

## **HARBOR HABITAT FOR HUMANITY FACT SHEET 2007**

### **Mission**

Harbor Habitat for Humanity is a Christian non-profit housing organization that seeks to eliminate substandard housing in Benton Harbor and Benton Township by engaging the community and partnering with families to provide them with a decent place to live.

### **Habitat Structure**

Habitat for Humanity International (HFHI) is a Christian housing ministry dedicated to eliminating poverty housing worldwide. Founded in 1976 by Millard Fuller, along with his wife, Linda, HFHI has 2,300 active affiliates in 92 countries that have built and sold more than 300,000 homes to partner families with no-profit, zero-interest mortgages.

In Benton Harbor and Benton Township, Harbor Habitat for Humanity (HHFH) has partnered with families to build 70 decent, simple, safe and affordable homes since its founding in 1995. A local, independent, autonomous board of directors governs HHFH, setting the policy and vision for the organization. An executive director administers the daily operations of the organization. HHFH believes in and follows the founding principles and operating guidelines of HFHI.

### **Homeowner Selection**

Habitat homeowners are selected based on the following criteria:

1. **Need:** Their current housing is substandard, unsafe, overcrowded and/or unaffordable.
2. **Ability to pay:** Total household income must be between 30% and 50% of the area median income, which in Berrien County is \$52,100; therefore, to qualify a family of four cannot earn more than \$27,550 per year.
3. **Willingness to partner with HHFH:** A review of their income, credit history and rental history must show that they have the disposition to pay for and maintain a home. They must demonstrate the willingness and ability to work with volunteers and staff, and must invest 300 sweat equity hours before they move into their home.

### **Land Acquisition**

Land for building sites is typically acquired through these methods:

- Cities and municipalities who have received property due to non-payment of taxes etc, sell property to Habitat. We then improve and build on the property, creating tax revenue for them.
- Church, corporate and individual donations of land or underwriting the purchase of land.
- Outright purchases by HHFH.

### **Affordability**

- Habitat homes are sold to the homeowner with a non-profit mortgage for the exact cost of construction. In Berrien County, a 1,100 sq. ft. HHFH houses typically cost \$75,000 to build, averaging \$68 per square foot. This compares very favorably to the average of \$125.00 per sq. ft. for commercially built new homes.
- HHFH mortgages are amortized over a 20 year period with a 0% interest note.
- Monthly mortgage payments are typically \$375-\$425/month, including taxes and insurance.

### **Sustainability**

- Funds to construct homes are initially raised via donations from businesses, churches, civic organizations, corporations, individuals and foundations.
- The cost of building the houses are paid back to HHFH through monthly mortgage payments from the partner families.
- These payments are reinvested in the community to build more Habitat homes each year.
- Harbor Habitat contributes 10% (tithe) of its income to HFHI for the building of homes in other countries.

### **Impact**

- Since the inauguration of Harbor Habitat for Humanity in 1995, 70 new homes have been built, dedicated and occupied by partner families.
- Harbor Habitat for Humanity is one of the most efficient and fastest growing affiliates in the State of Michigan.
- Each adult of each partner family must log 300 hours of “sweat equity” – work on their house, and other HHFH homes, thus building a sense of neighborhood.
- Harbor Habitat for Humanity is the only local non-profit organization in the area that requires sweat equity and offers zero-percent interest loans.
- When sponsoring a building project, all donations are used to build the home being funded. HHFH’s other costs are covered through mortgage payments and unrestricted gifts.
- Monetary gifts and in-kind donations to Harbor Habitat for Humanity are tax deductible.
- Affordable housing improves our community by creating a sustainable tax base and strengthening the local economy.
- After moving into their new homes, partner families report an increase of family income and better children’s school attendance, scholarship and grades.
- Neighborhoods with a concentration of Habitat homes exhibit lower crime rates, improved physical appearances, and better maintenance of public and private property.

### **Volunteer Opportunities**

Harbor Habitat is a volunteer driven organization. There are countless opportunities to serve in this ministry. Our staff works with several committees as well as individuals, groups and homeowners who are earning sweat equity hours to keep this organization alive and growing. Volunteers come from all different backgrounds, skill levels, and talents. Here are a few important things to remember about volunteers:

- Everyone needs to do meaningful work
- Everyone wants to feel needed
- Everyone has his or her own reasons for wanting to volunteer
- Everyone has something to offer

Our goal is to match the right job with the right volunteer. Some volunteer opportunities include:

- Become a construction crew lead, share your knowledge and help teach and supervise volunteers in construction projects throughout the build season (April – October).
- Join a weekday build crew or specialty team and dedicate one day a week during our build season or help on specific projects such as siding or roofing, depending on your interests and skills.
- Join a Habitat committee: site selection, construction, church relations, public relations, special events, volunteer services, finance, fund development or a JCWP Leadership Committee.
- Adults of all ages are encouraged to use their existing skills or learn new ones according to their interest and abilities. Youth volunteers between 14-18 years of age are allowed to participate on build sites provided they are supervised by a responsible adult and work at ground level with non-powered tools. Landscaping, painting and cleanup are ideal tasks for youth volunteers.

### **Developing a Story of Success**

We are often asked what happens to the mortgage money paid back to Harbor Habitat for Humanity from our homebuyers. The simple answer is that it goes back into house building. When you invest in a habitat house this year, you are simultaneously investing in future houses. Currently, Habitat mortgage payments received from our 70 partner families are combined to provide enough cash to help build new houses each year. This re-cycled funding will grow as more houses are added to HHFH's success story.

Opened in 2003, our ReStore, a building supply thrift store, accepts donations of new and re-useable construction materials and home items, then sells them at deeply reduced prices to "the trade" and local consumers. Volunteers answer phones, stock incoming donations, keep inventory updated and provide exceptional customer service. Sale proceeds from our ReStore help subsidize the cost of a house each year and continue to provide funding to support the administrative needs of Harbor Habitat.

Harbor Habitat for Humanity built 9 homes in 2004, four of which were "blitz built" in 5 days. Michigan Americorp awarded Harbor Habitat for Humanity its signature Service Project also in 2004, which paved the way for over 200 Americorp members who arrived in Benton Harbor on June 25<sup>th</sup> to assist on the first day of the blitz build. This helped HHFH prepare for hosting the 2005 Jimmy Carter Work Project, when 20 homes were constructed in Benton Harbor over a one-week period: June 19-24, 2005.

Benton Harbor was honored to be selected by President Carter and HFHI as one of the host sites for the Jimmy Carter Work Project in 2005. Habitat for Humanity International's Jimmy Carter Work Project is an annual, internationally recognized event in which the former U.S. president and his wife, Rosalynn, join Habitat volunteers to build simple, decent and affordable houses in partnership with people in need. President Carter's longstanding relationship with Habitat for Humanity began in 1984 when he donated one day of his carpentry skills and manual labor at a work site in Americus, Ga., home to Habitat's international headquarters. Later that same year, the Carters led their first weeklong work project in New York City.

"The State of Michigan will benefit from Habitat for Humanity's efforts to build homes and provide much needed rehabilitation and healing to communities and families in need," said Michigan Governor Jennifer Granholm.

"The answer to providing affordable housing in Michigan, and for that matter throughout the world, is not to abandon a community, but where possible to rebuild a community," said President Jimmy Carter.

Harbor Habitat for Humanity enjoyed this opportunity to work in partnership with people from all over the world and we were honored to have been selected to host Habitat for Humanity International Jimmy Carter Work Project in 2005. Utilizing this and every other possible opportunity, we intend to continue to work with partner families, volunteers and the greater community to build simple, decent, safe and affordable homes until poverty housing is totally eliminated in our community.

### **2007**

Our plans for 2007 involve the construction of 12 homes in Benton Charter Township. This is an increase from the nine homes built in 2006. We have acquired new warehouse space in downtown Benton Harbor. The build season began in early May and is expected to conclude by end of year. Home sponsorship costs remain the same at \$75,000. We have continued our exciting new program, A Brush with Kindness, which provides paint and minor repairs to up to six houses neighboring Habitat homes. We hope to end our build season with a total inventory of 77 homes.

### **2008-2009**

We have recently announced plans for our next exciting new venture: The Crystal Estates Development Project.

We plan to create an entirely new neighborhood by constructing 21 new homes on an 8 acre site in Benton Charter Township. Our goal is to complete 100 homes by the end of 2009 just in time to celebrate our 15<sup>th</sup> anniversary.