

AH Committee

Subject: FW: Faith Armanini Presentation Slides for AH 5/23 meeting
Attachments: (3) Homebridge Presentation - May 23 AH Meeting.pptx

From: Paige Greco <paige.greco@mauicounty.us>
Sent: Monday, May 23, 2022 12:38 PM
To: AH Committee <AH.Committee@mauicounty.us>
Subject: Faith Armanini Presentation Slides for AH 5/23 meeting

Aloha,

Please upload the attached slideshow presentation to Granicus. These are the slides Faith will use for her presentation at today's AH meeting.

Thank you,

Paige

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she/her/hers
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AFFORDABLE SALES PRICE GUIDELINES

Faith Armanini

Mortgage Loan Originator

NMLS #674085

(808)276-8802

Homebridge Financial
Services

HUD Affordable Price Guidelines

- As a lender, we can approve a loan that would bring a borrower's housing expenses up to **49%** of their gross income
- However, a borrower's total debt-to-income ratio includes more than just housing expenses*
- Should the borrower have a catastrophic event, they are headed to **bankruptcy** or **foreclosure**

- Debt-to-income ratio factors*
 - Housing expenses
 - Credit card debt
 - Auto loans
 - Student loans
 - All other installment loans

How do we calculate housing expenses?

Principal

Interest

Taxes

Hazard insurance

Mortgage insurance

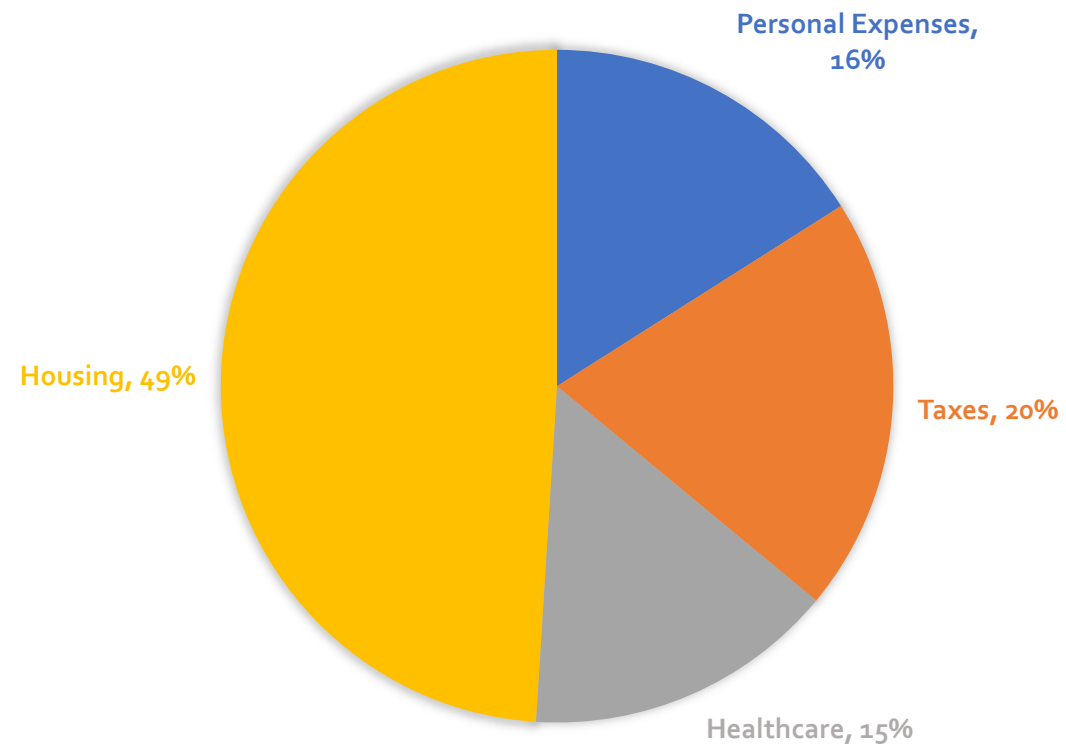
Solar

Lease

Maintenance Fees

Income: \$80,000 (Two person household, ~80% AMI)

	Monthly Expenses
Income	\$6,666
Housing expenses (49%)	-\$3,266
Taxes (20%)	-\$1,333
Healthcare (15%)	-\$1,000
Personal Expenses (16%)	\$1,067



Would you be able to pay for all personal expenses with 16% of your income?

Example: Kahoma Village

Purchase price	\$509,000
Loan amount (with 5% down)	\$483,550
Principal and interest (at 5% down)	\$2,596
Taxes	\$33
Insurance	\$100
Mortgage insurance (credit score 680-719)	\$359
HOA	\$300
Total housing expenses	\$3,388

\$25,250 + closing cost + prepaid = **\$39,956** out of pocket

Conclusion

The average two-person household cannot afford a home based on HUD's affordable housing price guidelines