

What Is a Conservation Housing Community for Families with moderate to lower incomes?

Most people think of affordable housing as heavily government subsidized rentals, and they are generally right. Almost all affordable housing in this country is multi-unit buildings, mostly all made possible by federal and local subsidies.



A typical affordable multi-unit apartment complex

For a rental, “affordable” also stipulates that the family spends no more than 30% of their annual income on housing. For ownership, that 30% includes mortgage payments, taxes, insurance and any association fees.

Habitat for Humanity is the only developer of affordable housing to not require tax subsidies, with the exception of donated land and road maintenance. And our homes now are stand-alone single family houses.



A Habitat for Humanity of Greater Portland home in Freeport

To qualify for an affordable home all programs have income limits for families using something called Median Family Income, or MFI. This is also known as Area Median Income, or AMI.

What is AMI?

The Median Family Income is what the family right in the middle of the income distribution earns. By definition, half the families earn more and half the families earn less.

When you hear the term “affordable housing,” it’s important to ask: “Affordable to whom?” The term doesn’t mean much unless you find out. Middle income families? Moderate income families? Low income families?

Read the chart below to see the average incomes of Cumberland County families by job category. See how few actually make the income needed to buy the average Falmouth home. *In 2014, the median sale price for a detached home in Falmouth was \$440,000 and the average listing today price is \$504,897*



Cumberland County Median Wage (2013)

Occupation Title	Median Wage
Total All Occupations	\$35,798
Architecture and Engineering Occupations	\$68,603
Arts, Design, Entertainment, Sports, and Media Occupations	\$36,327
Building and Grounds Cleaning and Maintenance Occupations	\$26,276
Business and Financial Operations Occupations	\$57,568
Community and Social Services Occupations	\$37,892
Computer and Mathematical Occupations	\$67,962
Construction and Extraction Occupations	\$37,486
Education, Training, and Library Occupations	\$46,398
Farming, Fishing, and Forestry Occupations	\$27,044
Food preparation and Serving-Related Occupations	\$19,591
Healthcare Practitioners and Technical Occupations	\$62,927
Healthcare Support Occupations	\$28,088
Installation, Maintenance, and Repair Occupations	\$43,997
Legal Occupations	\$63,944
Life, Physical, and Social Science Occupations	\$55,467
Management Occupations	\$82,212
Office and Administrative Support Occupations	\$32,932
Personal Care and Service Occupations	\$21,311
Production Occupations	\$31,384
Protective Service Occupations	\$31,005
Sales and Related Occupations	\$26,082
Transportation and Material Moving Occupations	\$30,517

Other Obstacles to the American Dream

Many families do not have the income needed to afford safe, decent housing. Making this worse, rental prices have escalated since the 2008 downturn. For renters, almost 1/3 of families renting their “homes” spend more than 50% of their income on housing! This locks them into a cycle of poverty with no hope to save money for a down payment. They’re living paycheck to paycheck, usually working multiple jobs. That’s why we need affordable homeownership to lift these families up. Owning a Habitat home allows the family to spend no more than 30% on housing, and to build equity, like so many American families have.

Habitat housing also helps reduce the number of cars on the road by allowing working people to live near their jobs. In addition, studies show that affordable



housing residents own fewer cars and drive less often than residents of market-rate homes.

Without housing that they can afford, many families are forced to move frequently and their children are unable to remain in the same school for long. Families moved during the course of the school year attended school less often and scored significantly lower on standardized tests than those who stayed in one place. Students forced to move around are more prone to drop out of school. 1/31/15 Affordable housing minimizes such disruptions to children's education. Affordable housing may even contribute to school quality and helps schools attract and retain the best teachers. School districts across the country have developed innovative affordable housing programs that recognize that it is important for teachers to put down roots in the communities where they teach.

A lack of affordable homes negatively affects employers who need employees. It also impacts veterans, entry-level and service sector workers, public sector professionals such as teachers, firefighters, and police officers, single parents, young couples, retirees and seniors with reduced incomes. It also impinges on broader quality of life issues such as the economic development of the region, traffic congestion, commute times, and air quality.

In short, the lack of affordable homes affects us all. Effectively solving the affordable housing crisis means addressing the needs of the business community, working- and middle class families, and the broader population.

Other Societal Benefits

Affordable and stable housing has been linked with improving health, education and economic outcomes for families and children. Stable housing is both a foundation for well-being as well as a platform for connecting people to services and resources that include quality health care centers and schools, community centers, grocery stores, local businesses and libraries. When housing is stable and affordable, families can spend more time and resources on medical care, nutritious food, transportation to and from work and quality day care services.

Providing affordable housing options is good for the type of community we all want to build.