



UFF-DA!

Useful Facts and Figures— Data for Affiliates

Homeowner Characteristics and House Costs – August 2017

In addition to providing an affordable mortgage, Habitat for Humanity of 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 the financial support of both programs, which helped to fund over 30 homes in Greater Minnesota during FY17. 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



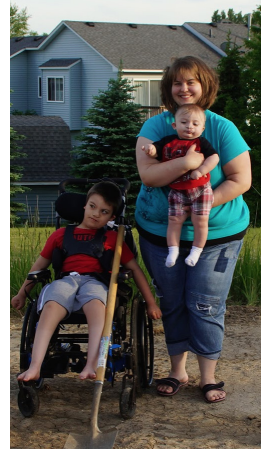
45%
are single
heads of
household

100%
are first-time
homeowners



8% include
one or more
family members
with a disability

60% 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 in FY17.

The Need for Affordable Housing

From 2000 to 2015, the number of cost burdened households in Minnesota increased 63%. In 2015, 570,000 Minnesota households were cost burdened, indicating a household is spending more than 30% of their income on housing and thus lacks affordable housing. This need is even greater for lower-income households (income less than \$50,000), as 463,000 were cost burdened in 2015.

The Benefits of Affordable Housing

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

The data on this page comes from 34 homeowner families in Greater Minnesota who received support from FHLB, Impact Fund, or both in Fiscal Year 17.

House Costs & Characteristics

Average	FHLB/Impact Fund
Household Size	4.5
Square Footage	1,275 sq ft
Appraised Value	\$143,803
First Mortgage Amount	\$113,924
Difference between appraised value & first mortgage amount	(\$29,879)
Home Cost (cash & in-kind value)	\$147,174
Total development cost per square foot	\$117/ft
Total in-kind value of materials and professional labor	\$25,998
Sweat equity hours per family	348.5
Volunteer hours invested per home	1,788.2
Hours of training on home & financial management per family	17.4
Family income at application time	\$28,963
Homebuyer's down payment	\$634

34 homeowners dedicated more than **11,000 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 \$5.4 million in FHLB funding.

Impact Fund Grants

Minnesota Housing offers Impact Fund grants to provide funding for developers and administrators of single-family, owner-occupied affordable housing throughout the state of Minnesota. Since 2009, the Impact Fund has provided over \$2.1 million in grants to help Greater Minnesota affiliates construct new homes or rehabilitate existing housing.



Average family size: 4.5

Average children per family: 3.1