



THE YEAR-ROUNDER

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ISLAND HOUSING TRUST

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FIRST RESALE AT RIPPLES HILL IS A SUCCESS

A little more than two years after it was built and occupied by its original owner, the very first house built in Phase 1 at Ripples Hill has been sold to a new family.

High school teacher Geoffrey Wood was the first lot buyer to have an energy-efficient, two-story, three bedroom house built at Ripples Hill in Somesville, with construction beginning in late summer of 2008. The house was completed in February of 2009 following which Geoff and his three children moved into the home at 25 Farnhams Way. Changes in Geoff's personal situation, however, resulted in his offering the house for sale earlier this year. Wood offered the house for sale for \$184,500, the maximum amount allowed under the Maximum Resale Price formula that IHT uses as part of their affordability covenants.

The house was built for \$174,205 in 2008 and appreciated by almost 6% under the affordability

covenants' maximum resale price formula. The formula creates a shared equity arrangement in which the homeowner who sells the house receives a limited amount of return of his or her

investment while at the same time ensuring that the property remains affordable to qualified working individuals and families in the future. At Ripples Hill, while the homeowner owns the land on which the house sits, he or she does not realize any revenue from the land at time of resale; the revenue received at resale comes only from the house and any improvements made to the property

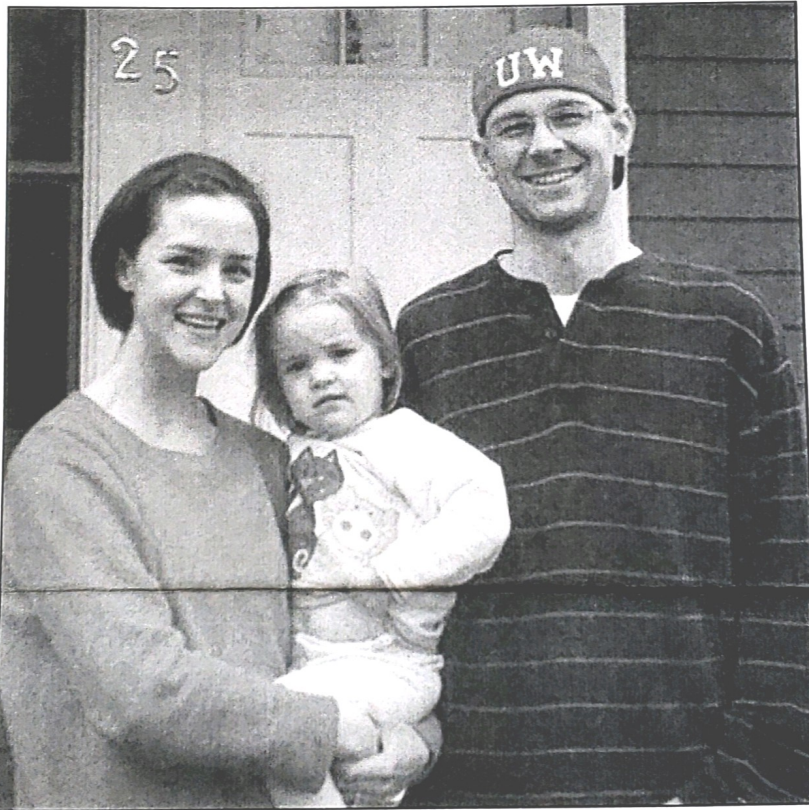


Photo courtesy of Lesley Horvath

Jennifer, Lucy, and Mike Rogers in front of their new home on Farnhams Way.

during ownership.

25 Farnhams Way was purchased by Mike and Jennifer Rogers on April 29, 2011. He is a landscape architect and she works in a local bank. They are parents of a two-year child, Lucy. They have moved into their new home and are settling in to the Ripples Hill neighborhood.

GAINING GROUND FOR WORKFORCE HOUSING

While the real estate market may be sluggish in some quarters, Island Housing Trust reported a record number of completed homeownership opportunities on Mount Desert Island this past year.

"It was a banner year," reports Island Housing Trust's immediate past Board President, Mike Siklosi. "In 2010, Island Housing Trust completed five homeownership opportunities with middle-income home buyers who work on MDI."

The tally includes three lots and associated homes built in the Ripples Hill neighborhood in Mount Desert, a house at Sabah Woods in Bar Harbor, and a property on Route 102 previously donated to IHT, also in Mount Desert. "This is up from three completed homeownership opportunities in 2009 and one in 2008," continues Siklosi.

An important factor in last year's success is that IHT has had a good inventory of properties to offer, thanks especially to partnerships with the Town of Mount Desert at Ripples Hill and community-minded developer Emily Sabah-Maren in Bar Harbor.

"We're also fortunate to have a loyal and generous group of year-round and summer community supporters," adds Siklosi. "They understand the connection between affordable housing, the island's economy and our quality of life, and they're willing to work to bring solid, lasting solutions to this problem."

IHT Executive Director Chris Spruce points out, though, that one has to look beyond the numbers to appreciate the real value of this work. "IHT

homebuyers work year-round as teachers, a firefighter/paramedic, emergency room nurse, municipal and school employees, restaurant owners, Jackson Lab employees, bus driver, church custodian and child-care provider. They're parents, coaches, community leaders, volunteers and taxpayers. Collectively, they have 17 children, from pre-school to college."

"They're the fabric of our community," says Spruce. "And regardless of what is happening in the larger real estate market, the demand still exists here for an affordable place to live." Spruce references 2009 data from MaineHousing: "The median home price for a year-round home in Bar Harbor and Mount Desert remained 47% higher than what median income households could afford."

For each project, IHT holds "affordability covenants" recorded at the County Registry of Deeds. The covenants run with the deed and ensure the house remains a year-round house, affordable to future owners who work on MDI, while allowing for reasonable appreciation. Buyers working with IHT agree to live in the house year-round, and one or more adults work on MDI. The nine houses sold to date have been priced between \$164,000 and \$225,000.

Island Housing Trust is an independent, non-profit organization that creates affordable housing opportunities for working individuals and families on Mount Desert Island. More information on IHT's programs, including homeownership opportunities, can be obtained by calling Spruce at 288-4496 or visiting www.islandhousingtrust.org.

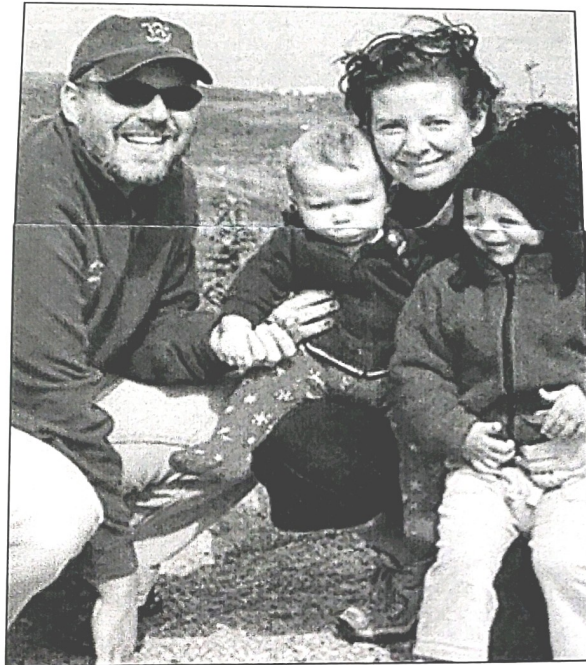
HOMEOWNERSHIP ASSISTANCE PROGRAM

IHT is seeking applicants to qualify for a new gap financing program that is being launched as a pilot project. The Homeownership Assistance Program will provide gap financing to qualified homebuyers who are seeking to purchase an existing residential property on MDI as their primary residence. More details on the program can be found at www.islandhousingtrust.org/NewsandEvents.asp.

LAST LOT IN PHASE 1 RIPPLES HILL UNDER CONTRACT

A Bar Harbor couple has signed a purchase and sale agreement with Island Housing Trust to purchase the sixth and final lot that comprises Phase 1 of the Ripples Hill Workforce Housing subdivision in Somesville.

Abe works at Acadia National Park and Anica is a nature educator who is currently a stay-at-home mom of pre-school sons Finley and Harper. The couple has been working with IHT Executive Director Chris Spruce over the past few months to add a few modifications to the design of the energy-efficient, "green" house that will be built on the lot they are purchasing.



Abe, Anica, Finley and Harper expect to join the Ripples Hill neighborhood this winter.

with the other families at Ripples Hill to create recreational and play opportunities for all of our children," she commented. "We are very excited about seeing our new house built this summer and joining the Ripples neighborhood as its newest residents around the first of the new year."

IHT Executive Director Spruce noted that the new family's arrival at Ripples Hill would bring to six the number of pre-schoolers living in the neighborhood. "A few years hence, they will all be new students at the Mount Desert Elementary School. That's good news for the community."



Anica has described the couple's often frustrating search for quality year-round housing on the island that they can afford. "We looked at a wide-range of houses but could find none that were in a condition that we could afford to buy and that would not also have required significant expenses beyond the purchase price. We could not afford to pay for both the mortgage and for those renovations. When we heard about Ripples Hill, it appeared that we had at last discovered a housing option that offered quality housing at a price we could afford."

Anica said the couple was attracted to not only the "green" and energy-efficient components of the Ripples Hill houses, but also to the Ripples neighborhood, which includes several families with small children. "I am looking forward to working

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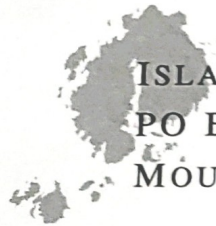
Ben C. Worcester III

RIPPLES HILL PHASE 2 PLANNED

Island Housing Trust is proposing to develop three additional lots at Ripples Hill in Somesville in Phase 2 of the subdivision's construction.

Completion of the construction of all six houses in Phase 1 is expected by late this year, meaning that additional lots will need to be developed in order to meet expected demand. IHT already has strong expressions of interest in two of the three lots to be developed in Phase 2. Additional phases of the development's construction will involve the creation of 10 additional lots, for a total of 19 lots overall that were approved for development by the Town of Mount Desert Planning Board.

IHT's board and staff are currently trying to raise \$175,000 to help underwrite Phase 2 site construction. Phase 2 site construction entails the extension of the current road, sewer and electric utility lines approximately 300-feet southerly from the main road into the development known as Farnhams Way.



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HOMEOWNERSHIP OPPORTUNITIES

Site preparations are well underway for the construction of the third house at the Sabah Woods subdivision in Bar Harbor. The properties in the subdivision are being sold by their owner, Mrs. Emily Maren, to working individuals and families qualified by Island Housing Trust.

The new house is a three-bedroom, two bath ranch-style house that will feature a farmer's porch on its western side. The house will sit on a 1.5-acre lot.

Qualified working individuals and families interested in learning more about the third house at Sabah Woods should contact Chris Spruce at the IHT office (288-4496) or by emailing him at director@islandhousingtrust.org.

A two-bedroom, one bath Dutch Colonial-style house is for sale at 1272 Main Street, outside of Somesville. This energy efficient house sits on 1.4 acres with an outbuilding. Details include bamboo, tile, and spruce floors with radiant heat, granite tile countertop, granite bathroom sink and tiled bath, as well as detailed trim throughout the house, including wainscoting. A two-story deck looks out into the woods in the backyard. The land was originally sold by IHT and the property holds affordability covenants.

Interested working families and individuals should contact Katrina Carter at Carter's Real Estate at 276-5468 or katrina@cartersrealestate.com.