



# **KEYS TO HOUSING AFFORDABILITY**

hosted by Senator Warner





# **Past, Present, Future: Housing Market Analysis**

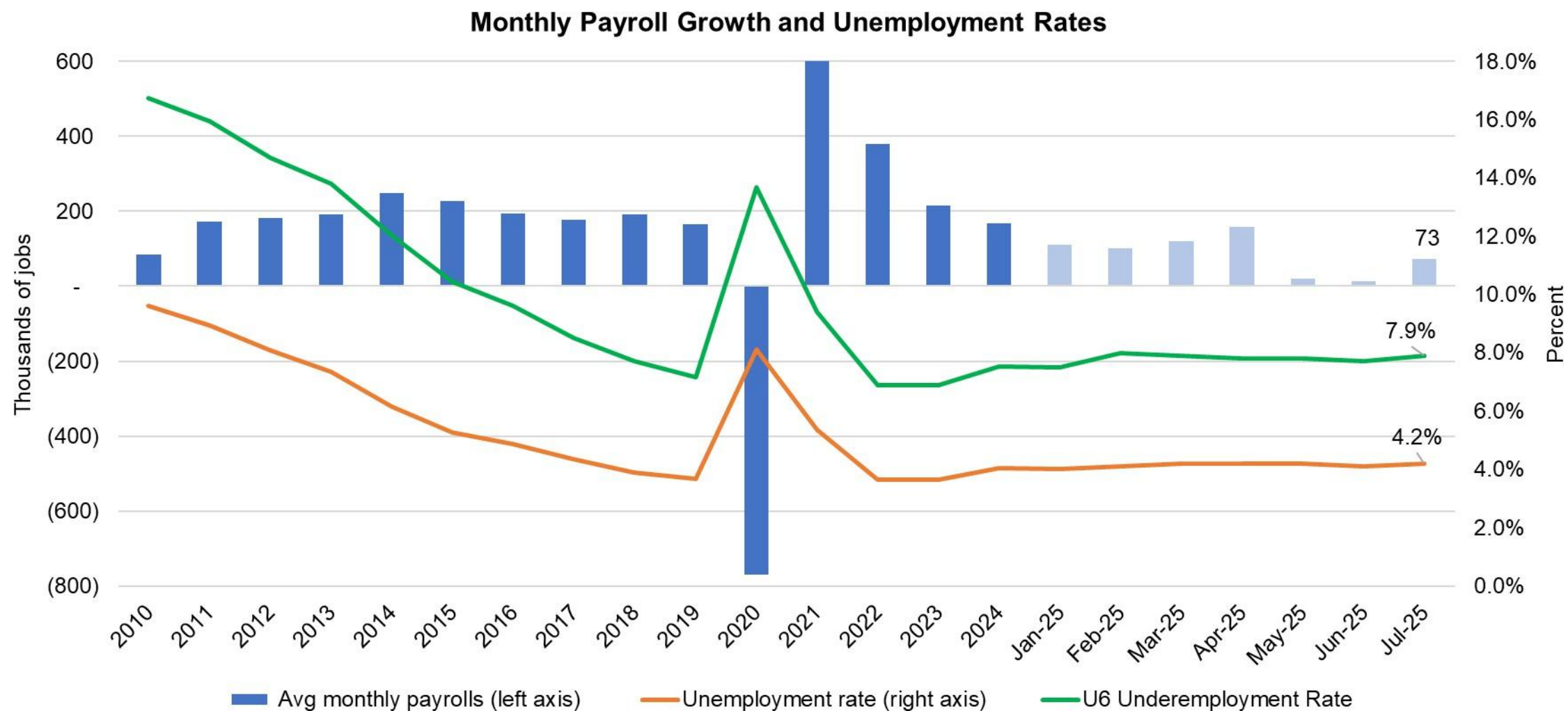
# Keys to Housing Affordability Summit

September 2025

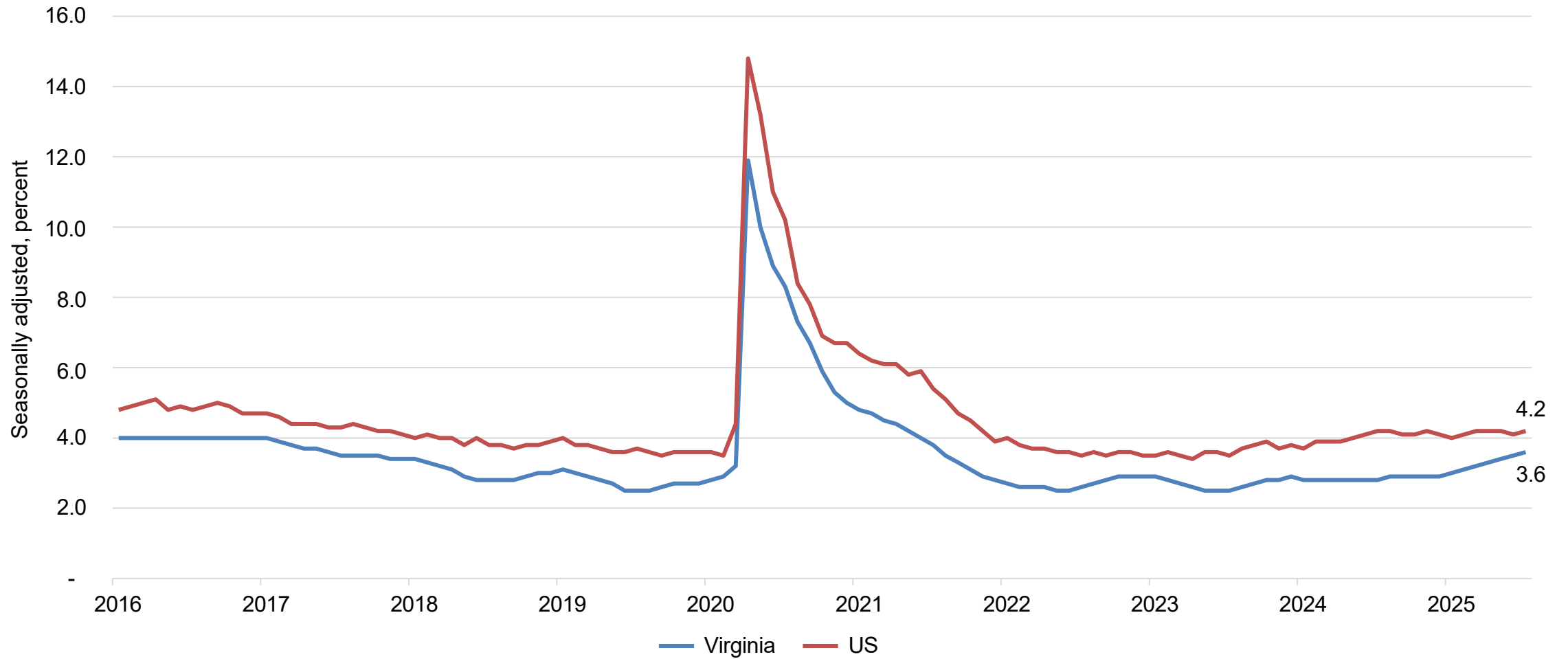
**Presented by:** Mike Fratantoni, Chief Economist,  
Mortgage Bankers Association



# Huge Downward Revisions to May and June Payroll Data

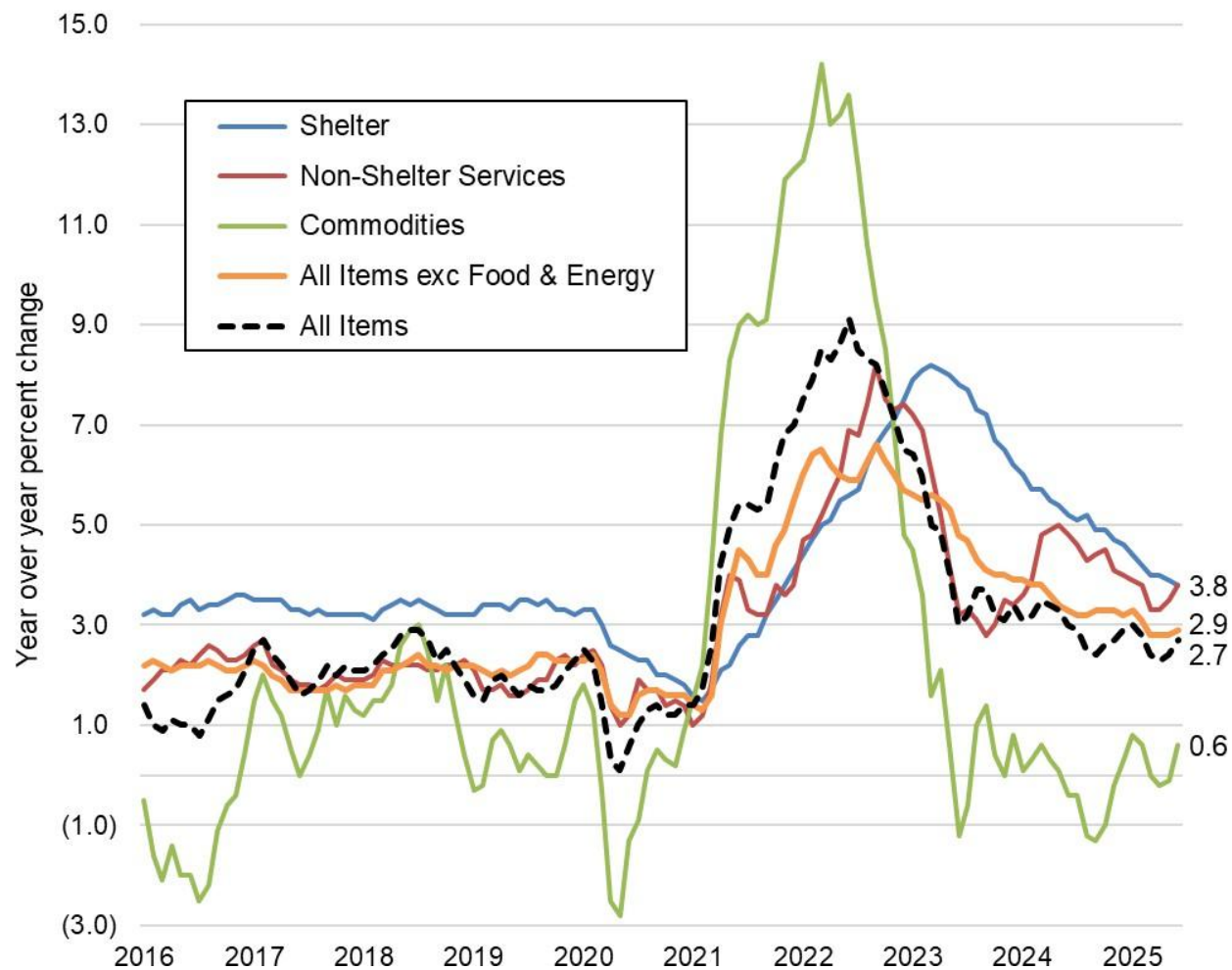


## Unemployment Rate

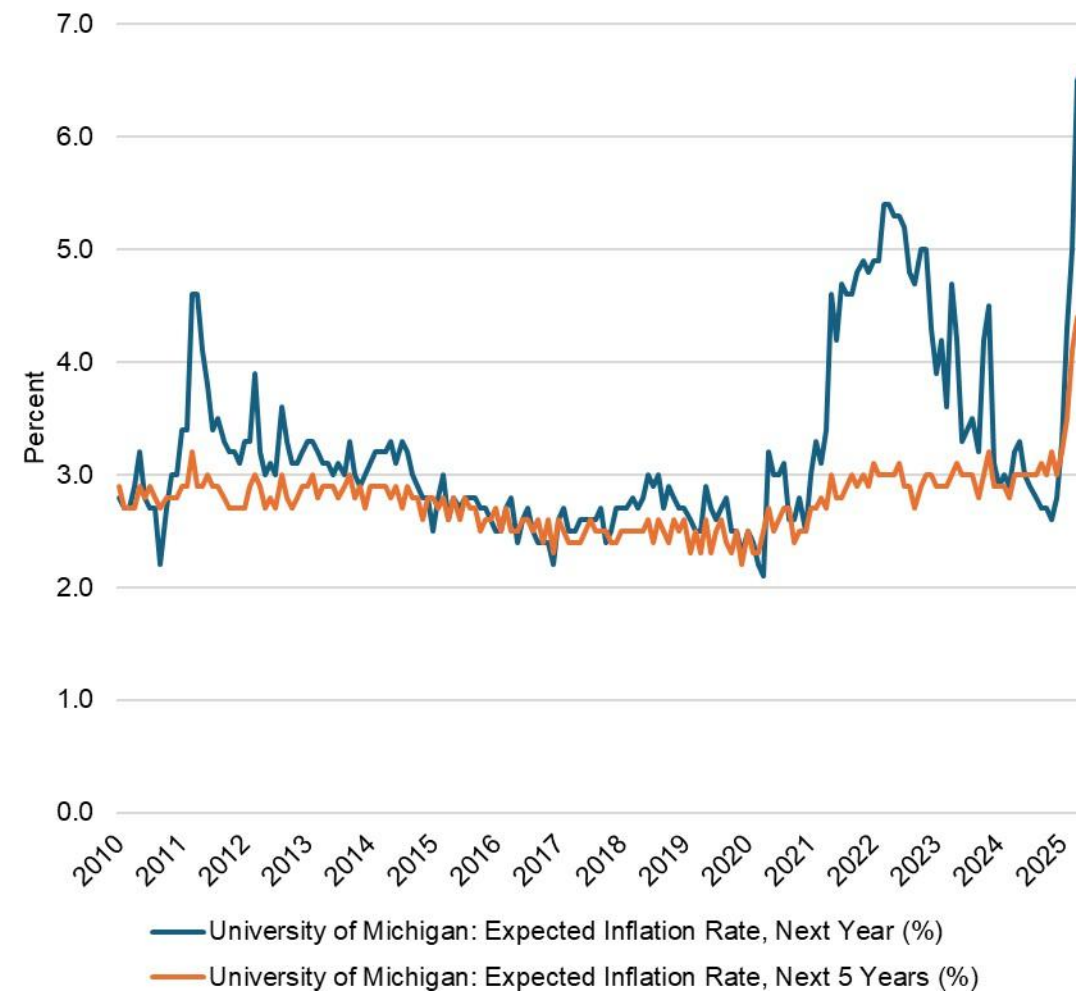


# Inflation Moderating...But Expectations Elevated

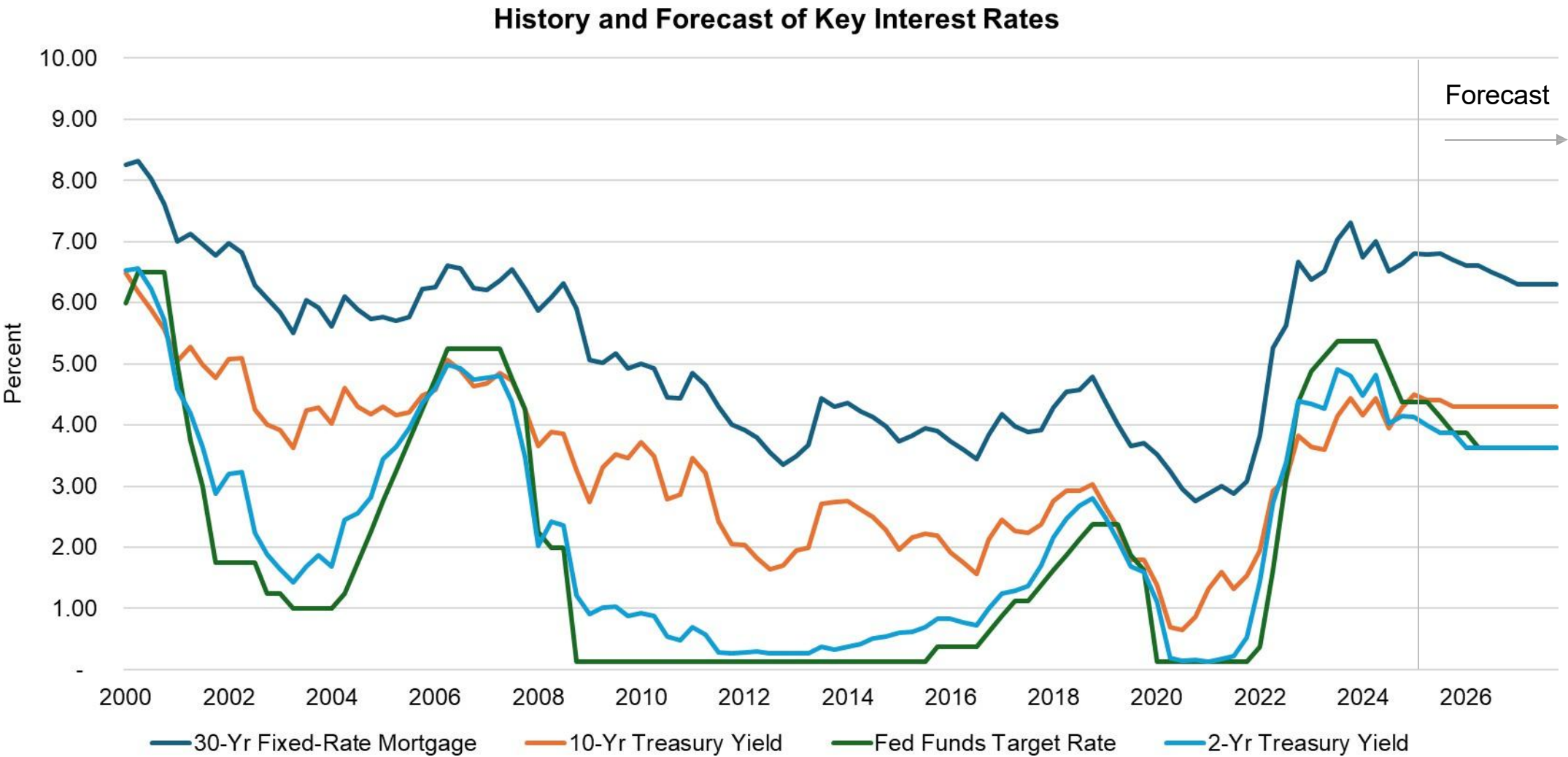
## CPI Inflation



## Consumer Inflation Expectations

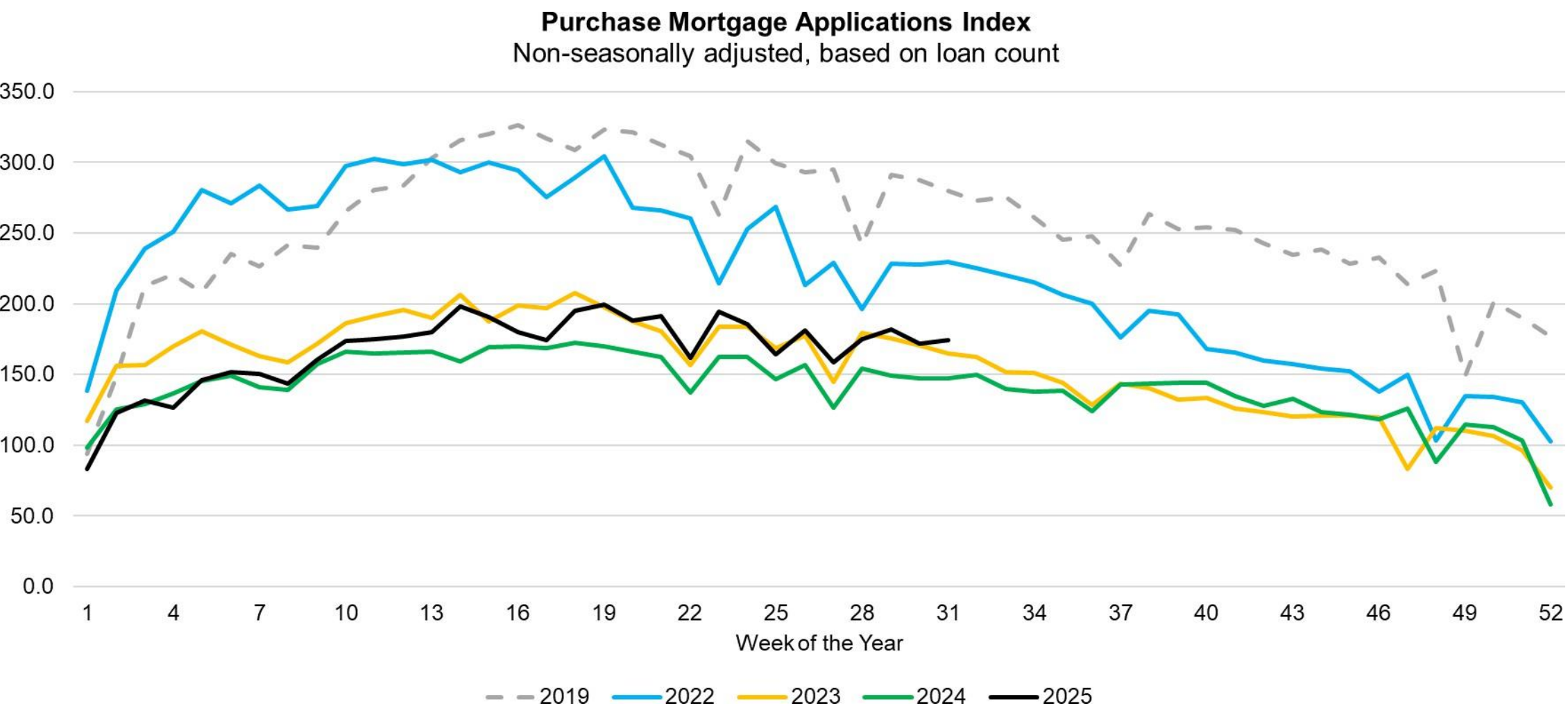


# Rate Outlook



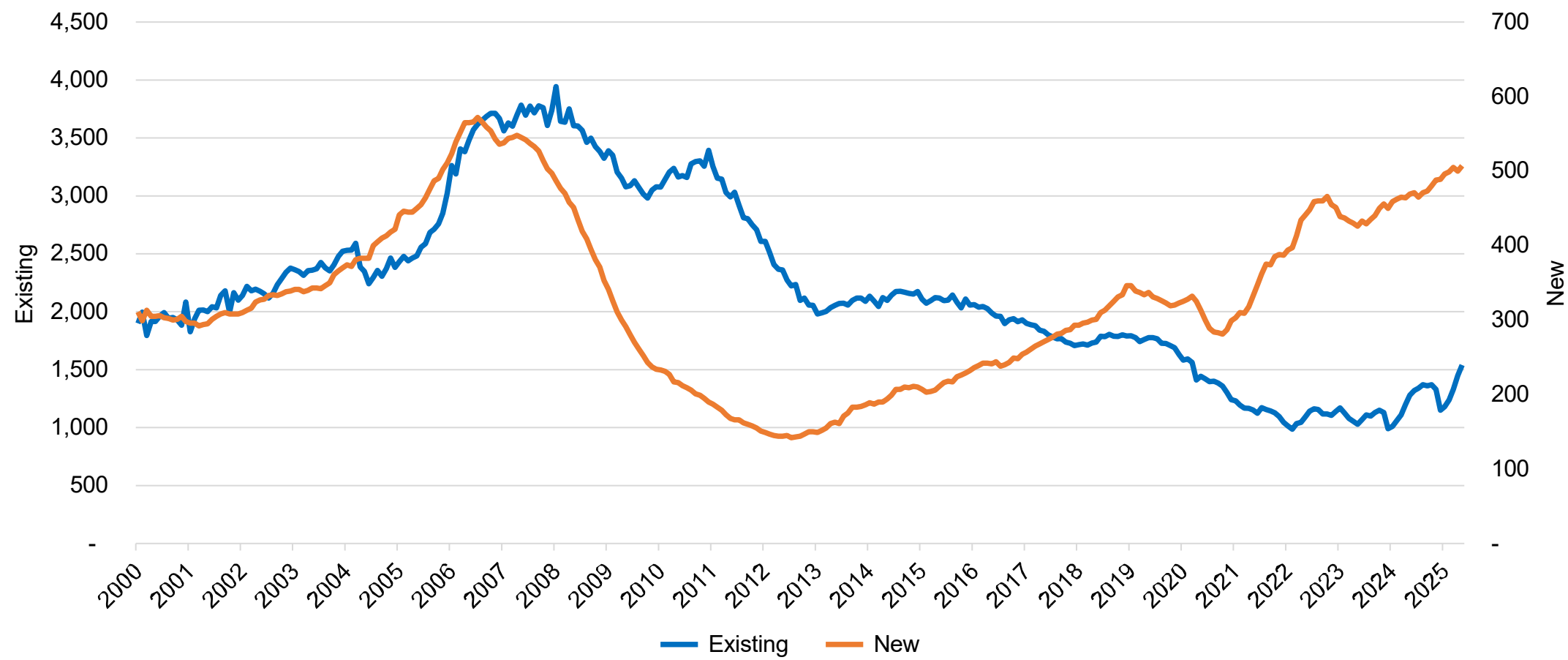


# Purchase Applications Continue to Run Ahead of 2024's Pace

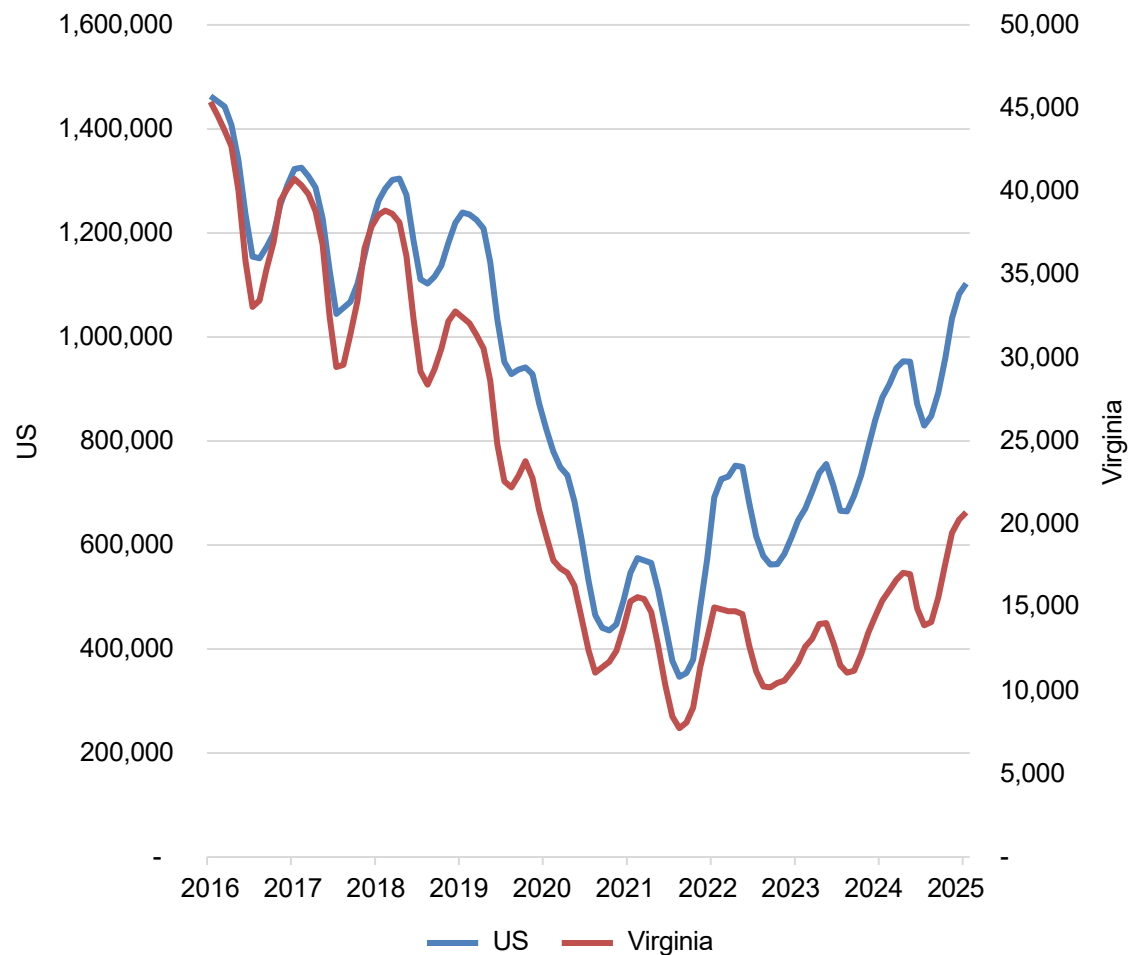


# Home Sales Impacted by Uncertainty; Inventory Increasing

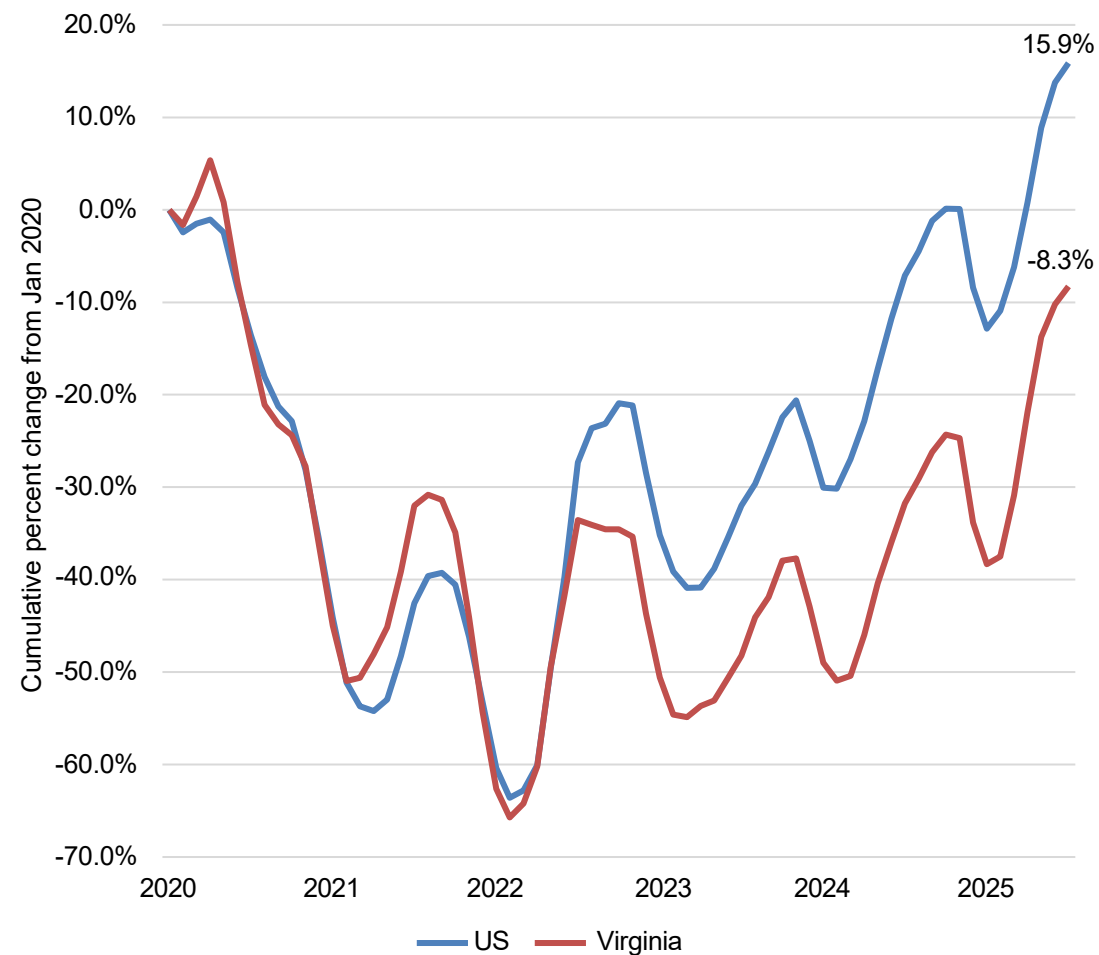
Chart of the Week - July 3, 2025  
Housing Units Available for Sale  
Seasonally adjusted, thousands



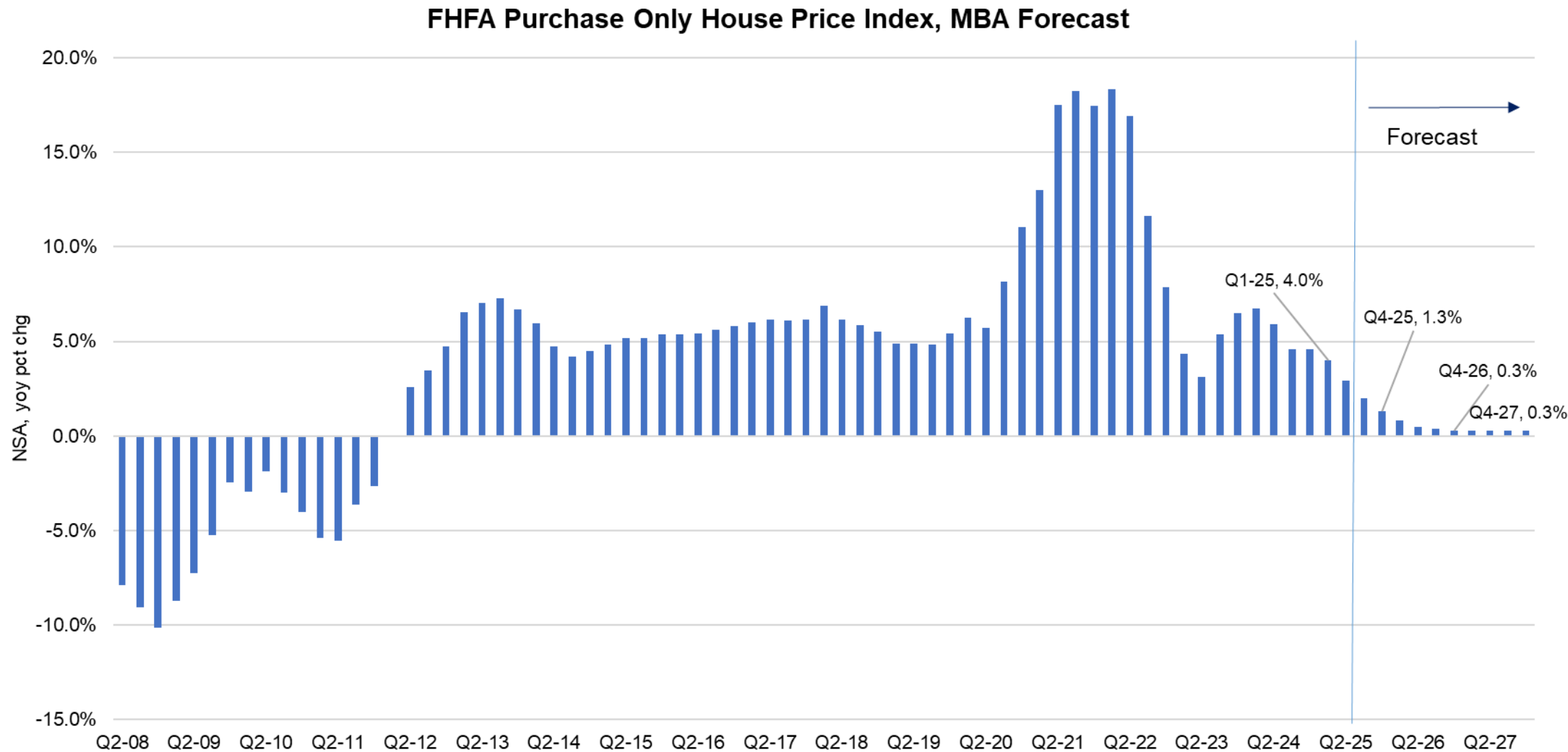
### Active Home Listings



### Active Home Listings

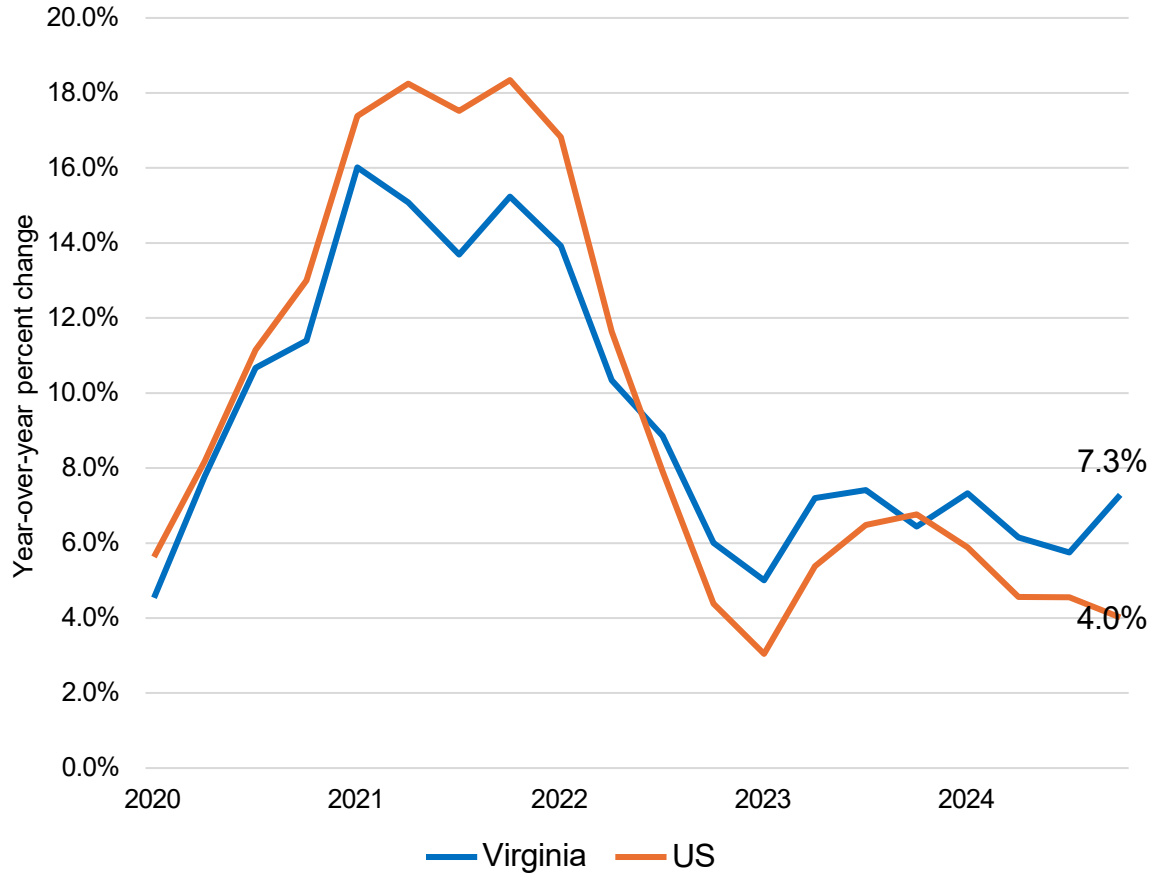


# House Price Appreciation Moderating

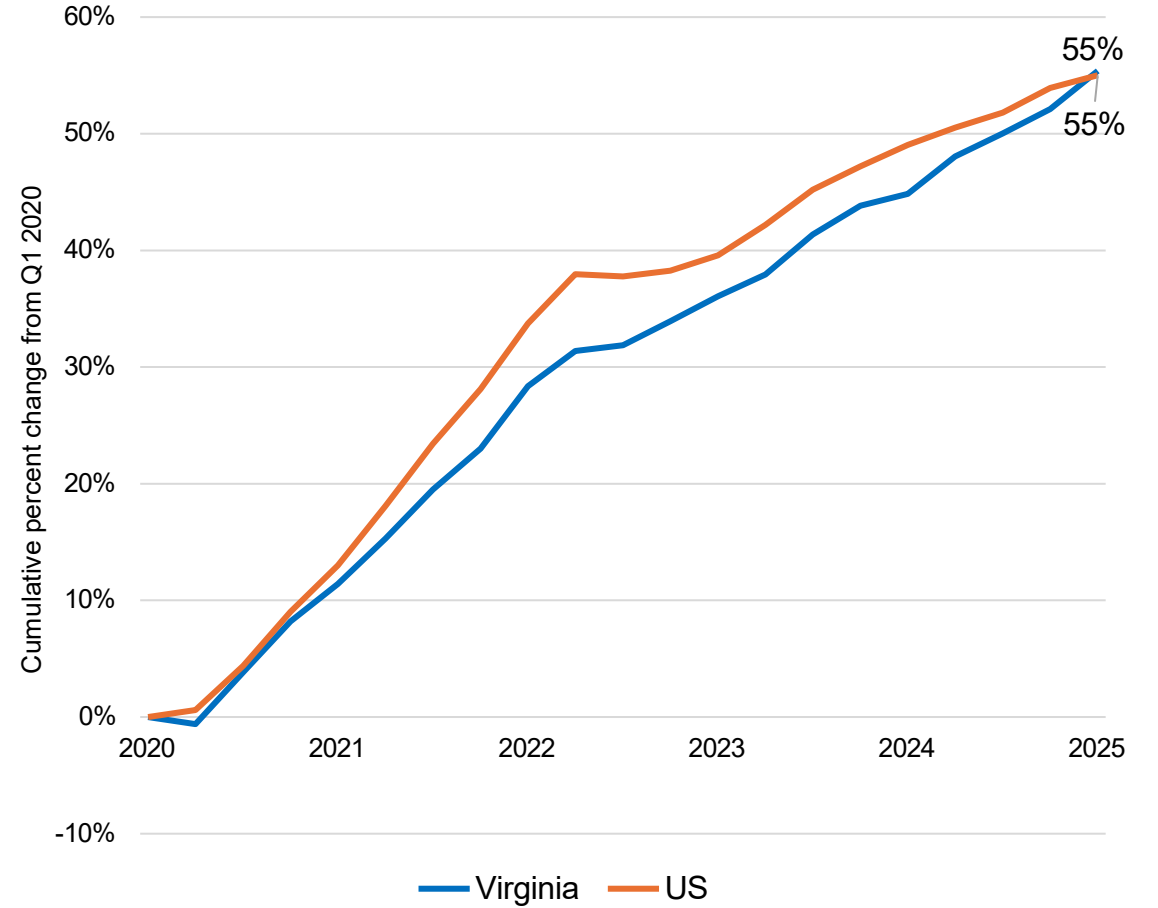


Source: Federal Housing Finance Agency, MBA Forecast: [www.mba.org/forecasts](http://www.mba.org/forecasts)

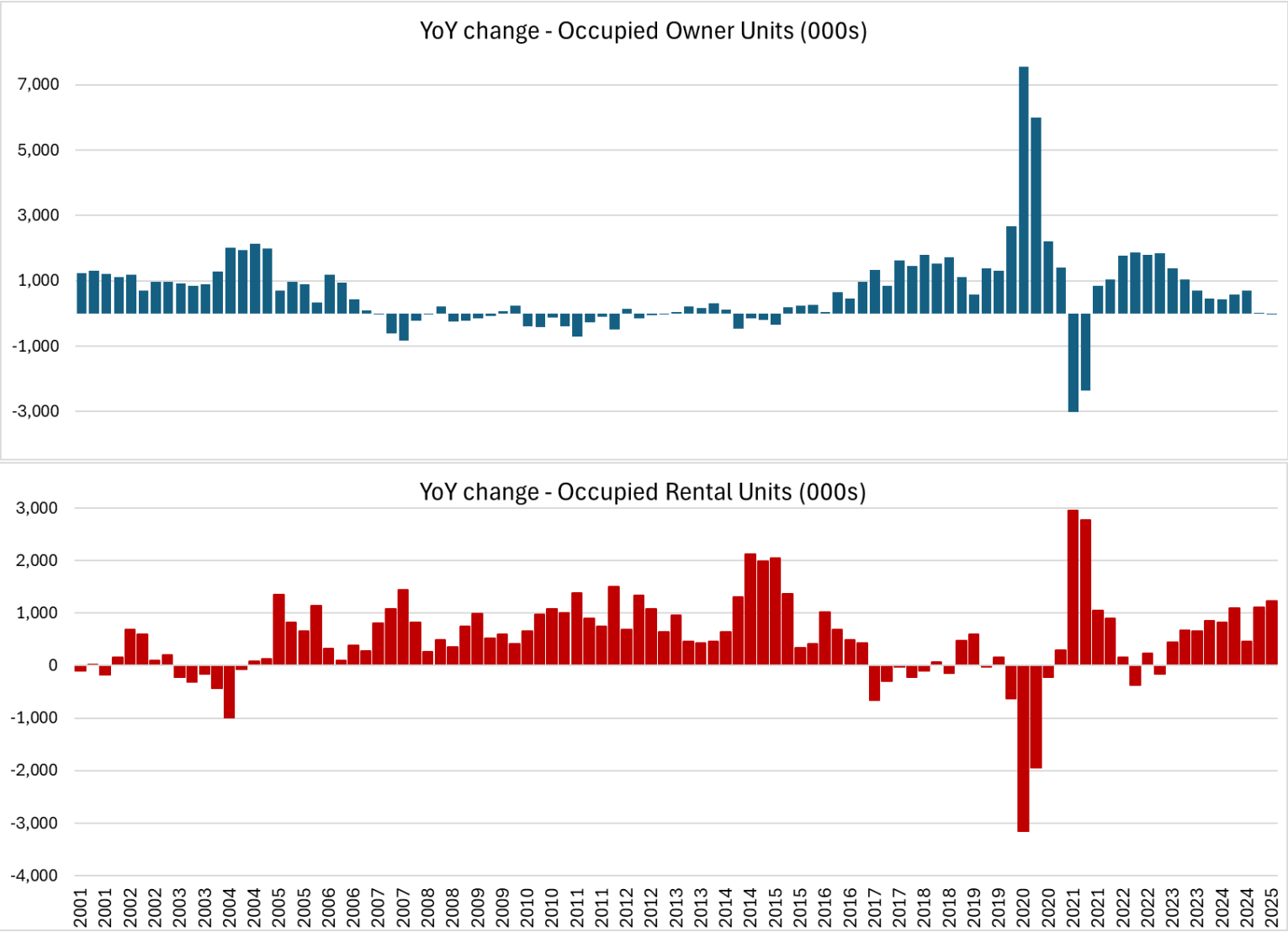
FHFA Purchase-Only House Price Index



FHFA Purchase-Only House Price Index - Cumulative Change



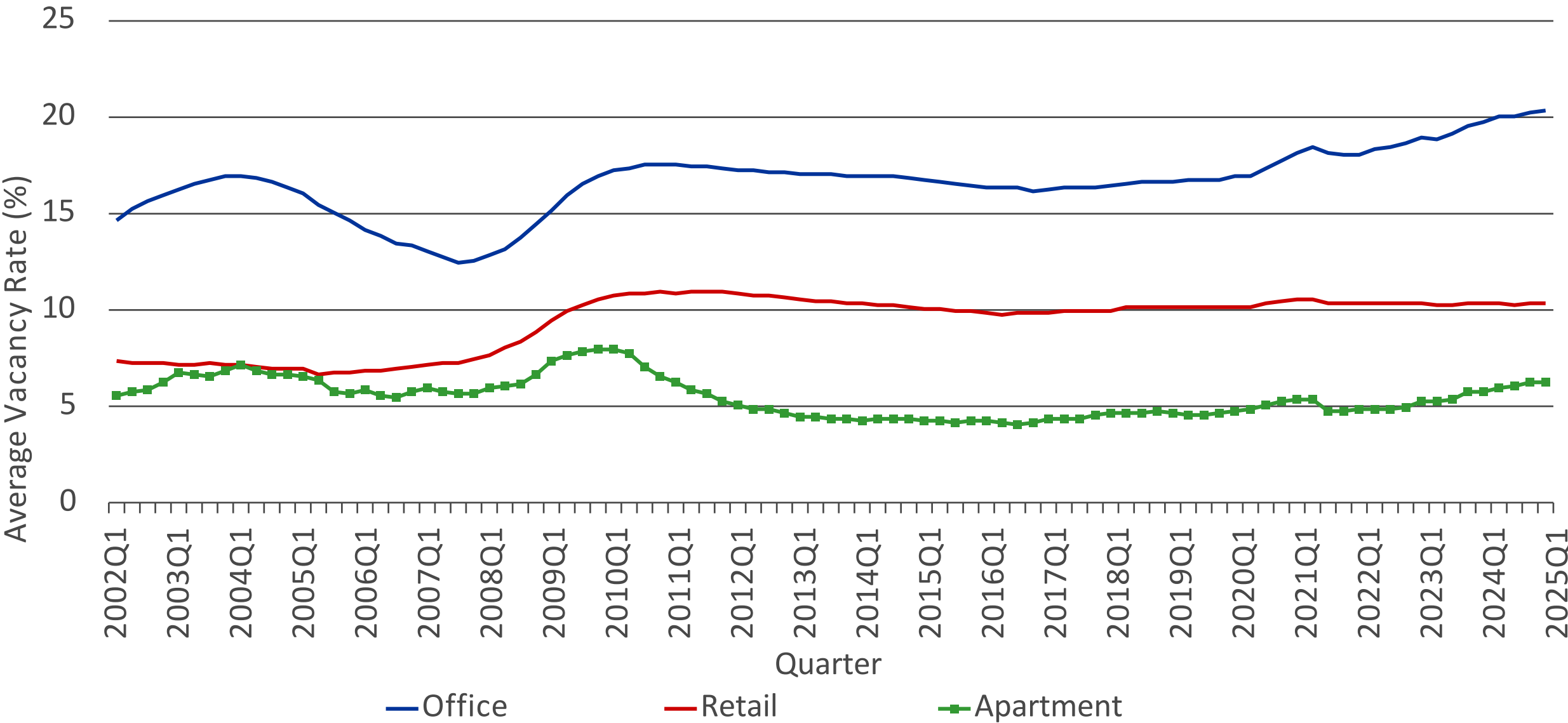
# More Growth in Renter Vs. Owner Households in Recent Years



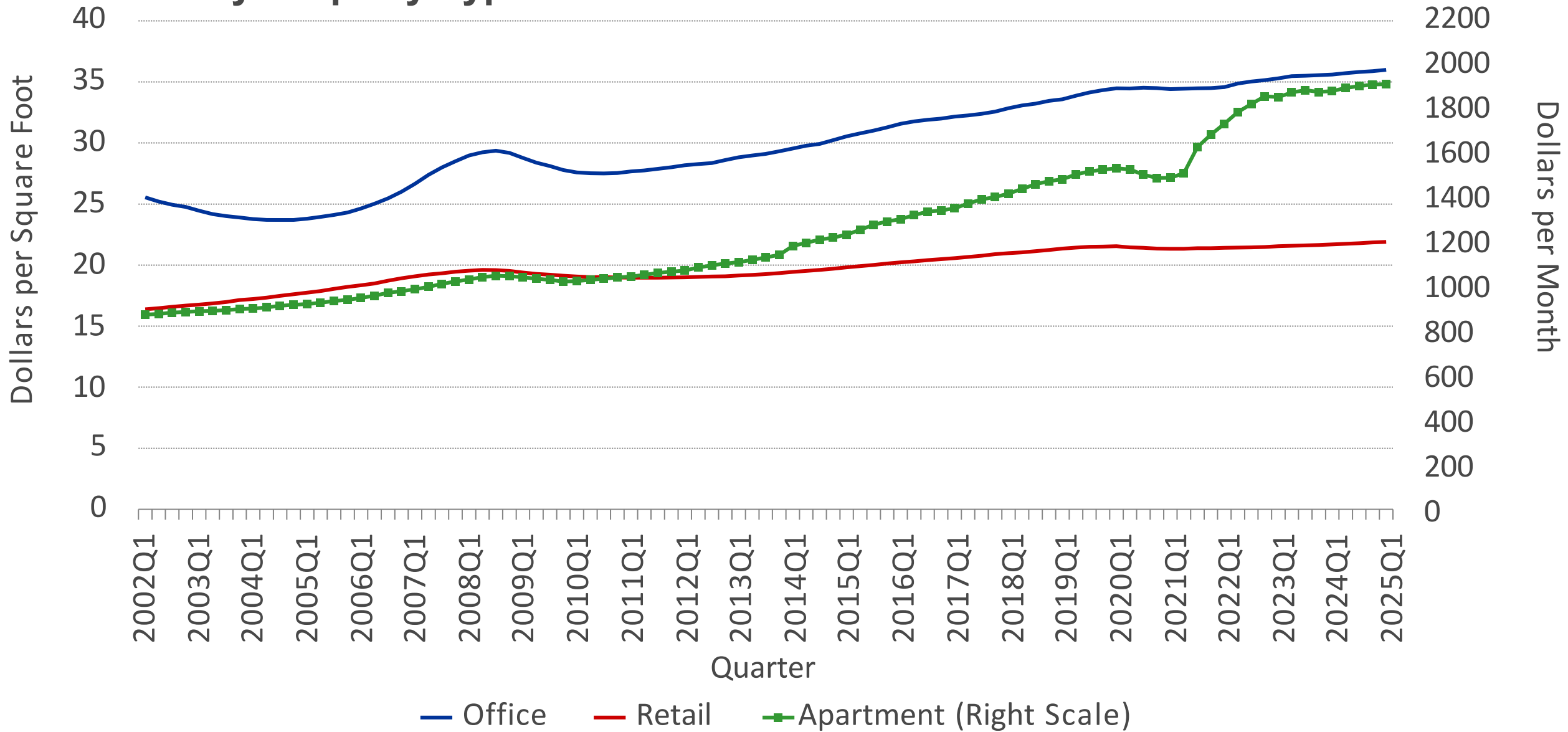
Source: MBA analysis of Census Bureau data



# Vacancy Rates By Property Type



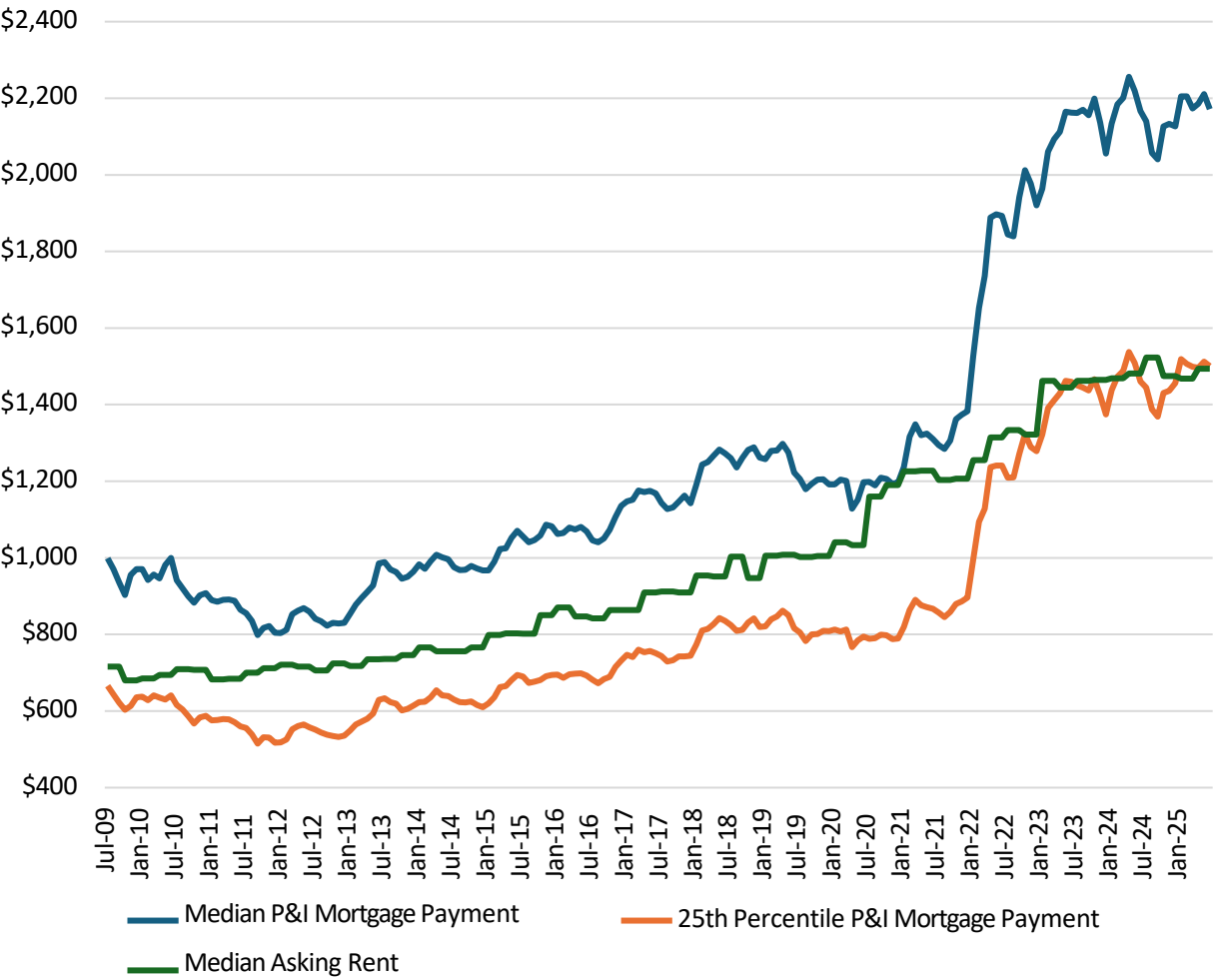
# Rents By Property Type



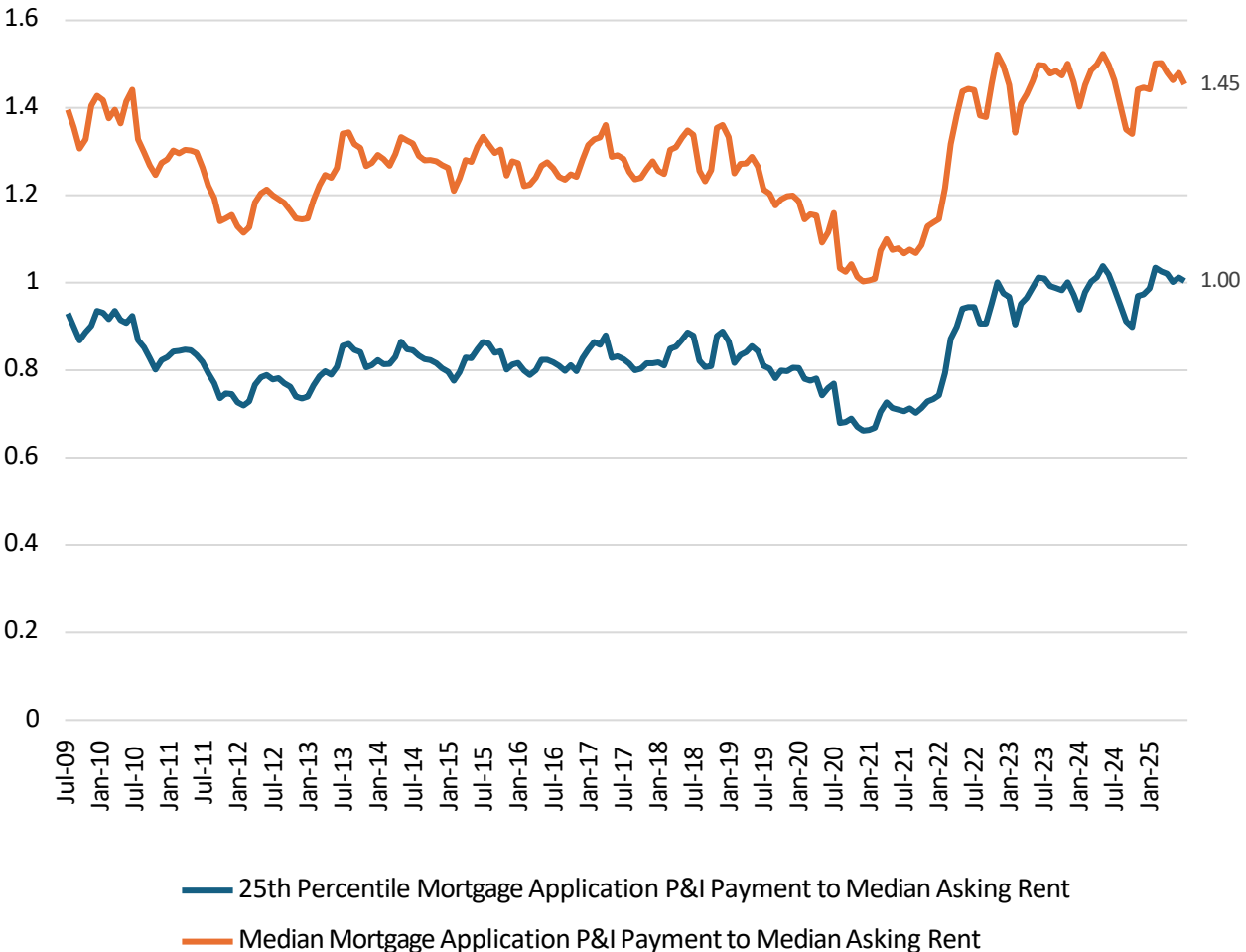


# HVS Asking Rents and Mortgage P&I (though June 2025)

National Median Asking Rents and Mortgage Payments

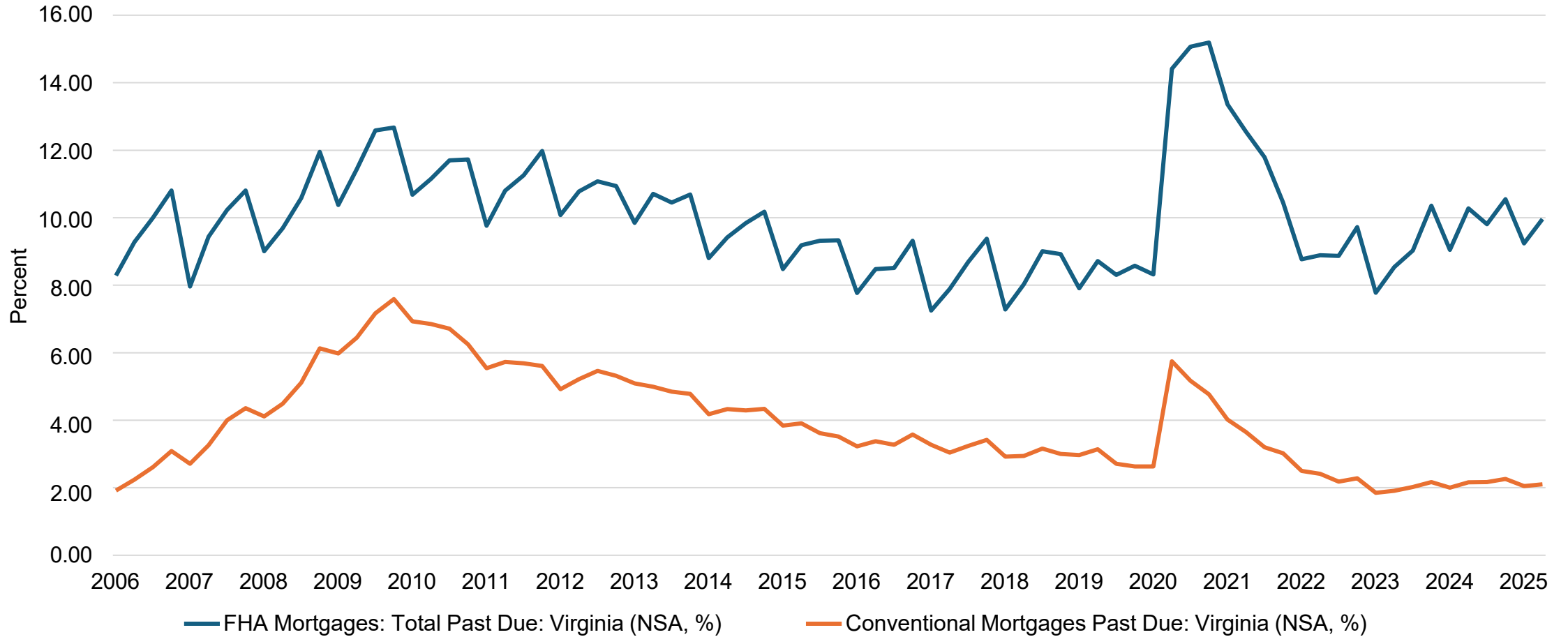


Mortgage Payment to Rent Ratio



### FHA and Conventional Delinquency Rate

Excludes loans in foreclosure



# Contact Information and MBA Resources

**Mike Fratantoni, Ph.D.**

Chief Economist & Senior Vice President | Research and Industry Technology

(202) 557-2935; [mfratantoni@mba.org](mailto:mfratantoni@mba.org)

**MBA Research:** [www.mba.org/research](http://www.mba.org/research)

**Research Institute of Housing America (RIHA):** [www.housingamerica.org](http://www.housingamerica.org)

**MB Forecasts and Commentary:** <https://www.mba.org/news-and-research/forecasts-and-commentary>

**Chart of the Week:** <https://www.mba.org/news-and-research/research-and-economics/chart-of-the-week>

**MBA Member-Only Research Portal:** <https://www.mba.org/news-and-research/research-and-economics/single-family-research/single-family-research-for-mba-members-only>





# Local Initiatives

*Moderated by Dean Lynch, Executive Director,  
Virginia Association of Counties (VACO)*

# Localities

## Fairfax County

**Thomas Fleetwood**, Director, Fairfax County Department of Housing and Community Development



## Town of Marion

**Ken Heath**, Director of Community & Economic Development, Town of Marion

**James Moss**, Director of Housing Development, Mount Rogers Planning District Commission

## Henrico County

**John Vithoulkas**, Henrico County Manager

**Jovan Burton**, Executive Director, Partnership for Housing Affordability



Empowering Communities,  
Building Futures.



# Tom Fleetwood

Director  
Fairfax County Department  
of Housing and Community  
Development

FAIRFAX COUNTY DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY

# Welcome to Fairfax County



**\$141,553**

median household  
income



**\$708,383**

median market value  
of owned housing



**\$72,980**

annual income  
needed to rent  
the average  
market rate one  
bedroom  
apartment



**1.19 million**  
residents



**\$1,825**

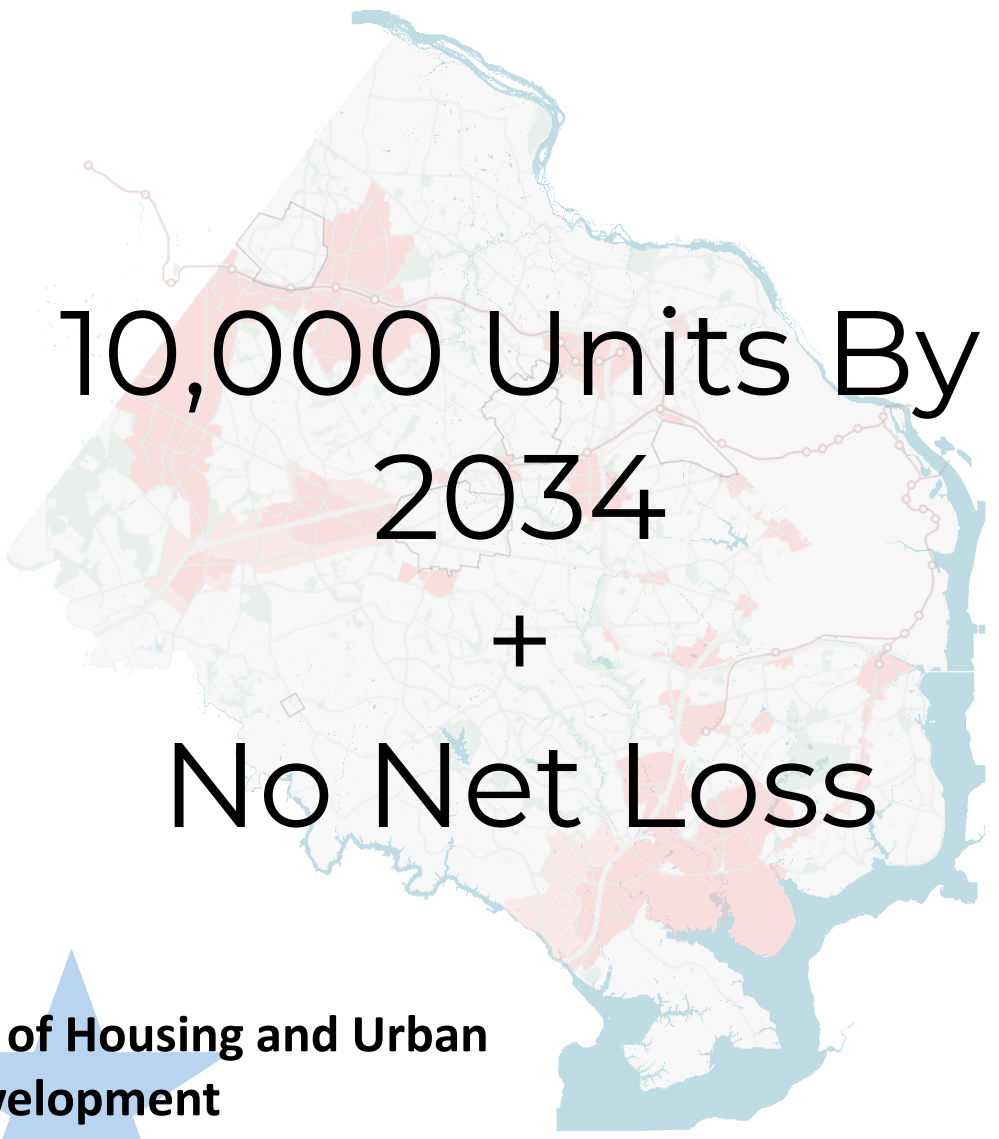
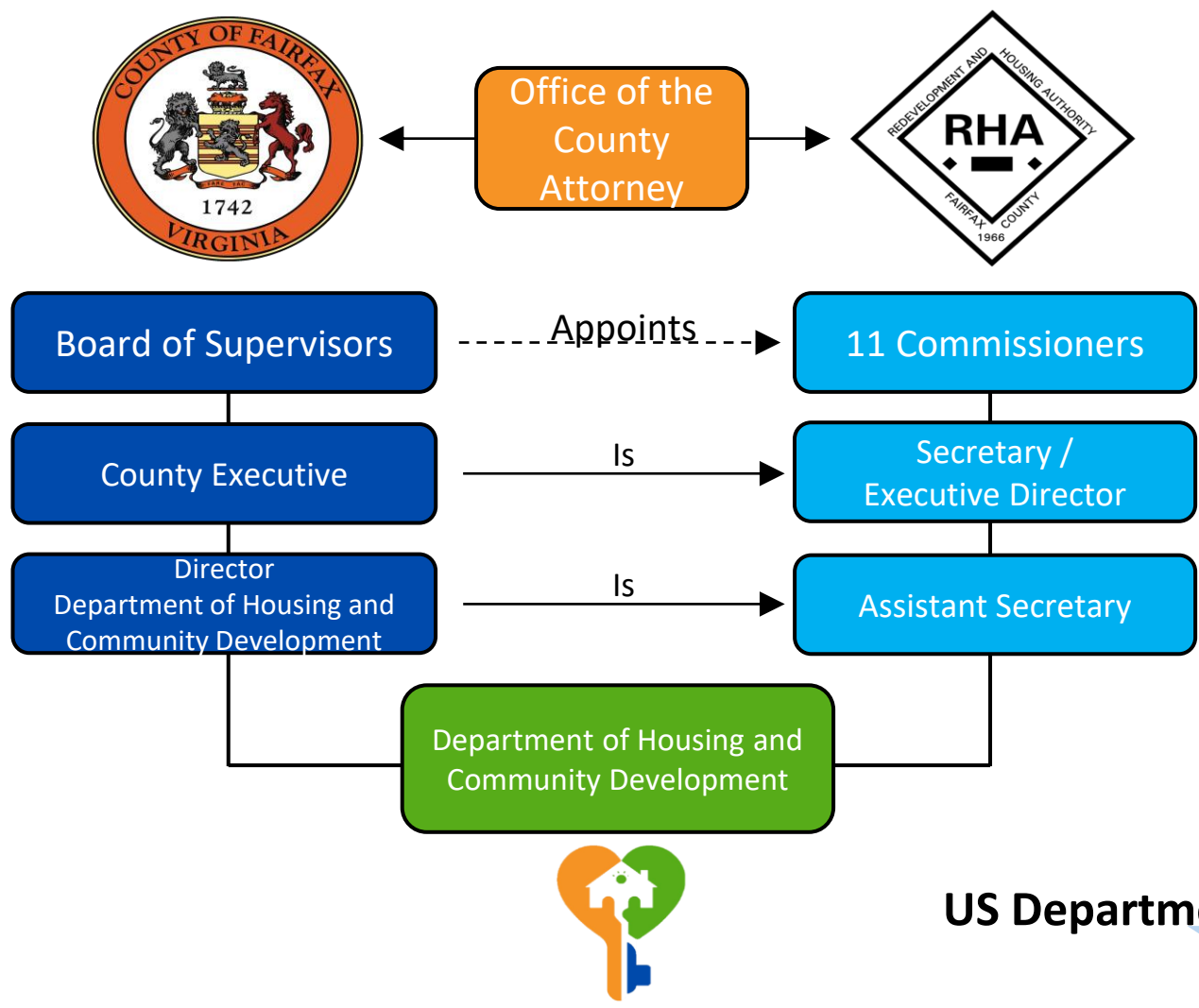
Average rent of one-  
bedroom apartment in  
2023 - an **increase of**  
**4%** from 2022



Empowering Communities,  
Building Futures.

FAIRFAX COUNTY DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY





10,000 Units By  
2034  
+  
No Net Loss

**US Department of Housing and Urban  
Development  
Moving To Work Agency**



# One University



240  
homes

# Residences at North Hill



279  
homes

# Fairfax Crest



275  
homes

# The Exchange at Spring Hill Station



516  
homes



# PROJECT BAUD

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THE TOWN OF MARION, VIRGINIA

Presented by: Ken Heath, Marion Community and Economic Development  
Jimmy Moss, Mount Rogers Planning District Commission



# MARION'S PROJECT BAUD OVERVIEW



- 
- Blighted
  - Abandoned
  - Underutilized
  - Dilapidated
  - ***A comprehensive approach to reducing and eliminating blight while incentivizing housing unit development throughout the Town of Marion by systematically identifying and remediating properties to provide developable sties for housing stock.***
-



# MARION'S PROJECT BAUD



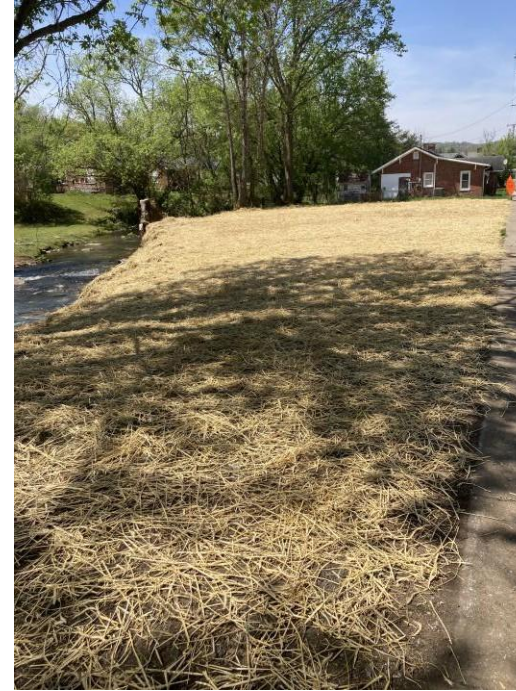
Eliminating substandard, unsafe housing and blighted properties to repurpose these once downtrodden properties into safe, sustainable, housing stock.



Marion Economic Development Authority partners with Mount Rogers Planning District Commission to implement the deconstruction of derelict houses, the construction of new homes, and the renovation of salvageable houses.



# MARION'S PROJECT BAUD





# MARION'S PROJECT BAUD



**Marion Economic Development Authority's vision of revitalization of these downtrodden areas:**

What I am suggesting among the redevelopment of these neighborhoods is **not building a house that fits the neighborhood...**

**I want to build the best house in the neighborhood.**

Only then will we stop the deterioration slide, and begin the long path of revitalization, one house at a time. Of course, this is "bad business."

No self-respecting private sector person would embrace this theory. That's why MEDA needs to. Only MEDA can build a house in a poor neighborhood and break even, or possibly lose a few thousand dollars, for the greater good of rebuilding the neighborhood. The trick is to not lose too much per project, and possibly not lose at all.

# HAVE HOME BUYER PROGRAMS AND INCENTIVES FOR TARGETED GROUPS

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First-time Home Buyers

Seniors

Veterans

Those relocating to Marion for Work

- \* 20% of the cost of the house Forgivable 2<sup>nd</sup> Mortgage (equity in the home at the time of purchase)
- \* Provide access to Homeownership Programs:
- \* Down Payment Assistance Programs
- \* Housing Counseling
- \* Sponsoring Partnerships & Revitalizing Communities, mortgage loans set aside, buying down the interest rate one percentage point for those financing through Virginia Housing.
- \* Virginia Individual Development Accounts



# MARION'S PROJECT BAUD



## **STACKING FUNDING SOURCES to make a project successful:**

- **Kaine/Warner Federal Set Aside \$1,000,000.00 grant**
- **Virginia Housing CIG Deconstruction Grants \$300,000**
- **DHCD Acquire Renovate and Sell Program \$230,000 partial loan**
- **Grow Smyth County Housing Unit Development Program \$800,000 0% interest loan**
- **Virginia Housing PDC Housing Unit Development Program \$172,000 grant**
- **Mount Rogers Planning District Commission's Housing Development Trust Fund \$200,000 0% interest loan**
- **Virginia Housing Innovation Grant \$200,000**
- **Virginia Housing's Sponsoring Partnerships & Revitalizing Communities \$250,000 in mortgage loan set aside, buying down the interest rate 1 percentage point.**

# Affordable Housing Solutions



Henrico County



PARTNERSHIP FOR  
HOUSING AFFORDABILITY

# Federal CDBG, HOME, ESG, and Local Funding for Housing and Homeless Services Programs – Five Year Summary

Program Type	Funding Amount Awarded
Homeless Services and Related Housing	\$7,240,453
Affordable Housing Production	\$5,248,700
Rental Assistance (Cares Act)	\$478,603
Home Repair and Rehabilitation	\$7,382,429
Homeownership Programs	\$1,436,611
Other Housing Programs and Services	\$272,004
Affordable Housing Trust Fund	\$60,000,000
<b>TOTAL</b>	<b>\$82,058,800</b>

# Inclement Weather Shelter for Unhoused Individuals

- The County and the city of Richmond both fund an inclement weather shelter for unhoused individuals.
- The Salvation Army operates the shelter for individuals, and HomeAgain operates the family shelter.
- The shelters operate on both a temporary basis during inclement weather and on a year-round basis.
- Over the last three years, the County has allocated over \$2M in general fund dollars to support inclement weather shelter operations.





# Virginia Supportive Housing



## Cool Lane Commons

- 86 units of permanent supportive housing
- Units are fully leased

# Hotel 2 Home Program

Using General Fund and CDBG-CARES Act funds, Commonwealth Catholic Charities (CCC) was engaged to assist long-term hotel residents (who are technically considered homeless) in relocating to permanent housing.



**239**

Households  
completed a needs  
assessment



**90**

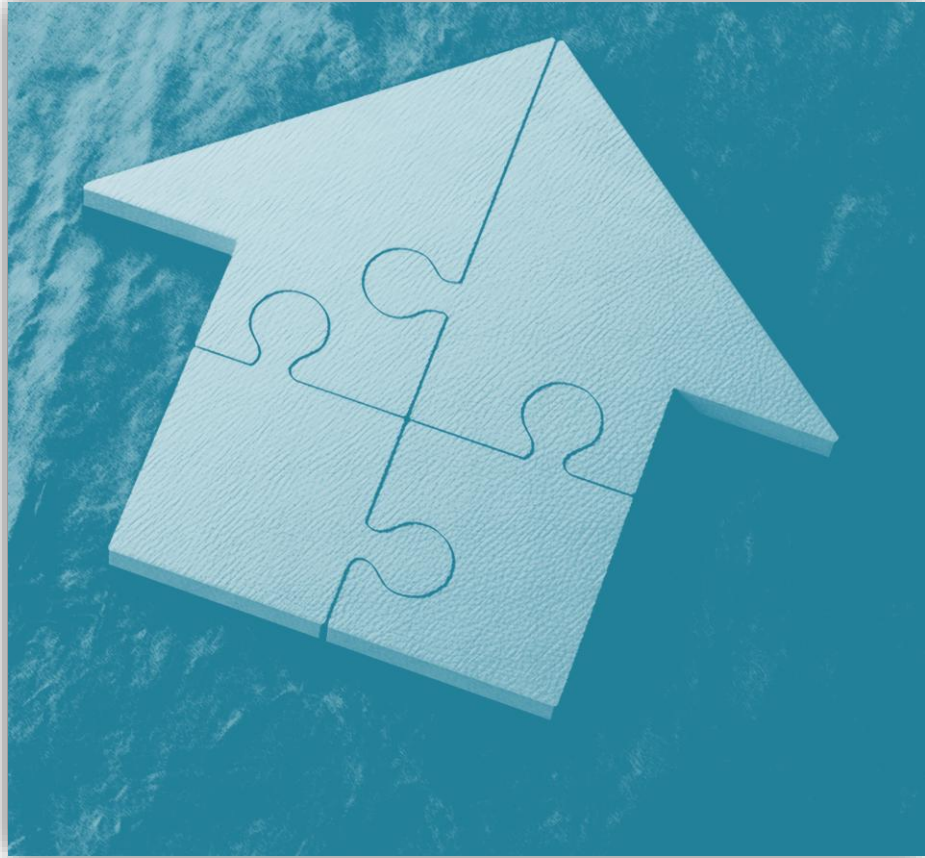
Households  
developed housing  
stabilization plans



**35**

Households  
relocated to  
permanent housing

# Henrico's Efforts to Address Housing Affordability Challenges



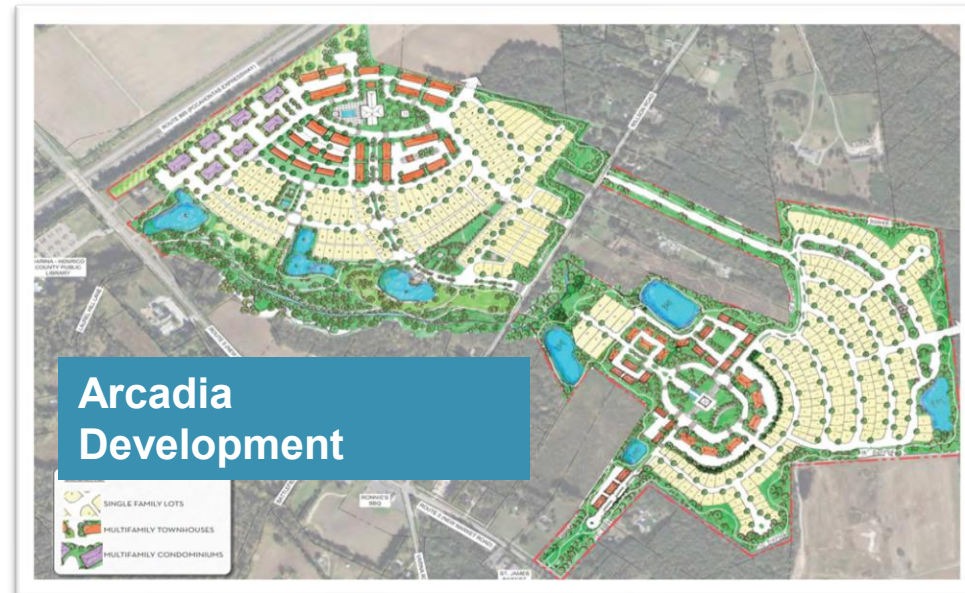
- Executed MOU's with apartment community owners to preserve affordability for almost 1,300 units
- Launched Employee Home Purchase Assistance Program
- Real estate tax relief to eligible homeowners through the REAP and ReCAP programs
- Co-hosted an Employer Housing Forum in June 2023 to encourage employers within the region to help their workforce enter the homeownership market

# MOU's With Owners of Affordable Apartment Communities

Apartment Community	Units	Hard Construction Costs (HCC)	HCC per unit	Status
Hope Village	100	\$4.2M	\$42,000	Complete
Henrico Arms	232	\$12.4M	\$53,000	Complete
St. Luke	496	\$27.8M	\$56,000	97% Complete
Newbridge Village	152	\$3.3M	\$22,000	Complete
Place One	114	\$6.3M	\$55,221	99% Complete
Helios	186	\$33.8M	\$181,720	Under Construction
Totals:	1,280	87.8M	\$68,323 (Average)	



# Affordable Housing Development





# The Challenge

Despite our many efforts to improve our housing stock, preserve existing affordable housing and to incentivize the creation of new affordable housing options, the needs of working individuals and families and our seniors continues to grow.

Without intervention, we will not be able to meet the needs of our community moving forward.

# Employee Home Purchase Assistance Program

- Launched December 4, 2023, with an initial investment of \$2 million.
- An additional \$2 million was allocated to the program for FY 24-25.
- Provided downpayment and closing cost assistance for employee purchases in all five magisterial districts.

## Program Outcomes



**332**

Program applications submitted



**131**

Homebuyer education classes completed



**98**

Individualized housing counseling sessions completed



**38**

Employees purchased a home with EHPAP funds

# Glenwood Farms

## Plan for Redevelopment

- Redevelopment would consist of about 950 dwelling units with a mix of affordable and market-rate rental and homeownership units.
- Henrico provided \$11 million in loans and additional incentives to support the redevelopment.
- Virginia Housing has committed \$1.6 million in funding for repairs and relocation expenses to support existing residents.





# HENRICO AFFORDABLE HOUSING TRUST FUND

# \$60 MILLION

*\*\* over 5 years \*\**



# Awarded Projects

# Discovery Ridge



**3 Bedrooms + Bonus Room**



**2 Full Baths + 2 Half Baths**



**1,970 Sq. Ft.**

**Henrico Trust Fund Price**

**\$318,000**

**Market Price**

**\$460,000**

**AMI Restrictions**

**120%**

**Affordability Period**

**10 Years**

MUNGO  HOMES

**District: Tuckahoe  
Homes Available: December 2024**

# Parkside Townes



Henrico Trust Fund  
Price

**\$205,000**

Market Price

**\$315,000**

AMI Restrictions

**80%-100%**

Affordability Period

**99 Years**



**2-3 Bedrooms**



**2.5 Bathrooms**



**1,300 Sq. Ft.**



**District: Varina**  
**Homes Available: August 2025**



# The Crossings at Mulberry



**3 Bedrooms**



**2.5 Bathrooms**



**1,525 Sq. Ft.**

**Henrico Trust Fund  
Price**

**\$255,000**

**Market Price**

**\$360,000**

**AMI Restrictions**

**100%**

**Affordability Period**

**10 Years**

**District: Fairfield  
Homes Available: July 2025**



# Pemberton Row



**District: Tuckahoe**  
**Homes Available: March 2026**



**4 Bedrooms**



**2.5 Bathrooms**



**1,540 Sq. Ft.**

**Henrico Trust Fund  
Price**

**\$350,000**

**Market Price**

**\$460,000**

**AMI Restrictions**

**120%**

**Affordability Period**

**10 Years**



# Landmark Condos



**District: Varina**  
**Homes Available: November 2025**



**2-3 Bedrooms**



**2 Bathrooms**



**897-1,091 Sq. Ft.**

**Henrico Trust Fund  
Price**

**\$185,000**

**Market Price**

**\$255,000**

**AMI Restrictions**

**80%**

**Affordability Period**

**10 Years**

**Ryan  
Homes**





# Thank You!

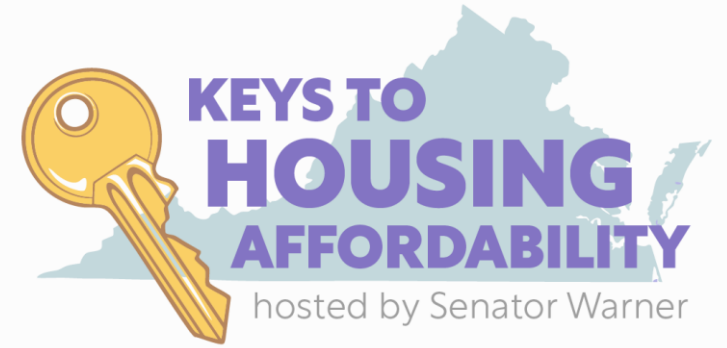




# **Nonprofit Perspective**

*Moderated by Brian Koziol, Executive Director,  
Virginia Housing Alliance*

# Nonprofit Perspective



**Jane C. Ferrara**, Executive Director, LISC Virginia

**Carmen Romero**, CEO, True Ground Housing Partners

**Bryan Phipps**, President & CEO, People, Inc.

**Jim Bendernagel**, Director, Citi Community Capital







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