



## **Myth and Fact Sheet**

### **Myth: Habitat for Humanity gives houses away to poor people.**

**Fact:** Habitat for Humanity International offers a homeownership opportunity to families unable to obtain conventional house financing—generally, those whose income is 30 to 50 percent of the area's median income. In most cases, prospective Habitat homeowner families make a \$500 down payment and contribute 300 to 500 hours of "sweat equity" on the construction of their home or someone else's home. Because Habitat houses are built using donations of land, material and labor, mortgage payments are kept affordable.

### **Myth: Habitat houses reduce property values in a neighborhood.**

**Fact:** Low-cost housing studies in the United States and Canada show affordable housing has no adverse effect on other neighborhood property values. In fact, Habitat houses have increased property values and local government tax income.

### **Myth: Only African Americans get Habitat for Humanity homes.**

**Fact:** Habitat builds houses in partnership with those in need—regardless of race, religion or any other difference—who meet three criteria: need; ability to repay the no-interest, no-profit mortgage; and a willingness to partner with Habitat. According to the latest available statistics (through 1997), 33 percent of Habitat homeowners are Caucasian; 67 percent are people of color.

### **Myth: Habitat for Humanity International dictates policy and practices for every local Habitat organization.**

**Fact:** Habitat operates through locally governed affiliates with a strong emphasis on grassroots organizations and local autonomy. Habitat affiliates are independent, nonprofit organizations that operate within specific service areas in a covenant relationship with Habitat for Humanity International.

### **Myth: Habitat homeowners are on welfare.**

**Fact:** While some Habitat homeowners receive Aid to Families with Dependent Children (AFDC), many more are working people. Typically their annual income is less than half the local median income in their community.

### **Myth: You have to be Christian to become a Habitat homeowner.**

**Fact:** Habitat for Humanity is a Christian organization. However, homeowners are chosen without regard to race, religion or ethnic group, in keeping with U.S. law and with Habitat's abiding belief that God's love extends to everyone. Habitat also welcomes volunteers from all faiths, or no faith, who actively embrace Habitat's goal of eliminating poverty housing from the world.

**Myth: Habitat for Humanity is an arm of the government.**

**Fact:** Habitat is an ecumenical Christian housing organization. It is neither an arm of the government nor an arm of any church or denomination. It does not accept government funds for the construction of new houses or for the renovation or repair of existing houses. Habitat does accept government assistance for the acquisition of land or houses in need of rehabilitation. Habitat also accepts government help for streets, utilities and administrative expenses, as long as the funds carry no obligations that would limit Habitat's ability to proclaim its Christian witness.

**Myth: Habitat for Humanity was founded by former U.S. President Jimmy Carter.**

**Fact:** Habitat was started in 1976 in Americus, Ga., by Millard Fuller along with his wife Linda. President Carter and his wife Rosalynn (whose home is eight miles from Americus, in Plains, Ga.), have been longtime Habitat supporters and volunteers who help bring national attention to the organization's house-building work. Each year, they lead the Jimmy Carter Work Project to help build houses and raise awareness of the need for affordable housing.

**Myth: Habitat houses allow people to move from poverty to plush new houses.**

**Fact:** Any new house is going to be a dramatic change for a family that has been living in a shack or tenement. But Habitat houses are not extravagant by any standard. Habitat's philosophy is to build simple, decent homes. Under house-design criteria approved by HFHI's board of directors, living space in a three-bedroom home, for example, is not to exceed 1,050 square feet. The average cost in the United States of a three-bedroom house in 2000 was \$46,000. Houses in some developing countries can be built for as little as \$800.

**Myth: Habitat homeowners sell their houses and make a large profit because of the original low cost.**

**Fact:** Habitat founder and president Millard Fuller addresses this issue in *A Simple, Decent Place to Live: The Building Realization of Habitat for Humanity* (Word Publishing, 1995): "In two decades of Habitat for Humanity...we have had no history of people selling their houses. Why? Because it's so hard for these families to get the houses in the first place. It's like an impossible dream come true. The fact that they can make a profit is not even an issue because they realize that if they sell it they won't have a house anymore. And they wouldn't be able to make any payments the way the world would demand on a new one, since the bank or someone else attempting to make a big profit would now be the lender". Special second mortgages that are "paid off" by living in the house, as well as first buy-back option clauses that many affiliates put into their agreements with homeowners, also help alleviate such concerns.

**Myth: Habitat for Humanity has chapters in every state and throughout the world.**

**Fact:** Habitat operates on locally run affiliates, rather than chapters controlled by the broader organization. Affiliates are grass-roots organizations of local people coming together to address local needs. As such, the affiliates are independent, nonprofit organizations that operate within specific service areas in a covenant relationship with Habitat for Humanity International.

**Myth: Poverty housing is such a large problem that it can never be solved.**

**Fact:** Poverty housing is a huge issue. But Habitat believes that by continuing to build houses with those in need, by working with other committed groups, and by putting the issue of poverty housing on the hearts and minds of compassionate people everywhere, the problem can be solved. One of its initiatives, in fact, is a project which proves just that. Habitat, along with local groups, organized the Sumter County Initiative eight years ago with the goal of eliminating all substandard housing from Sumter County, GA, (where Habitat's headquarters are located) by the year 2000. This goal was reached with the completion of the Jimmy Carter Work Project 2000; no longer does any person in Sumter County need to live in substandard housing. A new HFHI program, 20<sup>th</sup> Century Challenge, urges affiliates to set a target date for wiping out substandard housing in their communities.