



HHOC

Housing & Land Trust

An affiliate of Hawaii HomeOwnership Center

1259 Aala Street, Suite 201
Honolulu, Hawai'i 96817
Phone: (808) 523-9500
Fax: (808) 523-9502
www.hihomeownership.org

FOR IMMEDIATE RELEASE

MEDIA CONTACT:

Reina Miyamoto

reina@hihomeownership.org; 523-8116

NEW NON-PROFIT PART OF THE SOLUTION TO THE AFFORDABLE HOUSING NEED

HONOLULU, HI, August 15, 2019 – The HHOC Housing and Land Trust (HHLT) today announced that it is in escrow to sell its first affordable unit to a low/moderate-income household. This new non-profit organization was created by the established non-profit agency, Hawaii HomeOwnership Center (HHOC) with the purpose of preserving and creating affordable or below-market priced homes.

Hawaii HomeOwnership Center has been preparing first-time buyers for the purchase process through classes, individual coaching, and post-purchase services for almost 16 years. About half of the homeowners through this program are 80% or below the Area Median Income when they enroll – which reflects that education and connection to resources can assist even those of lower income into homeownership despite Hawaii's challenging housing market.

HHOC created another non-profit organization, HHOC Mortgage to assist in providing buyers affordable financing options and a sustainable revenue source to support its education efforts. HHLT was later created to provide opportunities for low to moderate income buyers to purchase below market homes through preserving existing affordable units or creating them.

“Having a safe and stable home is critical to the success of our families in Hawaii and we are focused on establishing that stability through homeownership,” said Carol Marx, HHOC Board Chair. “Education continues to be the first important piece of the puzzle to help more families into ownership, and we thought HHLT was the next investment to contribute to the inventory available for low to moderate income buyers.”

The housing market appreciates at a rate that makes it challenging for most Hawaii families to enter into homeownership so it is not surprising that only 57 percent of all housing units in state are owner-occupied, compared to the United States average of 63 percent. However, homeownership has significant positive human benefits in education, employment, and physical and mental health for individuals, families, and communities – all which can relieve burdens on public assistance and the reason HHLT was created.

“To offer a below-market priced unit takes a significant amount of investment by our community and it has been encouraging to see the number of local businesses that have contributed to the offering of our first home,” said Keith Kato, HHLT Board Chair. He continued, “Our board of directors are all volunteers who have dedicated countless hours to developing the framework of our program, considering purchase options, and even cleaning our home prior to it being listed.”

(more)

Seed funds for the HHLT program came from the State of Hawaii Grant in Aid program, and NeighborWorks America, a Congressionally Chartered non-profit organization that provided support for the project via Hawaii HomeOwnership Center. Additional support came in the form of discounts and in-kind contributions from 808 Plumbing & Services, Allied Floor Corporation, Clinton's Painting, Gentry Homes, Hansen Solar, Hawaii USA Federal Credit Union, Inspect Hawaii, Jacob Electric, Legal Realty, ML Pacific, Montage Décor, Old Republic Title and Escrow, P M Maintenance, and Servco Home and Appliance Distribution.

Homes sold by HHLT will have a perpetual buy-back restriction which means that HHLT will have the first option to repurchase the home based on a formula versus a market price. Buyers will purchase the home at a below-market price and also sell it back at a below-market price to keep the home at an affordable with each resale. Buyers are provided an opportunity to gain appreciation in their home value, although it will not keep pace with the open market. The HHLT buyer will have the unique opportunity to own a fully renovated home at a subsidized price, stabilize a portion of their housing payment, and gain the tax benefits of ownership.

About the HHOC Housing and Land Trust and Hawaii HomeOwnership Center

The Hawaii HomeOwnership Center (HHOC) provides education, information and support to create successful first-time homeowners in Hawaii. By addressing barriers and increasing rates of home ownership, the HomeOwnership Center aims to build stronger families and communities throughout the state of Hawaii. Services are available to anyone regardless of their income. To learn more, visit www.hihomeownership.org

HHOC Housing and Land Trust was created by HHOC with the purpose of preserving and creating affordable homeownership opportunities. In the future, HHLT hopes to be able to purchase homes under government buy-back restriction should the government waive their option to repurchase the property. To learn more about the HHLT program and the home listed for sale, visit www.hihomeownership.org

###