

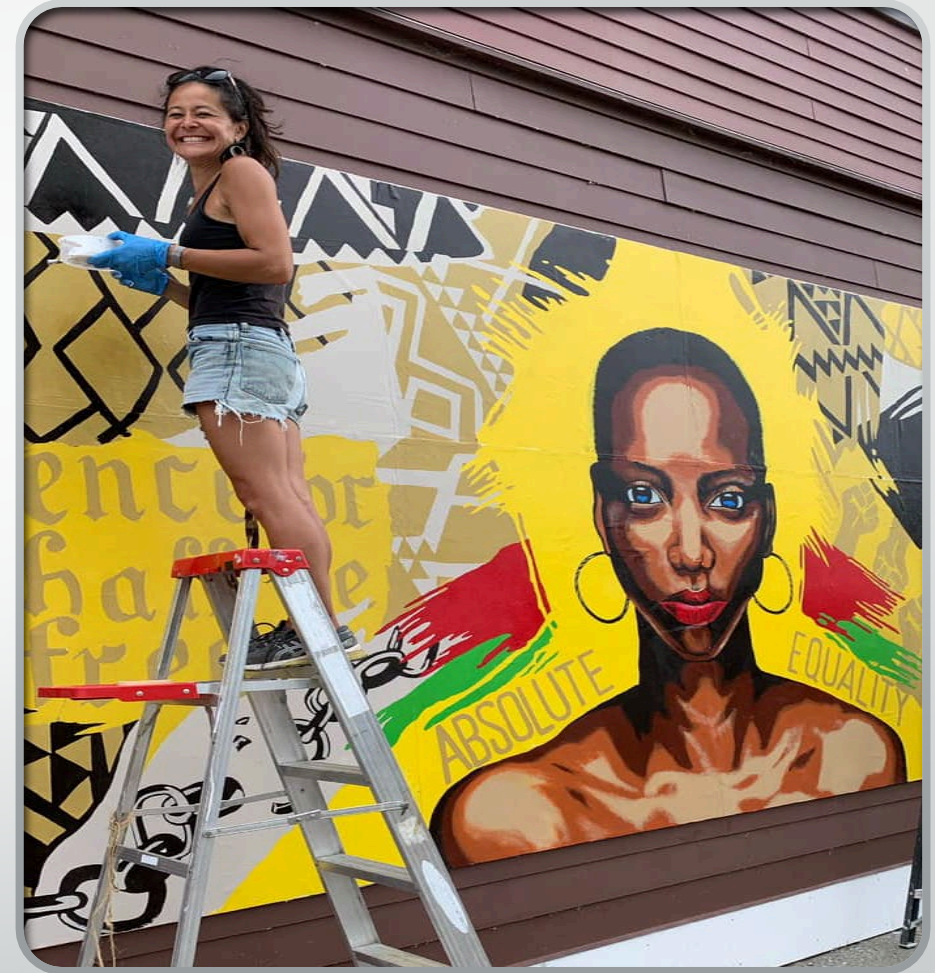
BIPOC Homeownership Challenges in VT



Challenges

1. Lack of sufficient down payment
2. Lack of Affordable Home Prices
3. Generational familiarity with process

ONLY #1 and #2 are being addressed but #3 is a HUGE issue.



Lack of Affordable Home Prices

“Affordable” refers to rent.

- Affordable rent is an objective measure - % of income.
- Lease clearly states additional costs (utilities, etc.)
- Standard of affordability is 30% of income.

What’s “Affordable” Home Ownership?

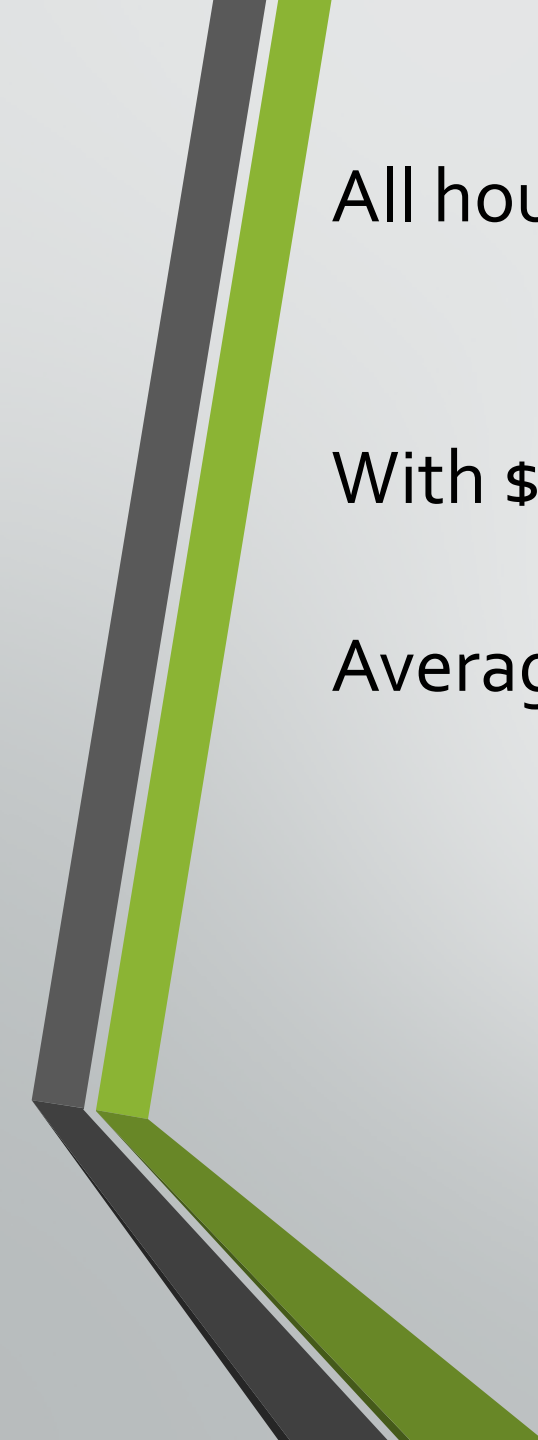
- No immediate need for repairs
- Upkeep minimal
- Low assessed value
- Stable monthly payments
- Minimal out-of-pocket down-payment or closing costs.

What's Affordable?

Black Vermonters have median annual household income of \$42,167.³

This makes a median HH monthly income of \$3,500.

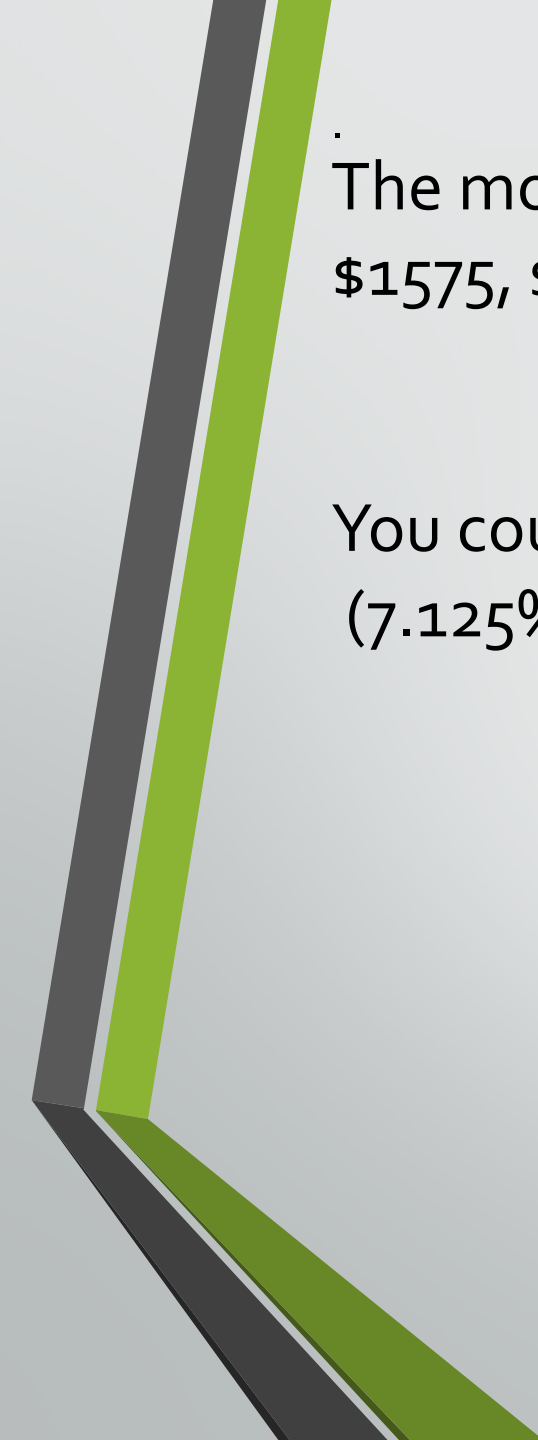
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All housing expenses should be 45% of monthly income.


With \$3500 in total monthly income

Average Black VT'er could handle a monthly payment = \$1575



The monthly budget for principal, interest, insurance and taxes is \$1575, so...

You could get a \$148,000 mortgage
(7.125% for 30 years.)



A mortgage of \$148,000 would allow you **to buy a \$185,000 house.**

How many \$185,000 houses are there in VT?

\$174,900

Beds 2

Baths 1

Acres 0.25

SqFt 956

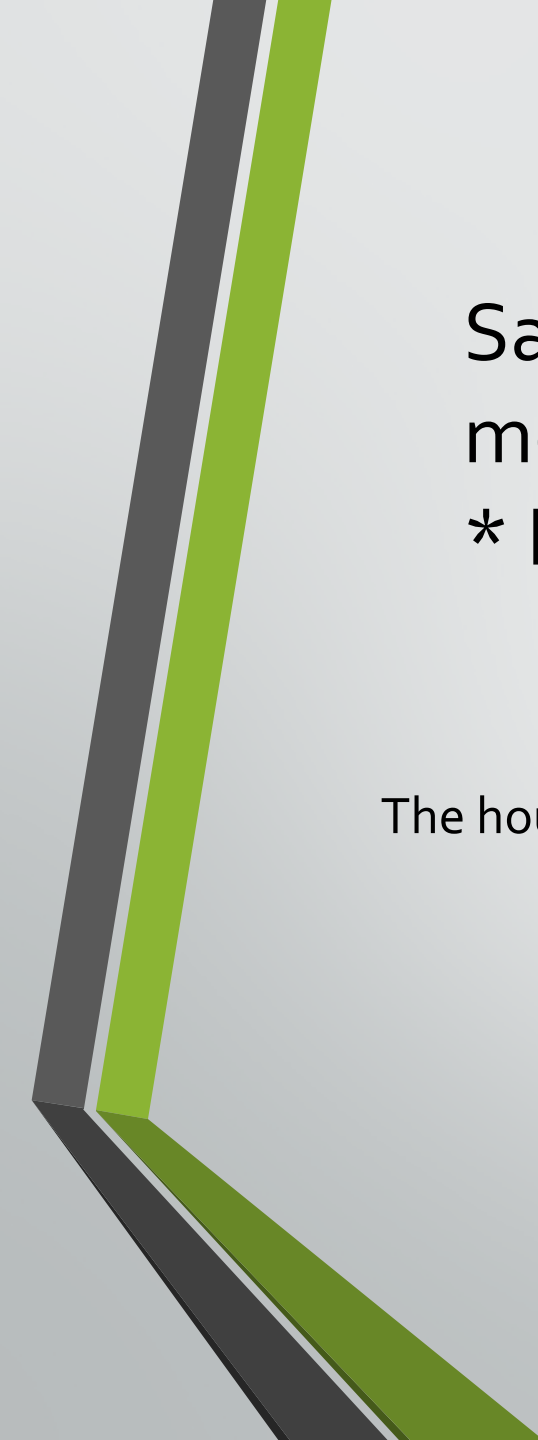


+ "affordable"
+ inside redone!

- Swanton is 37 miles from Burlington


-only 2 bedrooms

-demographics in Swanton 0.04% Black.



Same borrower could have “afforded” a \$209,000 mortgage when rates were 4%
* Bought a \$262,000 house!

The house you can afford now is \$77,000 LESS than the house you could have afforded 6 months ago.



AND ...you will need \$37,000 in cash for the down payment plus closing costs.



AFFORDABLE house is out of reach as interest rates rise!