

PROVIDING HOUSING SOLUTIONS

Eagle County's down payment assistance for the local workforce is boosted by the Vail Board of Realtors®

WHEN SHE MOVED to Eagle County approximately 10 years ago, Whitney Young knew she wanted to call the Vail area home. Young desired to contribute back to the community and had ties to the valley through her wife, Karris, who is originally from the area. However, the couple faced the classic local workforce housing problem — low inventory, rising demand and high purchase prices.

As Executive Director of the Family Learning Center, Young is one of the area homebuyers who has taken advantage of the Eagle County Loan Fund (ECLF). The ECLF is a Down Payment Assistance (DPA) program supporting our local workforce in purchasing homes in a challenging residential real estate market.

Recognizing the importance of attainable housing for our local workforce, the Vail Board of Realtors® (VBR) and the Vail Multi-List Service (VMLS) contributed \$20,000 in January 2023 to the ECLF.

“The VBR and our members are advocates for home ownership at any level,” says Mike Seguin, Vail Board of Realtors® chair. “We support initiatives and programs aligning with the effort to alleviate workforce housing shortages.”

Advocacy for housing attainability is also happening on a state and national level through the Colorado Association of Realtors® (CAR) and the National Association of Realtors® (NAR). For example, in 2022, CAR worked with the Colorado Governor’s office



and multiple stakeholders to advocate for more than \$393 million in affordable housing funding, including a low-interest revolving loan program.

Locally, the VBR has donated to the Eagle County Loan Fund (ECLF) for the past few years, including \$75,000 in early 2022.

“Through these efforts, I would ideally like to see a day where we have enough affordable housing for our local workforce,” adds Seguin. “It’s a tall order, but with the commitment of the entire community, I believe it can be attained.”

As a Realtor®, Seguin has seen first-hand how local programs have successfully helped several of

his clients, and he believes those buyers may not have been able to afford the homes otherwise.

Making Housing Attainable

Many local wages are lower than the actual cost of living in Eagle County, and most households earn less than the median income needed to live comfortably. The ECLF is one of several DPA programs available to Eagle County workforce residents and is part of a plan to help locals surmount the challenges beyond their economic control. Eligible applicants can apply through their mortgage lender.

According to Meghan Scallen at the Eagle County Housing and Development Authority

(ECHDA), which administers the loan fund, it has issued over \$7 million in down payment assistance loans since its inception in 1998, benefiting approximately 700 families and individuals in our community.

A strain on inventory and a rise in real estate prices necessitate more funding for the ECLF. In 2019, \$278,256 was available and an average loan of \$13,406 helped 46 families and individuals close on a home. In 2022 there were 28 loans totaling \$751,545. The average 2022 loan was just under \$26,000. Grants and donations from local governments, businesses, and organizations like the VBR help bolster the fund.

“DPA loans like the ECLF allow buyers more options as real estate prices continue to increase,” says Scallen. “With a larger down payment, buyers can purchase homes at a higher price point. It will also help lower their monthly mortgage payment. For the most part, ECLF loans are paid off in full when the home is sold. It can also allow buyers to meet the 20% down payment requirement helping the borrower to avoid paying private mortgage insurance.”

Qualified borrowers can receive a loan of up to 5% of the home’s purchase price, and the maximum sale price is \$850,000, allowing borrowers up to \$42,500 (it was formerly a maximum of \$15,000). Home buyers must contribute 1% of the purchase price or 50% of the loan amount, whichever is less.

In addition to the ECLF, Eagle County offers other programs to ensure locals have access to housing. The ECHDA’s Good Deeds program supports the local deed-restricted inventory of for-sale homes available to buyers. The intent is to deed restrict future buyers to an eligible household, through either a Resident Occupied or Price Capped restriction. By converting an existing open market home into a deed-restricted home, that home will be preserved for a local household for the future.

“We are seeing fewer loans for folks purchasing non-deed-restricted homes because the prices have increased so dramatically,” adds Scallen. “In 2022, about two-thirds of borrowers were purchasing deed restricted.”

Those who use the ECLF must complete a first-time homebuyer class provided for free by Eagle County. The

classes provide information about the basics of the home buying process — a daunting process for many.

Young is grateful for the classes and the guidance provided by the ECHDA.

“We were first-time homebuyers,” says Young. “But I felt like we had so much support. Meghan and Patti (Liermann) were very responsive. Our lender Cris Nelson figured things out for us and we didn’t have to. They all became part of our team. Each option available to us was explained in detail, and it was clear what the outcome would be for each.”

According to Young, finding the actual home took longer than the loan process, but the guidance from ECHDA gave them a price range in which to look. From there, they could narrow their search to their preferences for a home, which led them to the historic town of Red Cliff.

“If it weren’t for this program, we wouldn’t own our home — 100 percent,” adds Young. “We really felt empowered to use it.”

Looking forward, Seguin conveys that Realtors® want to support workforce housing efforts — which may include funding and programs to educate the public and VBR members.

“The VBR hosted an affordable housing seminar this year, and we’d like to grow those efforts, including support for first-time homebuyer classes,” adds Seguin. “Programs like this are invaluable in helping our local buyers afford home ownership.” **VVR**

For more information on Down Payment Assistance, visit housingeaglecounty.com. To find a Realtor® knowledgeable about the local real estate market, visit vbr.net.

“I WOULD IDEALLY LIKE TO SEE A DAY WHERE WE HAVE ENOUGH AFFORDABLE HOUSING FOR OUR LOCAL WORKFORCE.”

Client Focused. Results Driven.

Scot and Erica engaged with me in a friendly and service oriented way to get to know me personally, truly understand my needs for a Colorado home, and guide me through the home buying process in a very dynamic market. They made sure I was aware as early as possible about new listings, gave me their candid advice when they thought a property wasn't the right one for me, and actually made a stressful process fun! I just closed and am thrilled, and Scot and Erica are two of my new friends in the Valley.

– Kathryn L. Carson

THE WEBSTER CONNECTION 26 Years in Vail Valley Real Estate



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