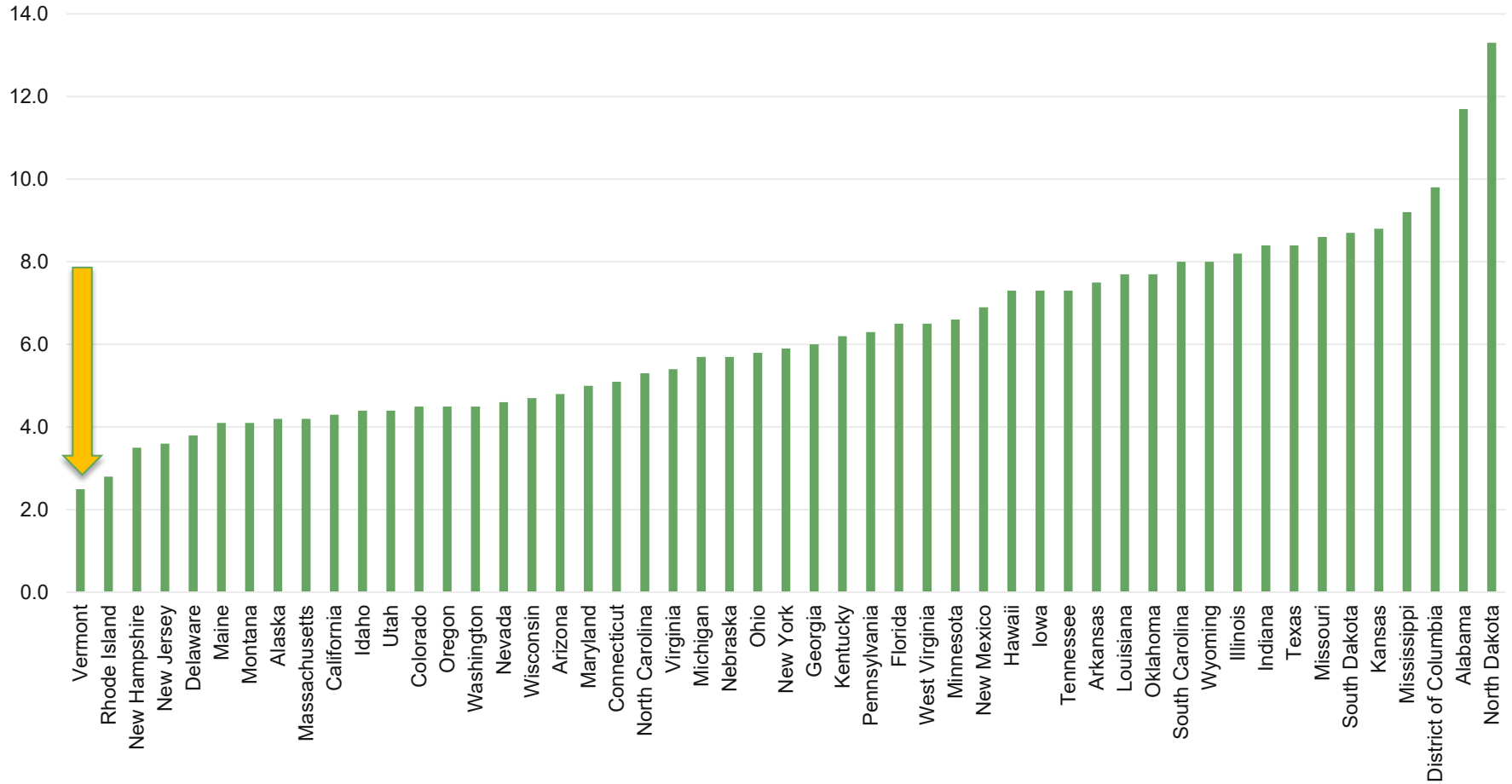
# What is a **balanced** housing market?

- Residents spend a portion of their income for housing that leaves enough for other necessities
- Workers can live near jobs
- Vacancy rates are at healthy levels to reduce upward pressure on prices and rents and allow moving by residents and workers



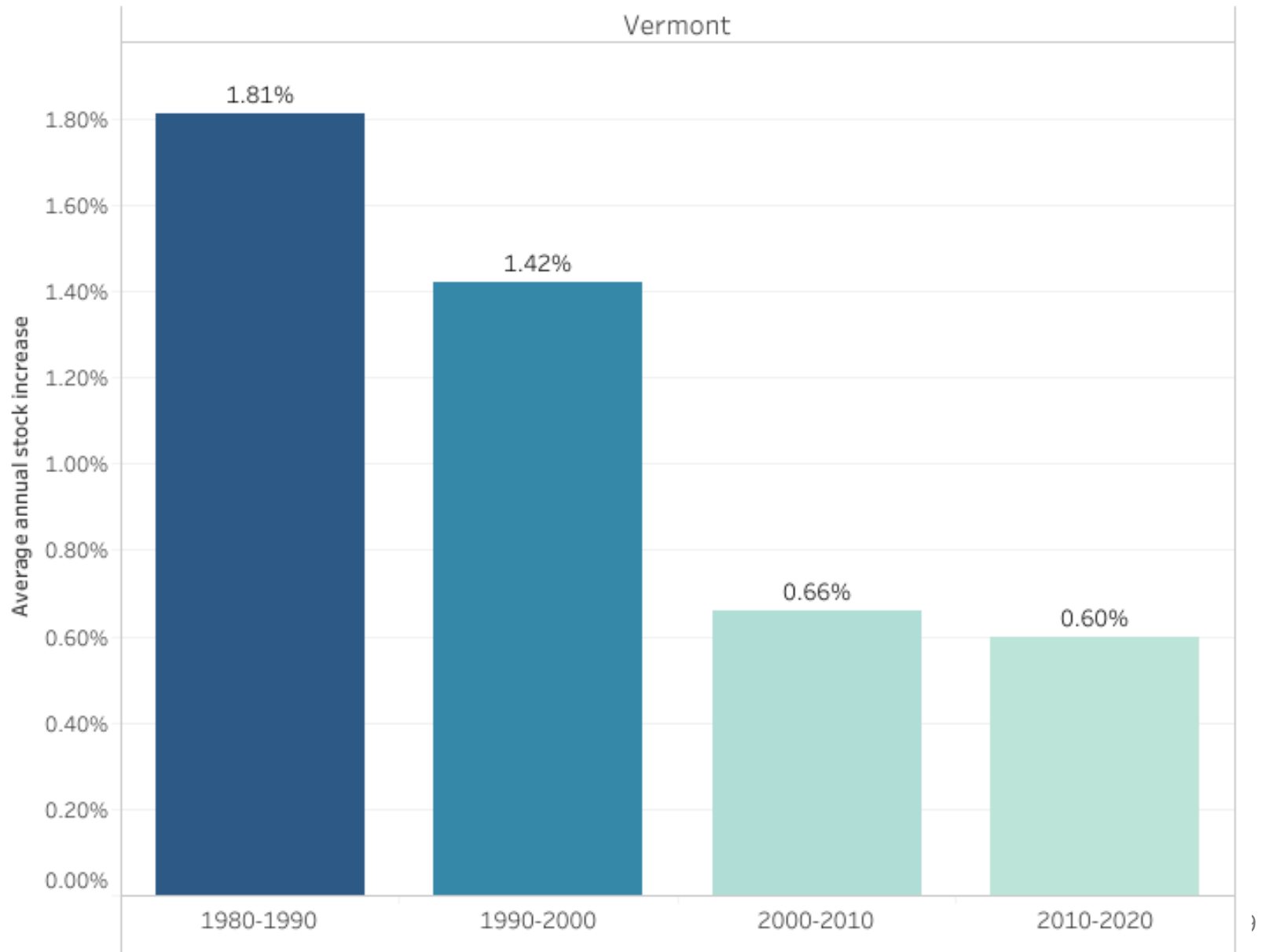
# Indicators of current housing market imbalance

## Rental vacancy rate

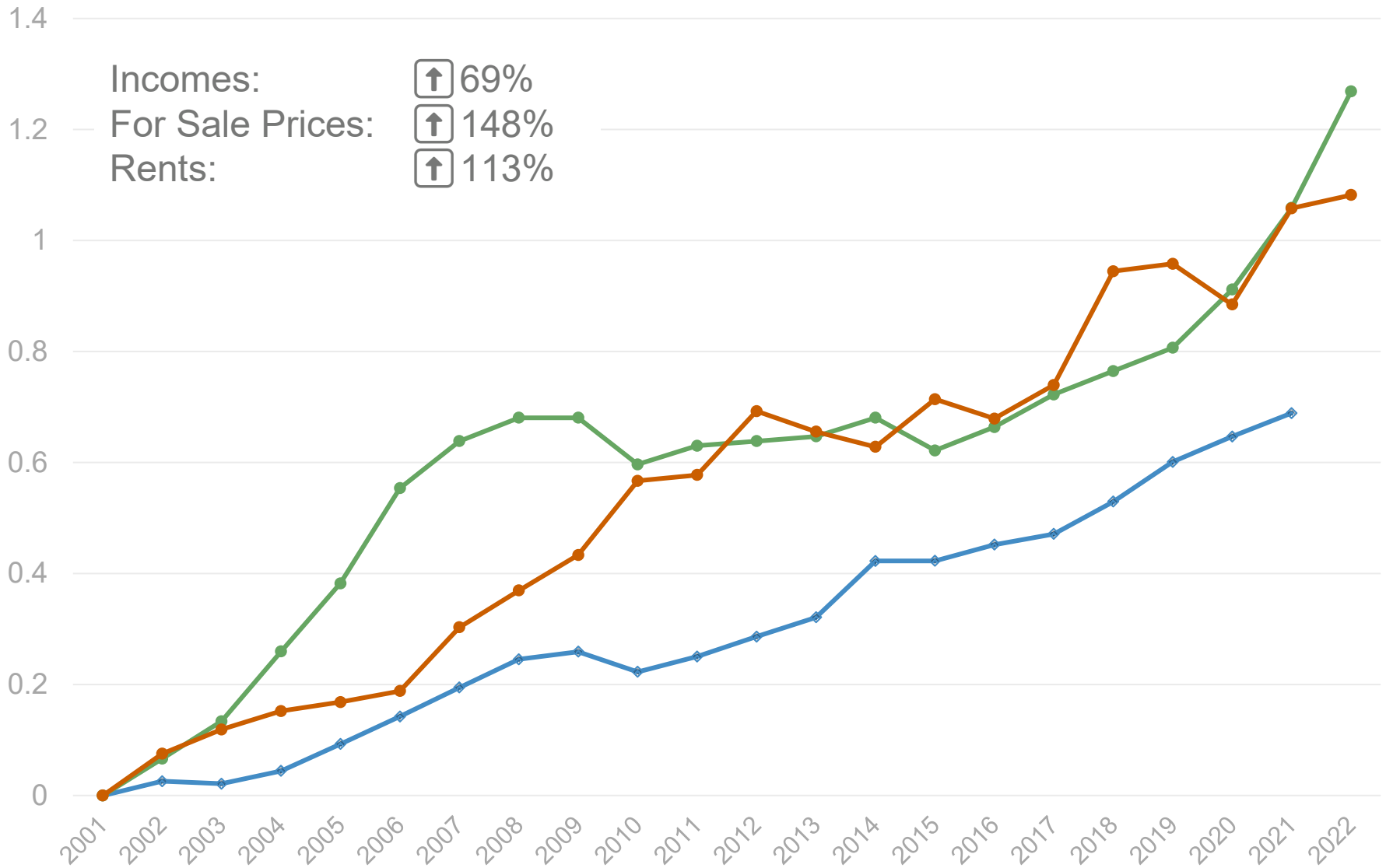




# Building fewer homes



# Change in Median Since 2001



Incomes: ↑ 69%  
 For Sale Prices: ↑ 148%  
 Rents: ↑ 113%

◆ Family Income    ● Homes for Purchase    ● Rents

# State-supported programs

- Vermont Affordable Housing Tax Credit
  - Rental housing development (began 2000)
  - Affordable starter homes (added 2009)
  - Replacing inefficient manufactured homes (added 2013)
  - Down payment assistance (added 2015)
- Weatherization Repayment Assistance Program (WRAP)
- First Generation home buying grant
- Missing Middle homeownership development



# Vermont Homeowner Assistance Program



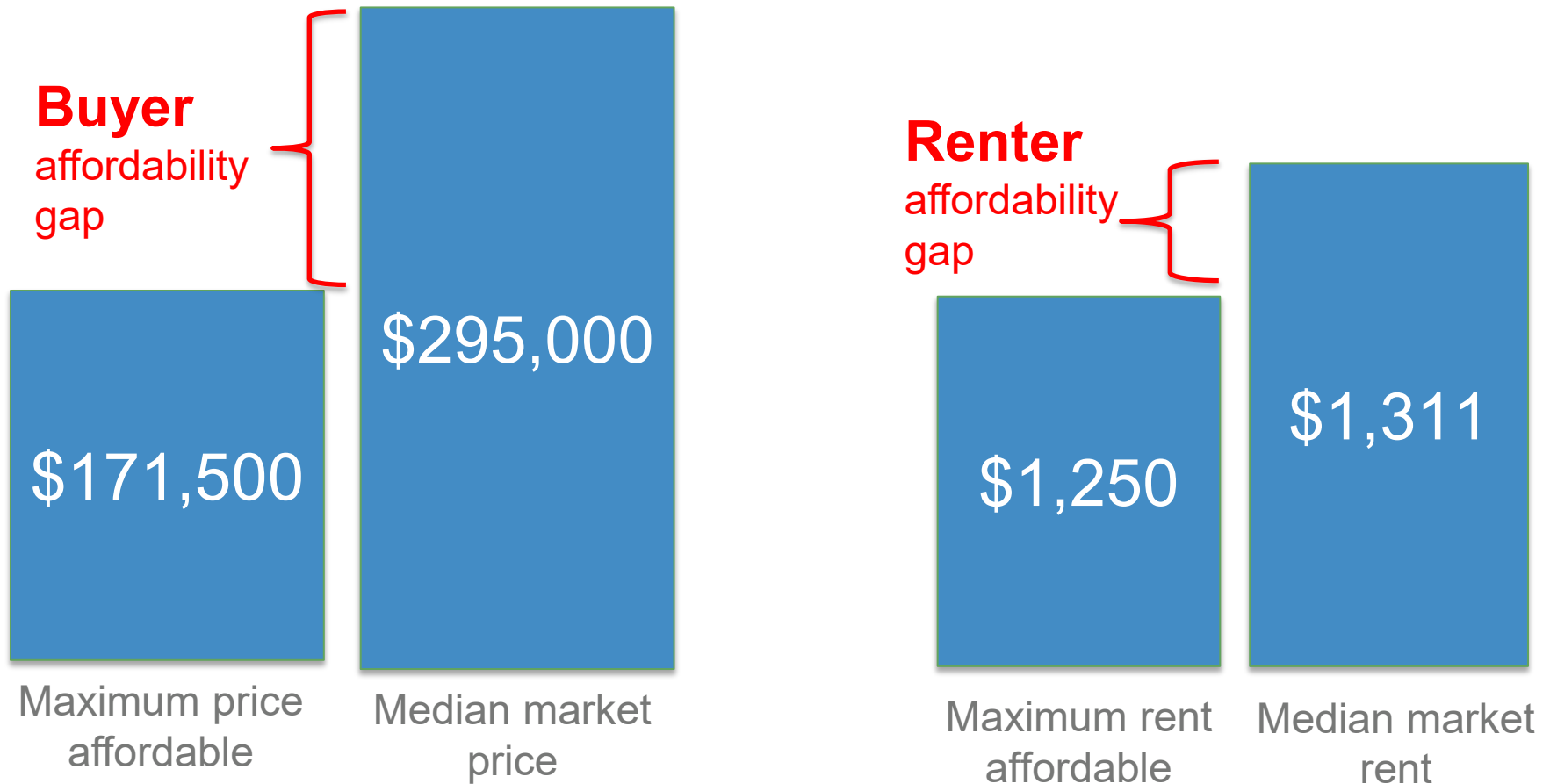
“Our business went underwater during the pandemic...This is the first time in 22 years that the **property taxes went unpaid** as we struggled to make mortgage and pay other living expenses... Receiving help through VHFA at this time was critical.” - Mary and George Doud, Northfield

“I lost my good paying job and have had to find two jobs to try and get by. This led to falling behind in my utility bills and my mortgage... I cannot even express how grateful I am to this program and the wonderful people who work here. I am now caught up with both my water and electric bills.” -Hannah R., Grand Isle

“I was already disabled with a compromised immune system and everything cost more.... I am so thankful that this program was able to help me get caught up on my property taxes which allowed me to stay at my home. The website made it very easy to apply. I hope people that really need this kind of help learn about it.” - Michael C., Rutland

# Few homes are affordable to lower income Vermonters...

\$50,000 income household



# ... without financial help

\$50,000 income household

**vhfa**

**For buyers**

DPA,  
Mortgage interest  
rate reduction,  
lower priced new  
homes, WRAP

\$171,500

Maximum price  
affordable

\$305,000

Median market  
price

**vhfa**

**For renters**

Rent limits and quality  
monitoring, WRAP

\$1,250

Maximum rent  
affordable

\$1,311

Median market  
rent

**vhfa**

Vermont Housing Finance Agency

# Rising interest rates and prices decrease home affordability

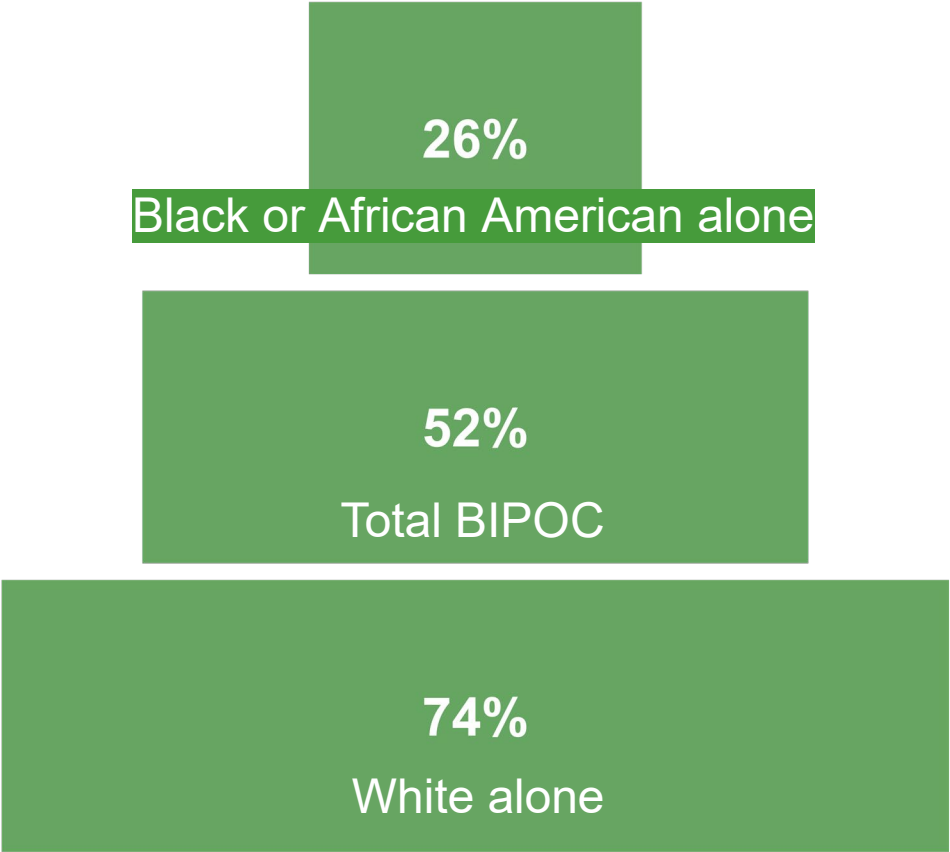
	January - October 2021	January - October 2022
Vermont median primary home purchase price	\$270,000	\$305,000
Average mortgage interest rate	3.11%	5.28%
Monthly mortgage payment	\$1,771	\$2,363
Income needed to afford	\$70,831	\$94,529
Estimated # renters with enough income to purchase median priced home	17,500	8,500

*Source: VT Property Transfer Tax (PTT) records; Freddie Mac 30-Year Fixed-Rate Mortgages with no points; U.S. Census Bureau American Community Survey 5-year estimates, 2020. Monthly mortgage payment includes estimated principal, PMI, insurance, property taxes.*

# Some Vermonters face inequitable opportunities finding decent, safe affordable housing ...

BIPOC Vermonters are less likely to own their home and more likely to experience homelessness.

Percentage of VT households who own their homes, by householder race





... so VHFA programs help overcome these inequities.

Grant up to \$15,000 for home, can combine with standard DPA for \$25,000-\$30,000.



# Another group of Vermonters who face inequitable opportunities finding decent, safe affordable housing ...

Homeowners in **manufactured housing communities** are more likely than in those in other neighborhoods to pay high home financing costs and need neighborhood water and other infrastructure improvements.

County	Parks	Lots
Addison	14	382
Bennington	25	706
Caledonia	12	354
Chittenden	24	1856
Essex*	2	42
Franklin	27	466
Grand Isle*	2	32
Lamoille	7	327
Orange	15	278
Orleans	6	215
Rutland	27	433
Washington	24	600
Windham	17	522
Windsor	36	881
VERMONT	238	7094

# Communities need housing affordability data, tools and support


- Town decisions affect availability and affordability of Vermont homes and many have asked us for help
- VHFA provides
  - Housing needs information
  - Housing-Ready Toolbox
  - Support for housing commissions
  - Statewide Housing Conference



# Employers Are Taking Matters Into Their Own Hands

NEWS

## Apartments to house UVM Medical Center staff planned for South Burlington city center



Own Employees



BUSINESS & ECONOMY

## \$9M fund created to boost Upper Valley housing, backed by area employers



The Community

Middlebury

Our Schools About Middlebury Offices

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

## Middlebury College Acquires Land for Affordable and Workforce Housing

Search  Q

April 8, 2022  
NEWS

NEWS AND ANNOUNCEMENTS

News








- 2022
- 2021
- 2020
- 2019



Own Employees & The Community

# More information

- [VHFA.org](https://vhfa.org)
- [www.housingdata.org](https://www.housingdata.org)
- Maura Collins:  
[MCollins@vhfa.org](mailto:MCollins@vhfa.org)
- Chad Simmons:  
[CSimmons@vhfa.org](mailto:CSimmons@vhfa.org)

- 1  **Vermont Housing 101: What is a housing finance agency?**  
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