



Vermont Housing Finance Agency

# news release

Toll Free in Vermont 800/339-5866

From Chittenden County: 802/864-5743

**Mailing Address:**

PO Box 408  
Burlington, VT 05402-0408

**Street Address:**

164 Saint Paul Street  
Burlington, VT 05401-4364

Send e-mail to: [home@vhfa.org](mailto:home@vhfa.org)

Visit our web site: [www.vhfa.org](http://www.vhfa.org)

**FOR IMMEDIATE RELEASE**

Aug. 23, 2010

**CONTACT: CRAIG BAILEY**

(802) 652-3463

[cbailey@vhfa.org](mailto:cbailey@vhfa.org)

**VERMONT FAMILIES, COMMUNITIES AND BUILDERS ALL BENEFIT  
FROM INNOVATIVE HOUSING PROGRAM**

*VHFA creates affordable housing and jobs by renovating, re-selling foreclosed properties*

BURLINGTON, VT — On July 1, **Sarah** and **Thad Launderville** realized their dream of becoming homeowners when they moved into their new house on Williamstown's Pleasant Street. Their purchase was the culmination of their 3-year quest to buy a home, finally made possible with help from **Vermont Housing Finance Agency (VHFA)**, **Vermont Agency of Commerce and Community Development (ACCD)** and **Central Vermont Community Land Trust (CVCLT)**.

The Laundervilles — including twins, **Clara** and **Milly-Ellen**, and newcomer, **Evan** — are one of several families helped over the past year by the federally funded Housing Acquisition & Rehabilitation Program (HARP) administered by VHFA.

Under HARP, VHFA works with HomeOwnership Centers around Vermont to acquire, repair and re-market foreclosed homes. Since June 2009, VHFA has fully restored four homes and sold them to income-eligible Vermonters. Another 30 properties are owned by VHFA: Renovations are complete on 12 of those, which are currently available for sale, of which four have purchase and sale agreements in place and are waiting to close with new homeowners; renovations continue on the 18 remaining. Finally, VHFA is about to acquire five more properties.

"This program is a success story on several levels," according to VHFA Executive Director **Sarah Carpenter**. "We're converting foreclosed properties, most of which need major repairs and would have otherwise dragged down neighborhood values, into desperately needed efficient homes at prices Vermonters will be able to afford long into the future.

"Secondly, we're creating much needed work for Vermont contractors, sub-contractors and their suppliers. At the mid-point of the winter months, VHFA employed upwards of 185 trades people working on the homes it'd acquired. We've focused much



**THAD and SARAH LAUNDERVILLE** were some of the first Vermonters to take advantage of VHFA's Housing Acquisition & Rehabilitation Program (HARP). They credit HARP, which uses federal funds to allow VHFA to acquire, renovate and resell foreclosed properties, with making homeownership possible for their family. (Photo: Craig Bailey)

of the work on increasing the energy efficiency of the homes, which will lower the ongoing costs to future homeowners.”

Buyers benefit, also, because HARP homes are priced to be affordable. Properties are sold for no more than 90% of the total cost of acquisition and renovation, or the new post-rehab appraisal amount, whichever is lower. Combined with grants of up to \$75,000, the homes will be perpetually affordable from owner to owner — meaning homes will sell well below market value each time they change hands.

“It’s so much harder right now for folks to get into the housing market. Over the years I worked to get my credit in a good position and then the financial world changed. All of a sudden it was more difficult to get a loan,” explains Sarah Launderville, who credits the HomeOwnership Center at CVCLT, under the direction of **Chandra Pollard**, with providing the couple with homebuyer education throughout the search process. “HARP pushed up our timeline in becoming homeowners and allowed us to get a much better home than we would have otherwise.”

Thanks to a \$45,000 grant, The Laundervilles were able to purchase their home for just \$140,000. It’s a 4-bedroom 1960s house with carport situated on 1.7 acres, which includes apple and maple trees.

“The space is wonderful. Our children have space to play in different rooms and can run around without hitting their highchairs or end tables,” says Sarah, who estimates the couple looked at more than 50 homes. “There’s also space outside for them to explore and play. We love that!”

HARP is budgeted with \$7 million in one-time Housing and Economic Recovery Act funds from the **U.S. Department of Housing & Urban Development (HUD)**. The budget is part of \$19.6 million HUD allocated to ACCD for the Vermont Neighborhood Stabilization Program (NSP). The recently passed financial reform legislation will provide additional funding for this program in Vermont.

VHFA has allocated nearly the entire budget, which expires Sept. 30, but expects to be able to continue HARP through 2013.

“ACCD is extremely pleased with the performance of VHFA and all the HomeOwnership Centers, such as CVCLT, to acquire these foreclosed homes, get them renovated to a level that the major systems and energy efficiencies keep the property affordable for a minimum of 15 years,” says ACCD Director of Grants Management **Ann Karlene Kroll**. “The sale of the homes to new homeowners completes the cycle of the intended use of the NSP funds.”

She adds, “The work that’s been done to date with the HARP has helped place Vermont in the number one position in New England with the pace of the program.”

“As we sell these properties, the proceeds of the sales finance even more acquisitions,” explains Chief of Program Operations **David Adams**. “By recycling these funds we expect we’ll continue to buy, renovate and resell homes well into 2013. The \$7 million was ‘use it or lose it,’ so we’re pleased to have leveraged the funding and really maxed out its potential by including the grant so the homes will be sold at a discount every time the properties sell in the future.”

Buyers can browse all HARP properties for sale at the VHFA Web site: [www.vhfa.org/homeownership/houses-for-sale.php](http://www.vhfa.org/homeownership/houses-for-sale.php). Lenders interested in selling their real estate owned (REO) should contact HARP Coordinator **Lori Gilding** at 802.652.3404 or [lgilding@vhfa.org](mailto:lgilding@vhfa.org). They can also submit REOs to VHFA through the Web at [www.vhfa.org/reos](http://www.vhfa.org/reos).

The Vermont Legislature created VHFA in 1974 to finance and promote affordable housing opportunities for low- and moderate-income Vermonters. Since its inception, the Agency has helped approximately 27,000 Vermont households with affordable mortgages and financed the development of approximately 7,700 affordable rental units.