Homestead Creates Housing Market Sanity

‘Homestead let us invest in our future’

Many families who want to sell their homes list them in the spring or summer, and Homestead homeowners like Gina and Tyler Rubert are no different. They are one of the seven Homestead households in the process of reselling their home. What’s different about these home sellers is that they are keeping their homes affordable for the next buyers.

The core tenet of buying a home through Homestead is ‘paying it forward.’ Eligible buyers purchase quality homes at affordable prices. If they choose to sell their home, they pass on the good deal they got to the next buyer. This “good deal” was necessary for Gina and Tyler to buy their home.

Now that they are moving, they are excited to give another family the opportunity to achieve their homeownership dream. Gina and Tyler met during college in Bellingham and soon married. They learned of Homestead and bought a Nova townhome before Matilda was born. Gina says, “We didn’t want to start raising a family until we owned a home.”

Now Matilda is a rambunctious 2-year-old, and they are expecting their second child. They would like a home that better meets the needs of their growing family: “some place with a big yard that Matilda can run around in,” Tyler says, as Matilda darts up the stairs.

The Ruberts will sell to a family like Joanna and Jonathan Den Haan, who bought a Homestead resale in May. Their home was made affordable in 2008, when it first entered the land trust. This meant the Den Haans needed no additional subsidy to purchase a quality home at an affordable price.

“We plan on using our equity as a downpayment on our next home,” Tyler says. "Homestead enabled us to buy the perfect first home."

Matilda may not remember her first home when she grows up, but she knows the benefits of having a nice place to have a tea party. The Ruberts will use the equity gained from the sale of their Homestead home as a downpayment on their next.

Stewardship and Ongoing Support

In early May, Homestead welcomed Stephanie Hiebert to the team as our full-time Stewardship Coordinator. She will shepherd outgoing homeowners through the sales process, making sure they get a fair return on their investment and that the next buyer gets a quality home at an affordable price.

This is what we mean when we say permanent affordability. This balanced approach is why Homestead can serve more than three times the number of people as traditional downpayment assistance using and retaining subsidy funding.

Additionally, Stephanie is ready to respond when a financial hardship strikes: unexpected medical expenses, a decrease in hours or a divorce. She will help homeowners explore options to keep them in their homes. So far, so good — Homestead has had zero foreclosures.

You can reach Steph at Hiebert@HomesteadCLT.org
Here we go again. We hear the celebratory news nearly every day. The housing market is on the mend. Prices are going up. Buyers are returning. This seems to be the case in many areas of Seattle, where buyers suddenly find themselves fiercely competing for a limited supply of homes for sale.

The recovering housing market, and the hope it brings for economic recovery generally, is a good thing. The nearly 12 million unemployed people in this country need work, and fast.

But there are troubling signs. Housing speculation is driving prices up and sowing the seeds of the next housing bubble, even before we have recovered from last one.

It is not just local households scrambling to buy before prices slip out of reach. National and international firms see real estate as a good place to invest and are buying up Seattle homes, betting they will be able to cash in for large profits.

It is hard to be enthusiastic about the fact that the wealth destruction and housing disinvestment phase of the economic cycle is drawing to a close, only to simply usher in a new round of housing bubble making (and bursting).

Homestead and 250 other CLTs around the country are building an alternative to the boom/bust housing cycle and its accompanying economic pain and chaos. Not only do we provide access for those whom the market leaves behind as prices shoot up, we also provide a buffer against wealth destruction as the bubble pops. Our homes are occupied by their owners, who are members of their community. Our homes increase neighborhood stability and economic resilience.

As the housing market recovers, Homestead is working hard to grow to scale. At scale, we can offer more opportunities to those who otherwise would be left out of homeownership. And we can point the way towards a more sane, more stable, bubble-free economy.

Homestead bought this sweet 3-bedroom 1-bath West Seattle home for a great deal—$142,500—but goodness, did it need a lot of help. The stairs had crumbled, the back deck had rotted and rats had chewed holes in the walls.

Thankfully, help was on the way! The amazing CoHo Team of Windermere Agents and other volunteers they recruited rolled up their sleeves and got to work on a rainy Saturday in April. They did some serious demolition on this house. They tore out the deck, knocked down the walls and ripped out the cabinets. By the time they were done, the house was a clean slate and ready for the energy upgrades and durable finishes of a Homestead rehabilitated home.

This really underscored the fact that, by transforming distressed properties into quality, affordable homes for modest-income buyers, Homestead and our supporters are tangibly improving our community, not just by removing blighted houses from the market, but also by preventing foreclosures in the future.

Thanks, CoHo Team!

Volunteer work parties are fun and significantly increase the affordability we can pass on to homebuyers. If you and your friends or colleagues want to help make your community stronger by swinging a sledgehammer, contact our Community Engagement Director at Erika@HomesteadCLT.org

Tonya Hennen, Jessica Lynn, Philippa Nye. Homestead’s Homeownership Program Director Lindsey Sargent, Peter Wolf and Cara Mohammadian together in front of another soon-to-be high-quality, affordable, owner-occupied Homestead home.

Lend Homestead a Hand
Thank you for making May a big month for Homestead and affordable homeownership!

In case you missed the flood of emails last month, we will explain: on May 15, homeowners and supporters like you donated over $16,000 for affordable homeownership. But what’s big isn’t just the dollars—it’s the impact they’ll have.

By Thanksgiving, another 20 families and individuals will achieve their homeownership dreams through Homestead, as 161 households already have. These families will be ten times less likely to lose their homes to foreclosure than non-community-land-trust homeowners.

Homestead homes are affordable for the life of the home. This gives literally thousands of people the chance to experience the stability, security and joy of homeownership.

What was big about May wasn’t just the gifts that you, our supporters, donated to Homestead but the impact your generosity has on your community, now and into the future.

When Samantha Wu first saw what would eventually become home, it wasn’t much to look at. “My friend lives next door, and she said I should buy this house. But it looked like a mess.” That was before Homestead and Habitat for Humanity completely renovated it: opening up the living space, updating the kitchen, finishing out an unfinished portion and increasing energy-efficiency. Volunteers from Microsoft even demolished the dilapidated garage.

One month after Samantha purchased her new and improved home, her mother moved from Guangzhou, China, to live with her. “We had been planning it for years,” Samantha says. “It makes mom happy that I bought my home. She is proud I was able to do it at a young age.”

When Samantha isn’t working as an office administrator, she is studying to get her certification in medical coding. “I barely have free time,” she says. “I want to get a job where I earn enough to take care of my mom.”

Her mom thinks Seattle is really quiet, which Samantha can understand. She moved to Seattle from Guangzhou ten years ago, she says, “because here there is more opportunity, more freedom to do anything you think of—like buying a home.”

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Save The Date!

Homestead Summer Picnic

Sunday, July 21st
12:00PM to 2:00PM
The Garden House
2336 15th Ave. S
Seattle WA 98144

Presenting Sponsor:

Home Games
Trivia Night Fundraiser

We already know you’re smart—because you are a Homestead supporter. So why don’t you show your savvy at the second-annual Home Games?

The biggest prize is helping Homestead create affordable homeownership for years to come.

Saturday, October 19th
6:00PM to 9:30PM

Last year’s winners Amanda and Ben Hopper, Quinnie Tan, Otts Bolisay and Max Wagner enjoy the evening.

Presenting Sponsor:

Homeowners Frank Video and Catherine Burke at the 2009 Summer Picnic.

Come enjoy the sun (hopefully), drinks and food with your friends, fellow Homestead homeowners and Homestead supporters.