

Habitat for Humanity Pennyrile Region

Madisonville, KY

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ABOUT

IMPACT (2018-2020)

- 16 direct jobs created or retained
- 4 households/families assisted
- 4 new homes constructed (100% low-and-moderate-income)
- \$230,000 in total financing secured
- www.pennyrilehabitat.org

Habitat for Humanity is a global nonprofit housing organization working in local communities across all 50 states in the U.S. and in approximately 70 countries. Habitat's vision is of a world where everyone has a decent place to live.

Habitat works toward our vision by building strength, stability, and self-reliance in partnership with families in need of decent and affordable housing. Habitat homeowners help build their own homes alongside volunteers and pay an affordable mortgage. Our mission is to seek to put God's love into action, Habitat for Humanity brings people together to build homes, communities, and

hope. Our target population includes families with low and very low incomes who meet the three criteria for partnership with Habitat for Humanity Pennyrile Region.

The families we serve need simple, decent, affordable housing. The families are required to have enough income and qualifying credit to be able to pay the affordable mortgage on their home. The families must be willing to partner with Habitat for Humanity of Hopkins County by earning between 250 and 500 hours of sweat equity through hours of work on the construction of their home or involvement in other approved Habitat activities. Families must meet the minimum and maximum front end and back end ratios.

Mandatory and comprehensive homeownership counseling is provided to the partner family free of charge by our affiliate, through Family Support Committee members with expertise covering the following topics: Habitat policies relating to homeownership maintenance counseling, budgeting, predatory lending, lawn care, understanding homeowner insurance, and understanding a mortgage and closing documents.

Our partner families fall between 30% and 60% of the area median income level for the Pennyrile Region in Kentucky. Habitat for Humanity Pennyrile Region pre-qualifies the applicants using Habitat International standards and will not allow ratios to exceed 29% (housing) and 41% (total debt). When taxes, insurance and mortgage payments are evaluated, this provides affordability to families in our 30-60% AMI targeted population area. Its liquid assets policy allows a family/individual up to three months total housing costs.

SUCCESS STORY



The USDA Rural Housing program has allowed our affiliate to increase its capacity to serve more families. This is possible because of the accelerated asset recovery created by the purchase of the mortgage at closing. Our affiliate can use that funding today to serve more families rather than waiting for the term of the mortgage to realize the mortgage proceeds. Recent USDA Rural Housing Program activity at our affiliate has assisted 4 families, in 4 different communities, with financing totaling \$295,000. The \$295,000 has enabled our Habitat for Humanity affiliate to immediately inject funding into these communities impacting the local economy and housing four families. We have been able to match these funds with other sources to create three more affordable housing units. This acceleration of capacity is a direct result of the USDA Rural Housing Program's investment into housing. Our affiliate was able to nearly double its affordable housing production with just these four projects.

MORE ON HABITAT FOR HUMANITY PENNYRILE REGION

- 4 housing/community development projects assisted
- 13 clients served by community development projects
- 3 households in 3 different communities assisted by water/sewer projects

THE BURROW FAMILY

Our most recent USDA Rural Housing project (2020) was with the Burrow family in Mortons Gap Kentucky. The husband is a ten-year disabled Army Veteran. We were able to construct a house in partnership with Kentucky Habitat for Humanity. That house is a unique design with Structurally Insulated Panels (SIPS), and has solar power credited through Louisville Gas and Electric via a solar farm nearly 150 miles away. This project houses the veteran, his wife, and their four kids. The mortgage amount was an affordable \$85,000 and was sold through the USDA Rural Housing Program.

The Burrow family's income is 58% of the area median income in Hopkins County, KY. The Hopkins County area median income is \$51,000, with 18% of residents living below the poverty line. The state of Kentucky has nearly 400,000 people living without access to affordable housing, and Hopkins County experiences a similar per capita shortage of affordable housing. Our communities have recovering coal mining economy with nearly a 6% unemployment rate and many underemployed.