

100% Affordable Hana Housing Project



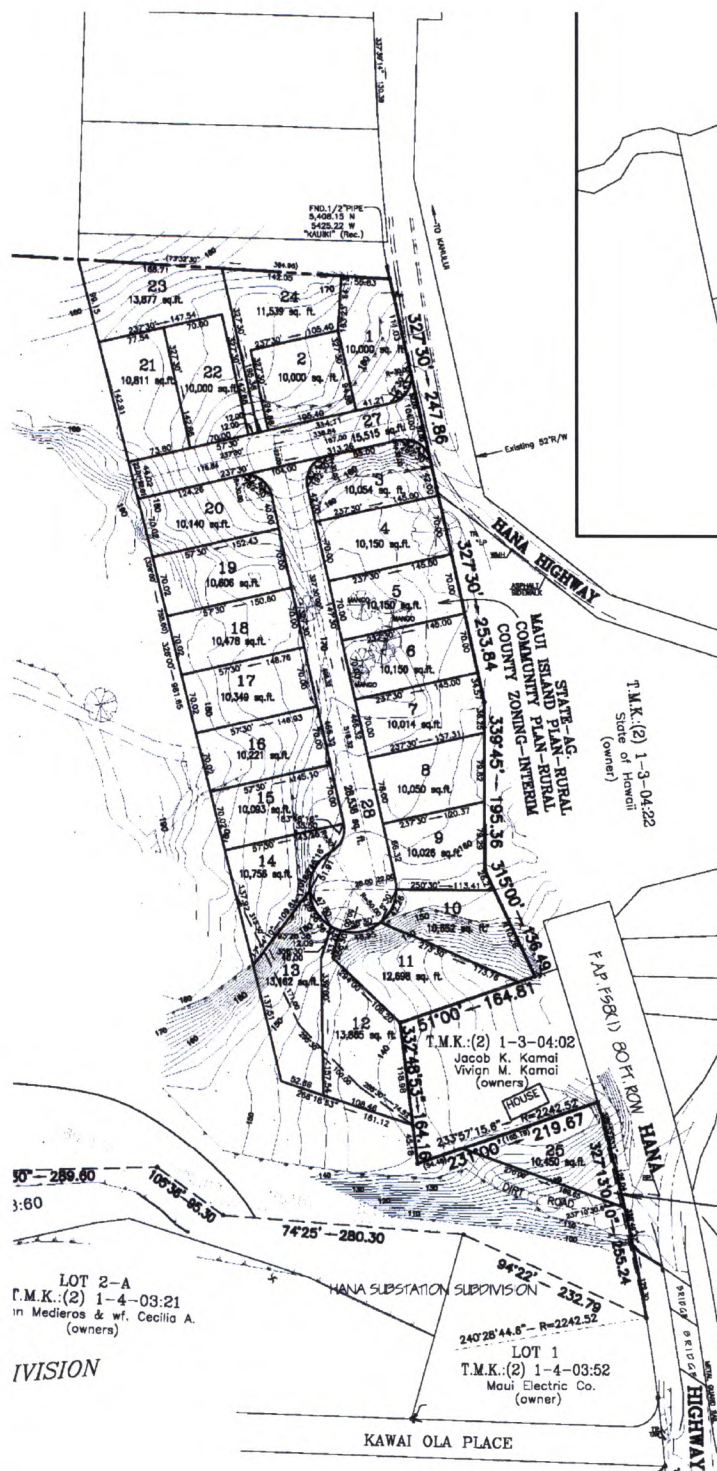
Habitat for Humanity®

Maui

RECEIVED AT EDB MEETING ON 12-5-19
(EDB-52) *Sherri Dodson, Executive Director*

General Overview

- ▶ 25 new single family homes in Hana
- ▶ Total Affordable Housing Fund Request = \$5 million
- ▶ Lots to be purchased from GTH Land Company
- ▶ Total Cost of Land Acquisition = \$4.12 million
(including closing costs)
- ▶ Total Anticipated Cost = \$7.85 million
- ▶ Lots are all over 10,000 square feet or larger



How Habitat works

- ▶ Habitat works with those earning 25% - 80% AMI
- ▶ For a family of four that is between \$16,540 and \$52,928
- ▶ Habitat requires a 30 year Affordability Period (deed restricted)
- ▶ Homeowners do not pay more than 30% of household income
- ▶ Habitat uses volunteer labor to help lower costs
- ▶ Habitat does not charge interest on the loan



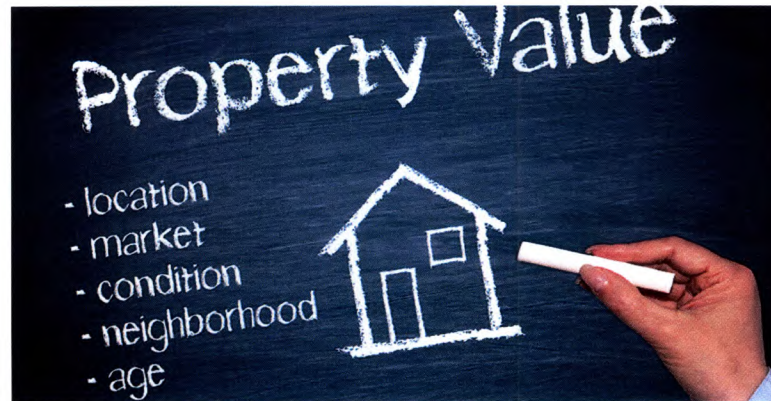
Partner Homeowner Requirements

- ▶ Habitat Maui requires the Partner Homeowner to complete at least 500 hours of “Sweat Equity”
- ▶ Successful completion of Habitat’s HUD certified “Homeowner Education & Financial Literacy” course



Appraisal of Lots

- ▶ Appraisals of these lots were performed by Island Appraisals on 4.12.19
- ▶ Total appraised value = \$5,495,500
- ▶ Agreed upon Sales Price to Habitat Maui = \$3,990,750



Lot No	Lot Size (sf)	Adjustments			Adjusted Value	Sales Price
		Site area	Topography	View		
1	10,000	0	0	0	\$ 219,500	\$ 129,650
2	10,000	0	0	0	\$ 219,500	\$ 129,650
3	10,054	0	-3,300	0	\$ 216,200	\$ 118,150
4	10,150	0	0	0	\$ 219,500	\$ 118,150
5	10,150	0	0	0	\$ 219,500	\$ 129,650
6	10,150	0	0	0	\$ 219,500	\$ 129,650
7	10,014	0	0	0	\$ 219,500	\$ 177,200
8	10,050	0	0	0	\$ 219,500	\$ 177,200
9	10,026	0	0	0	\$ 219,500	\$ 177,200
10	10,652	0	-3,300	0	\$ 216,200	\$ 177,200
11	12,698	3,500	-3,300	0	\$ 219,700	\$ 129,650
12	13,865	5,000	-2,200	0	\$ 222,300	\$ 129,650
13	13,162	5,000	-2,200	0	\$ 222,300	\$ 118,150
14	10,756	0	-2,200	2,200	\$ 219,500	\$ 206,750
15	10,093	0	0	2,200	\$ 221,700	\$ 206,750
16	10,221	0	0	2,200	\$ 221,700	\$ 206,750
17	10,349	0	0	2,200	\$ 221,700	\$ 206,750
18	10,478	0	0	2,200	\$ 221,700	\$ 206,750
19	10,606	0	0	0	\$ 219,500	\$ 206,750
20	10,140	0	0	0	\$ 219,500	\$ 206,750
*21	10,811	0	0	0	\$ 219,500	\$ 206,750
22	10,000	0	0	0	\$ 219,500	\$ 129,650
23	13,877	0	0	0	\$ 219,500	\$ 118,150
24	11,539	0	0	0	\$ 219,500	\$ 118,150
25	10,450	0	0	0	\$ 219,500	\$ 129,650
*Benchmark		Total			\$ 5,495,500	\$ 3,990,750

Summary of Appraisal

Habitat's Home Sales Pricing

- ▶ Habitat Maui's policy is that no one should pay more than 30% of the qualifying family's household income towards housing
- ▶ An Ability to Pay Calculator is used to determine the sales price for each house



INCOME VERIFICATION ANALYSIS WORKSHEET

Name John Doe
Date 6/27/2018
Project Kahoma

Family # 2
House Size 2 BD 1 BR
Lot # 64

2. Proposed Monthly Payment	Mo. Pmt
Principal (1st Mtg.)	\$837.03
Property Taxes	\$ 48.00
Hazard Insurance	\$ 187.06
HOA	\$ 115.09
Total Monthly Payment (30%)	\$ 1,187.18
Homeowner Payment (-HOA)	\$ 1,072.09

1. Gross Monthly Income	
John Doe	\$3,957.25
	\$
Total Monthly Income	\$3,957.25
30% of Monthly Income	\$1,187.18

Instructions

- Box 1 Gross Monthly Income
- 30% of Monthly Income
- 30%= Box 2 Total Monthly Payment
- Determine the Monthly Principal Payment
- Monthly Principal *12*30= 1st Mortgage
- 1% 1st Mortgage= Down Payment
- Appraised Value- 1st Mortgage= 2nd Mortgage

3. House Price Calculation	Amount
Appraised Value	\$ 660,000.00
1st Mortgage/ After DP	\$ 301,329.00
2nd Mortgage	\$ 358,671.00
Down Payment	\$ 3,013.29
Closing Cost	\$ 5,349.22
Down Payment & Closing Cost	\$ 8,362.51

Other Monthly Obligations	Months Left
Auto Loan	
Personal or School Loan	\$ -
Credit Card	
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
Total Monthly Obligations	\$ -
Monthly Housing Payment	\$ 1,187
Total Deb	\$ 1,187
Monthly Debt Payment to Income Ratio	30.00%

INCOME VERIFICATION ANALYSIS WORKSHEET

Name Jane Doe
Date 6/27/2018
Project Kahoma

Family # 5
House Size 3 BD 2 BR
Lot # 3

2. Proposed Monthly Payment	Mo. Pmt
Principal (1st Mtg.)	\$ 1,014.12
Property Taxes	\$ 94.58
Hazard Insurance	\$ 45.00
HOA	\$ 115.00
Total Monthly Payment	\$ 1,268.70

3. House Price Calculation	Amount
Appraised Value	\$ 750,000.00
1st Mortgage/ After DP	\$ 365,083.20 \$ 361,432.37
2nd Mortgage	\$ 384,916.80
Down Payment	\$ 3,650.83
Closing Cost	\$ 2,500.00
Down Payment & Closing Cost	\$ 6,150.83

1. Gross Monthly Income	
Jane	\$1,550.00
	\$2,679.00
	\$
Total Monthly Income	\$4,229.00
30% of Monthly Income	\$1,268.70

Other Monthly Obligations	Months Left
Auto Loan	
Personal or School Loan	\$ -
Credit Card	
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
Total Monthly Obligations	\$ -
Monthly Housing Payment	\$ 1,269
Total Debt	\$ 1,269
Monthly Debt Payment to Income Ratio	30.00%

Instructions

- Box 1 Gross Monthly Income
- 30% of Monthly Income
- 30% = Box 2 Total Monthly Payment
- Determine the Monthly Principal Payment
- Monthly Principal * 12 * 30 = 1st Mortgage
- 1% 1st Mortgage = Down Payment
- Appraised Value - 1st Mortgage = 2nd Mortgage

Examples of Habitat Construction - BEFORE



Caldwell Avenue, Lanai City

Examples of Habitat Construction - AFTER



Caldwell Avenue, Lanai City