

# Help Us Raise New Walls!



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of Greater Portland

# *“Woodside”*

an Energy Efficient Housing Community  
with reasonable monthly ownership costs,  
through 100% financing

- Up to 25 homes.
- Available for ownership by families with incomes (for example):
  - Up to \$46,000 for a single individual.
  - Up to \$65,700 for a family of four.



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# Aerial View: Initial Concept



# We Propose: a partnership with the Town of Falmouth

- Abutting 13 acres of conservation land.
- Priority to Falmouth Town employees, business owners, and former residents, and others as per Town.
- Town donates the land for this development.

**Project Scope - A Community of Efficient Homes  
with modest ownership costs**



# Project Description

- 25 unit community on 20 acres, of which 12.7 will be preserved as permanent open space.
- 3-4 different home designs with varying square footage, roughly 1,300 sf, generally 3-4 bedrooms, 1½ or 2 baths. Falmouth architect.
- A traditional neighborhood design: scale, front porches, and traditional detailing, including dormers, bay windows, double-hung style windows, clapboard siding, and asphalt roof shingles.
- Energy-efficient, mini split heat pumps.
- No zoning changes needed.
- The community is directly behind the police station.



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# Falmouth Housing Prices

- Today's Median Listing Price - \$636,000
- 2017 Median Sale Price - \$480,000
- Average Rental - \$2,950

**Definition of “affordable”:  
mortgage, insurance, and taxes should NOT exceed 30% of family income**



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# What Does “Affordable” Really Mean?

## The 30% Rule

- It's not the sale price.
- It's the costs as percentage of your income.
- If you make \$50,000 you should not spend more than \$15,000/year on housing.
- You could “afford” a \$300,000 home as long as your monthly mortgage payment, insurance and property taxes was no more than \$1,250.



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# Financing

**We finance our entry level homes at 100%, making them within reach of middle income families**

- Our partner families receive a 30-year fixed rate mortgage with a local community bank. The loan payments plus other ownership costs are no more than 30% of the family's income.
- Habitat loans the rest of the purchase price, a “silent second” with no payments due until transfer.
- Our homes sell at appraised prices, with no profit.
- Because of our financing, a family with an income of \$50,000 will pay total monthly expenses of only +/- \$1250 for principal, interest, taxes & insurance.
- Better than renting.



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# Moderate Ownership Costs

**Family Income: \$50,000 / Purchase Price \$300,000**

- Borrower's gross monthly income: \$4,167
- Estimated annual insurance premium: \$900
- Estimated annual tax bill: \$3,800
- Recurring housing expenses – dues and reserve: \$100
- Fair market value: \$300,000
- Loan term (years): 30
- Interest rate: 4.25%
- Max monthly housing payments (front end) 30% max: \$1,250

(continued)



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# Moderate Ownership Costs

**Max. monthly housing payments (front end 30% max): \$1,250**

- Max. monthly principal & interest payment: \$758
- Est. monthly taxes: \$317
- Est. monthly insurance: \$75
- Association dues and reserve (\$50 each): \$100
  
- Total: \$1,250



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# Calculation of Mortgages

- First mortgage amount: \$154,152
- Rounded to: \$154,100
- HFH silent second mortgage: \$145,900
  - No interest, no principal until resale.
- Total: \$300,000



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# Where We've Been

- Since 1984, Habitat for Humanity of Greater Portland has built 85 homes for deserving families in Falmouth, Scarborough, Freeport, Windham, Portland and Naples.
- Our voluntary contributions have built another 171 affordable homes for families around the world.



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# Where We're Going

- Habitat For Humanity's mission is to build efficient decent homes for deserving middle income families in our community.
- Right now:
  - We're building 13 homes in Scarborough.
  - Our homes are energy efficient. Average total utility costs are \$122 < \$133 per month (except water& sewer) depending on home size.
  - Numerous, regular volunteers build each house with us.
  - In our communities we have Homeowner Associations with strict guidelines designed to maintain the values of the homes, neighborhood, and environment.
  - We plan on a community garden and playground.
  - We limit the size of new families to avoid overcrowding.



# How Do We Build These Homes?

- Habitat homes are built with our families, our construction team, and our volunteers.
- Our selected hardworking families are enthusiastic homeowners who greatly appreciate the opportunities and hope we give them.
- They are financed with internal funds, grants, donations (many from Falmouth residents), sponsorships, discounted construction materials, donated labor, and in-kind contributions.
  - Internal funds are generated through our ReStore.
  - Many local events (Incl. Falmouth Foreside 5K) raise additional donations.



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# Our Retail Business Funding Construction

- Our ReStore has sold more than \$5,100,000 of gently used, donated appliances, furniture, and building materials & kept over 6.7 million lbs. out of landfills.



# Our Recent Homes



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# Who is Eligible for Our Homes?

- Buyers must have stable credit and an income history to qualify for a mortgage.
- Households qualify as long as they fall within the AMHI income guidelines, adjusted for household size.
- Families must be committed to partnering with us as we work to fulfill their dreams.
- Families contribute 275 “sweat equity” hours.



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# Project Team

Developer:



Financing:

Community Development  
Block Grant



Architects/Engineers:



Partner:



# Our Core Partners

Bank of America 

**COLDWELL  
BANKER**  
RESIDENTIAL BROKERAGE

**DLMC  
Foundation**

Elmina B. Sewall  
FOUNDATION

**Gorham**  
SAVINGS BANK

  
The Greater Portland  
Board Of REALTORS®

**H & A** Hopkins & Abbondanza  
ATTORNEYS

**LOWE'S**  
Home Improvement Warehouse

  
MAINE ASSOCIATION OF  
REALTORS FOUNDATION

**PATRIOT  
SUBARU**



  
SAM L. COHEN  
FOUNDATION

 **State Farm**

**Tyler  
Foundation**

**WELLS  
FARGO**  
Housing Foundation

**In-Kind Support**

Bob Miles & Son Plumbing & Heating, Cunningham Security, Hancock Lumber and MJR Electric



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# How the Town Can Partner with Habitat for Humanity

- Habitat takes all the construction, infrastructure, financing and marketing risk.
- Falmouth contributes the land.
- Falmouth maintains the road and sewer system.
- Town receives future property taxes, estimated at \$3,500/home = \$87,500/year.
- No TIF requested.

**Will you partner with us for a better Falmouth?**



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