



# UFF-DA!

## Useful Facts and Figures— Data for Affiliates

Homeowner Characteristics and House Costs – August 2018

In addition to providing an affordable mortgage, Habitat for Humanity in Minnesota makes homes affordable through grant programs such as the Community Homeownership Impact Fund (Impact Fund) and the Federal Home Loan Bank (FHLB) grants. Habitat Minnesota is grateful to have benefited from the financial support of both programs, which helped to fund 25 homes in Greater Minnesota during FY18. These projects require the collection of demographic data about the homeowners who benefit from the funds, which is presented in the following report.

### Habitat for Humanity Homeowner Families in Minnesota



**29%**  
include one or more family members with a disability

**67%** are single heads of household

**100%** are first-time homeowners

**27%** are households of color



Habitat Minnesota collects basic demographic data for all homes built in the state. The information above is based on all Minnesota homes receiving Habitat Minnesota loan and/or grant support from any of our programs in FY18.

#### The Need for Affordable Housing

From 2000 to 2016, the number of cost burdened households in Minnesota increased 58%. In 2016, 550,000 (or 26% of) Minnesota households were cost burdened, indicating a household spends more than 30% of their income on housing and thus lacks affordable housing. This need is much greater for lower-income households (income less than \$50,000), as 450,000 (or 57%) were cost burdened in 2016.

#### The Benefits of Affordable Housing

- Research has found that each year of homeownership increases household wealth by an average of \$9,500. Renters, on the other hand, do not generally gain wealth in any significant capacity.
- In addition, as the number of homeowners increases, rental units become vacant, increasing the much-needed supply for renters.

The above data comes from Minnesota Housing's 2018 Key Trends for Affordable Housing report, April 2018.

The data on this page is from 25 homeowner families in Greater Minnesota who received support from FHLB, Impact Fund, or both in Fiscal Year 18.

# House Costs & Characteristics

Average	FHLB/Impact Fund
Household Size	4.0
Finished Square Footage	1,291 sq ft
Appraised Value	\$135,340
First Mortgage Amount	\$107,717
Difference between appraised value & first mortgage amount	(\$27,623)
Home Cost (cash & in-kind value)	\$143,664
Total development cost per square foot	\$117/ft
Total in-kind value of materials, professional labor, and donated land (if applicable)	\$27,756
Sweat equity hours per family	410
Volunteer hours invested per home	2,122.4
Hours of training on home & financial management per family	16.3
Family income at application time	\$32,147
Homebuyer's down payment	\$564

**Sweat Equity**  
 These 25 homeowners and their families dedicated more than **10,200 sweat equity hours** to their homes.

← The difference between the appraised value of a home and the homeowner's first mortgage is covered partially by FHLB and Impact Fund grants.

**Federal Home Loan Bank (FHLB) Grants**  
*FHLB of Des Moines offers the Affordable Housing Program (AHP), which develops partnerships between member financial institutions and local housing providers to secure funds for the purchase, construction, or rehabilitation of affordable housing. Since 1998, Habitat Minnesota has received over \$7.1 million in FHLB funding.*

**Impact Fund Grants**  
*Minnesota Housing offers Impact Fund grants to provide funding for developers and administrators of single- and multi-family, owner-occupied affordable housing throughout the state of Minnesota. Since 2009, Habitat Minnesota has applied for and received over \$3.3 million in Impact Fund grants to help Greater Minnesota affiliates construct new homes or rehabilitate existing housing.*



Kristi, Tawni, and Josh  
 Douglas County, MN

In these 25 homes, family sizes ranged from 1 to 9 member(s).

Average family size: 4.0

Average children per family: 2.7



Donald, Melissa, Skyla, and Aryona  
 North St. Louis County, MN