

## Windham Housing Trust's HOMELAND Mortgage Grant Program

WHT provides Homeland Grants of up to 20% of purchase price towards the purchase of **eligible** homes for **income-eligible** buyers.

In exchange for this **grant**, Homeland buyers agree to:

- ❖ Limit the appreciation that you can earn on the value of the home to 25% above your purchase price (if the value has not declined) when you sell; and,
- ❖ WHT will transfer the grant to subsequent buyers of the property so that other low to moderate income households can also benefit from this program.

In addition, eligible Homeland buyers may qualify for special lower interest rates through VHFA's HOUSE financing program or USDA's Rural Development program.

In order for you to get a HOMELAND Grant, you and WHT must agree on 5 important points:

- First: The grant makes it possible for you and your family to own a home that would not be possible for you without it.
- Second: There should always be an adequate number of safe and decent homes which families of low/moderate means can afford.
- Third: When you sell your home you agree to work with WHT and that it will be sold to another low/moderate income family.
- Fourth: You will own the house. WHT will own the land. WHT retaining ownership of the land is an important part of ensuring affordability of the house for generations into the future.
- Fifth: You will become a voting member-owner of WHT and in essence are sharing ownership of the land with other members of our community.

**These are just a few of the key parts of this program. If you would like to learn more about this opportunity please make an appointment with our counselors.**

## If I buy with WHT, what can I sell my home for?

Example:

### At Purchase:

\$190,000 original value of house  
-\$38,000 WHT grant  
\$152,000 original purchase price

### At Resale:

\$260,000 New value  
-\$190,000 original value  
\$70,000 appreciation  
x 25% your share  
\$17,500 Your share of the appreciation

### Your Sale price:

\$190,000 original value of house  
-\$38,000 WHT grant  
\$152,000 original purchase price  
+\$17,500 (25% of appreciation)  
\$169,500 what you sell for to WHT

### What you make on the sale:

\$169,500 your sale price for the house  
-\$135,524 what you owe the bank  
\$33,976 your money (appreciation plus principal reduction)

(This is just an example. Some formulas may vary. You cannot assume a property will always appreciate. The amount of principal you owe on your mortgage depends on how long you have owned the property, your interest rate and whether or not you make any extra principal payments. This example is based on 84 months of repayment on a 5.8% loan with no extra principal payments).