



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

Visit our web site: www.vhfa.org

FOR IMMEDIATE RELEASE
November 9, 2010

CONTACT: Martha Englert
(802) 476-4493
menglert@cvclt.org

Craig Bailey
(802) 652-3463
cbailey@vhfa.org

VERMONT AGENCIES TURN DILAPIDATED, FORECLOSED PROPERTY INTO SUSTAINABLE, AFFORDABLE HOME

BARRE TOWN, VT—**Central Vermont Community Land Trust (CVCLT)** has converted a dilapidated foreclosed property in Barre Town into a sustainable new home with low operating costs, thanks to funding from an innovative federal program.

Situated on a 1.3-acre lot at 8 Short Street, the property had initially listed for \$64,900, but the price kept dropping when potential buyers discovered it would need to be demolished.



“It was in bad shape — failed septic system, asbestos, and more,” according to CVCLT Rehab Specialist **Norm Benoit**, who has 40 years' experience in home building and design. “But the neighborhood was on its way up. Neighbors adjacent to the property had done a lot of home improvements, and we knew that by starting from scratch, we could create a very nice, affordable home on that lot.”

CVCLT and **Vermont Housing Finance Agency (VHFA)** acquired the property in January 2009.

Using Benoit's design and guidance, builder **Kevin Perrault** of Graniteville, completed work this fall on the new 1,176-square-foot house for a cost of approximately \$124 a square foot plus land costs.

“We wanted to make the most efficient building possible with the limited budget we had,” Benoit says, “Operating and maintenance costs had to be extremely low for the homeowner.”

Perrault framed the home with exterior walls built 12 inches deep and filled with dense-packed cellulose creating an R-value of 49. Eighteen inches of loose fill gave the attic an R-value of 60, with the four-inch concrete slab underneath the house having an R-10 value.

Many existing homes in Vermont have far less insulation. Similar 2-bedroom homes, for example, typically have an R-value of 38 in the attic, an R-value of 12 in the walls and no foundation insulation, according to Director of CVCLT's HomeOwnership Center **Chandra Pollard**.

The two-bedroom, open-concept, light-filled home includes a stove and refrigerator, microwave, washer-dryer, dishwasher, radiant floor heating and new septic system. The home also includes a Heat Recovery Ventilation System, a high-efficiency condensing boiler and hot water on demand, all of which helped earn the house a five-star energy rating from Efficiency Vermont. The home was built low for easy accessibility with two concrete porches that won't need staining.

Construction took 10 months from concept to completion. The end result is a home that feels roomy with small bedrooms situated on each end, for privacy, and separated by a bathroom and a multi-purpose room.

The federal Housing Acquisition & Rehabilitation Program (HARP), funded by Neighborhood Stabilization Program money and administered by VHFA, will subsidize the sale price with a grant worth up to \$24,000. The sale price of the home is \$165,000, meaning an income-eligible buyer would need just \$141,000 in financing.

In return for the grant, the buyer must agree to a 75-25 shared-equity arrangement, Pollard said. Under those terms, each time the house is sold in the future, the seller will keep 25 percent of the appreciation with the remaining 75 percent being passed on as a discount to the next buyer to perpetuate affordable homeownership.

When sold, the home will become the 122nd "perpetually affordable" home in CVCLT's portfolio, according to Pollard.

Interested buyers can view the listing for 8 Short Street, as well as other HARP homes for sale, at www.vhfa.org/homeownership/houses-for-sale.php.