



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**  
May 15, 2012

**CONTACT: LESLIE BLACK-PLUMEAU**  
(802) 652-3429  
[lblack-plumeau@vhfa.org](mailto:lblack-plumeau@vhfa.org)

## **THREE YEARS OF SUCCESS FOR THE HOUSING ACQUISITION REHABILITATION PROGRAM (HARP)**

*VHFA creates affordable housing and jobs by purchasing, rehabbing and re-selling foreclosed properties to qualified buyers*

BURLINGTON, VT — This month marks the completion of three years of Vermont’s Housing Acquisition & Rehabilitation Program (HARP)—a program that has helped renovate 55 homes as of March 31, 2012, including the historic St. Albans colonial purchased by first-time homebuyers, Meghan and Joseph Swan. The purchase was the culmination of their quest to buy a home for their active family of five, made possible with help from **Vermont Housing Finance Agency (VHFA), Vermont Agency of Commerce and Community Development (ACCD) and Champlain Housing Trust (CHT).**

Under the HARP program, VHFA works with Champlain Housing Trust and four other HomeOwnership Centers throughout Vermont to acquire, rehabilitate and re-market foreclosed homes. The 4-bedroom home purchased by the Swan family needed extensive renovations after foreclosure including a new roof, weatherization, new kitchen cabinets and countertops, refinishing wood floors, new bath and kitchen flooring and chimney repair. The home also received a new range, new dishwasher, new refrigerator, new furnace, new tub and bathroom appliances before being placed on the market.

Since June 2009, VHFA has fully restored 35 homes and sold them to income-eligible Vermonters. Another 4 are under contract with new home buyers, with 16 that are either for sale now or in various stages of renovation that will be available for sale in the very near future.



“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 energy 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. During the past three years, VHFA has employed upwards of 700 trades people working on the homes it acquired. The significant economic benefits of employing Vermonters and buying appliances and building materials from local suppliers are much appreciated by those we have worked with on these homes.

Virtually every home that comes through the HARP program has undergone significant energy improvements, such as installation of high efficiency heat plants, energy star replacement windows, air sealing and insulation

upgrades, hot water heaters, high efficiency kitchen appliances and light fixtures, or low flow toilets and showerheads.

Buyers benefit because HARP homes are priced to be affordable. Properties are sold for the lesser of the total acquisition/rehab cost or the appraised value upon completion. Grants of up to \$75,000 provided by the HARP program combined with major improvements and energy savings result in a truly and perpetually affordable home. The grants stay with the home from one owner to the next so that the home remains affordable for subsequent buyers.

“We knew this was the house for us as soon as we saw it ...we love being close to everything and walking downtown,” explains Meghan Swan as her three young children played in the yard. “The renovations were great,” her husband Joe adds, “because they maintained so much of the woodwork—dining room molding, stair rail, flooring... it’s amazing!”

The process of purchasing the home was easy, the couple agreed, thanks largely to the HARP program and the help of Champlain Housing Trust.

The HARP program is funded through \$9.9 million in Housing and Economic Recovery Act funds from the **U.S. Department of Housing & Urban Development (HUD)**. The funds are part of the larger Neighborhood Stabilization Program (NSP) administered by ACCD and HUD. Recently passed federal financial reform legislation will provide additional funding for Vermont’s NSP program.

“ACCD is extremely pleased with the performance of VHFA and the HomeOwnership Centers, who acquire these foreclosed homes and 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 program has helped place Vermont in the number one position in New England in terms of the pace of the program.” The amount of program income received and expended through the sale of HARP homes in Vermont means that in excess of 120% of funds have been committed and over 110% expended for the overall NSP program.

“Proceeds from the sale of completed homes are recycled and used to acquire and renovate more homes” explains VHFA’s Chief of Program Operations **David Adams**. “By recycling these funds we expect we’ll continue to buy, renovate and resell homes well into 2014. It is our goal to use sale proceeds to leverage the initial \$9.9 million funding we received under the Neighborhood Stabilization Program upwards to roughly \$15 million by March 2014. By doing so, we will have employed all funding and income generated, and converted it into highly energy efficient, fully rehabilitated, affordable housing stock, with subsidies and affordability covenants that make and will keep these homes affordable for homeowners like the Swans, and families who purchase these homes in the future.

Buyers can browse all HARP properties for sale at VHFA’s 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.