

# Newton Homebuyer Programs

Request for Funds from Community Preservation Committee May 28, 2008

## Background

- ▶ 2004, 2006 the CPC approved \$708,250.00
- ▶ May 2008 Balance \$69,270.73
- ▶ July 2008 Balance **\$00.00**

## **Current Request for Next 3 Years**

### **From CPA Funding:**

- ▶ 8 cases X maximum Subsidy of \$115,000.00=\$920,000.00
- ▶ \$46,000.00 Admin
- ▶ Total Request \$966,000.00

### **From HOME Funding (for Immediate cases):**

- ▶ Transfer \$42,000 from HM07-06D Rehab. Grants to HM08-06F, Homebuyer Assist.
- ▶ Transfer \$83,000 from HM08-06E, Purchase/Rehab. to HM08-06F, Homebuyer Asst.

## **Median Price of Properties**

**Sales Year to Date – 2007–2008 (Source: B&T – Through April)**

- ▶ Single Family 2007 YTD – \$745,000
- ▶ Single Family 2008 YTD – \$728,000 (-3.6)
  
- ▶ Condo 2007 YTD – \$432,000
- ▶ Condo 2008 YTD – \$460,000 (+6.5%)

## Properties Currently on Market Priced Under \$400,000.00

- ▶ 4 Single Family Homes (\$339,000–\$399,000)
- ▶ 71 Condominiums (\$200,000–\$400,000)

Source MLS May 28, 2008

## Case Demographics

- ▶ 23 cases (all funding)
- ▶ 13 families with 1–4 children
- ▶ 16 with Newton Connection  
(live/work/children in school in Newton)



## **Diversity**

- √ Two (2) single Asian households
- √ Eight (8) single female head of households
- √ One (1) Native American/African American household
- √ One(1) Asian two parent household
- √ One (1) African American/Haitian household
- √ Six (6) two-parent households
- √ Eight (8) single Caucasian households
- √ One (1) African household
- √ One (1) Latina household

## **Purchase Price of Homes and Type**

- ▶ Purchase Price \$180,000–\$385,000
- ▶ 4 Single Family Homes
- ▶ 1 2-Family Home
- ▶ 19 Condominiums

## Affordability Analysis

- ▶ 33% Front End Ratio
- ▶ \$300,000 Sale Price
- ▶ 3% Downpayment
- ▶ 5.25% (MHP SS rate May 28, 2008)
- ▶ \$115,000.00 DPA Assistance
- ▶ \$185,000 Purchase Price to Buyer

Affordable to HH of 2 + persons

## Profile of Homebuyer to Close end of June 2008

- ▶ Purchasing condo in Newtonville  
\$253,500.00



## Family Purchase



## Condo Purchase





