

Habitat for Humanity of Wake County

IMPACT STUDY 2019

January 2020

Prepared by:





ACKNOWLEDGEMENTS

This report would not be possible without the generosity of Robin Ratchford.

ABOUT TRIANGLE J COUNCIL OF GOVERNMENTS

The Triangle J Council of Governments (TJCOG) was founded in 1959 as the Research Triangle Regional Planning Commission to help coordinate planning initiatives between the Research Triangle Park and the surrounding communities. In 1970, North Carolina created the regional council system, comprised of 17 regions to improve coordination between local, state and federal agencies. The organization was a natural fit for this role, renamed “Triangle J Council of Governments,” representing Lee, Chatham, Orange, Durham, Wake and Johnston counties and the municipalities within them.

Today, Triangle J Council of Governments (TJCOG) is the sole regional government entity that serves the 7-county Triangle Region; Chatham, Durham, Johnston, Lee, Moore, Orange, and Wake counties and the municipalities within.

TJCOG acts as an extension of its member governments, providing planning and technical assistance on a range of topics such as transportation investment, land use coordination, water resources and infrastructure management, sustainability, and economic development. Additionally, TJCOG provides planning, analysis, and facilitation expertise to support non-profit organizations and community groups within the Triangle Region in order to service delivery and implementation for Triangle residents.



Contents

Executive Summary	1
Introduction	2
Detailed Homeowner Survey Findings	4
Economic Impact Analysis	20
Property Value Analysis	23
Conclusion	25



Executive Summary

Habitat for Humanity of Wake County commissioned an Impact Study by Triangle J Council of Governments to better understand Habitat Wake's impact on the lives of Habitat homeowners and the surrounding community. Habitat homeowners were asked a comprehensive set of questions regarding the connection between homeownership and a homeowner's quality of life. The Impact Study also attempts to measure the economic impact of Habitat Wake's construction related activities on Wake County overall and to identify the effect of a Habitat home on property values of surrounding homes.

HOMEOWNER SURVEY FINDINGS

- A total of 96 homeowners responded to the homeowner survey.
- On average, survey respondents were 50 years or older and many have lived in their homes for at least 10 years. The majority of respondents were Black/African American females with children. The majority of respondents were single parents with household incomes between \$20,000 and \$50,000.
- More than 50% of respondents have pursued further education or training since moving into their homes. The majority of households with children over the age of 18 have seen them graduate high school with another third going onto college.
- Many respondents feel that they could not have owned their home without the assistance of Habitat for Humanity. More than 70% of respondents agreed that their lives have improved since becoming Habitat homeowners.
- Both parents and children, on average, responded that they feel safer in their neighborhoods than they have in the past.
- The majority of homeowners have experienced improvements in their ability to save money, pay their bills on time, and cover unexpected bills since becoming Habitat homeowners.
- More than 70% of homeowners believe that their family's health has improved since moving into their Habitat home.

ECONOMIC ANALYSIS FINDINGS

- Habitat's construction and rehabilitation activities alone in FY 2018 created a total of \$6.59 million in total economic impact for Wake County. In addition to the estimated 23 jobs Habitat directly supports in construction related activities, an additional 23 jobs are supported in a variety of industries as well as in the wider Wake County economy.

PROPERTY VALUE ANALYSIS FINDINGS

- The researchers found no negative impact on surrounding home sales prices near Habitat Wake houses. In fact, upon analyzing the four zip codes with the highest count of Habitat home sales in the study area, a positive effect was detected in 27545. Within this zip code, a Habitat home was associated with a \$12,460 amenity on surrounding property sales within 500 ft.



Introduction

HABITAT FOR HUMANITY OF WAKE COUNTY

As an affiliate of Habitat for Humanity International, Habitat for Humanity of Wake County (Habitat Wake) builds and repairs homes for local families and advocates to reduce disparities in housing to strengthen the community. Over the last 33 years, Habitat Wake has built more than 750 new homes and helped to rehab and repair over 350 homes. While providing a safe and secure home directly addresses a family's need for affordable housing, working with Habitat Wake has been shown to also improve other quality of life aspects, including educational achievement, neighborhood and community connectedness, financial stability, and health.

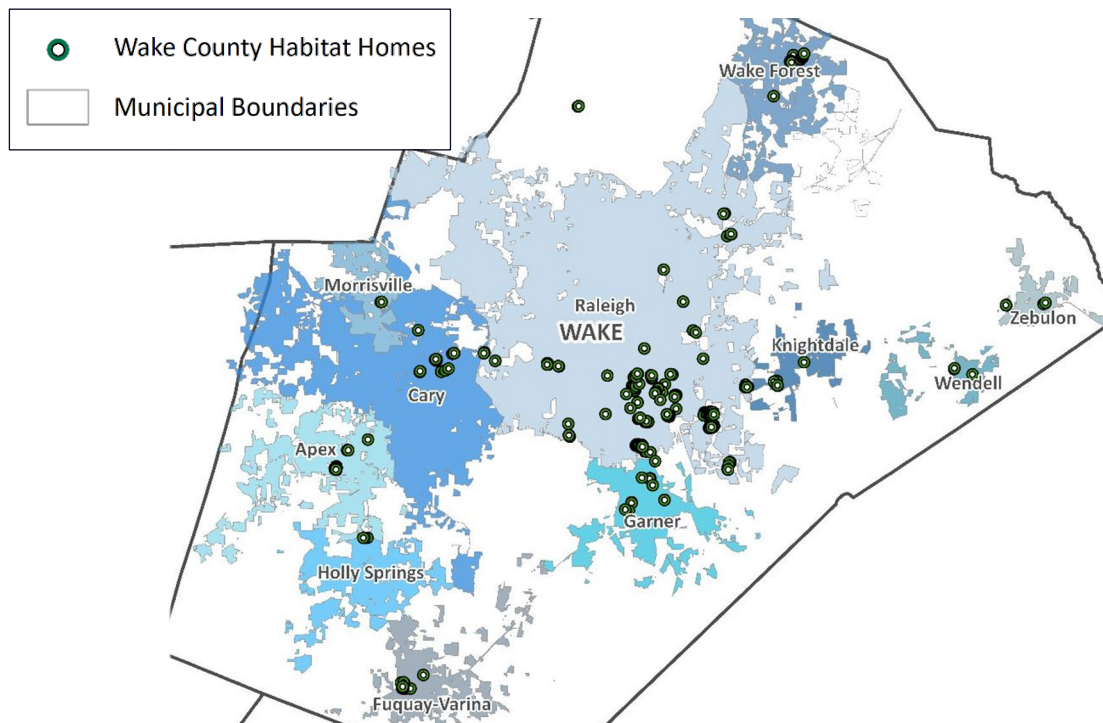
HABITAT MISSION AND HOMEOWNERSHIP PROCESS

Habitat Wake seeks to put God's love into action to build homes, communities, and hope. The organization acts as a catalyst to create a world where everyone has a decent place to live. Habitat Wake homes are sold to qualified homebuyers who make monthly mortgage payments that are no more than 30 percent of their income. Homeowners must be income-qualified and are evaluated based on their need for housing, ability to pay, and their willingness to partner. As part of the homeownership process, homebuyers contribute 200 'sweat equity' hours on the build site or in the Habitat ReStores and complete homeowner education classes so they are prepared to succeed.

LOCATION AND DENSITY OF HABITAT WAKE HOMES

Habitat has built more than 750 new homes across Wake County and parts of Johnston County. Homes are located in 11 of the 12 Wake County municipalities. Habitat for Humanity of Wake County has also built 23 homes in Johnston County since it merged with Habitat for Humanity of Johnston County in 2018.

Figure 1: Map of Habitat for Humanity of Wake County Homes Built 1985-2018



This study focuses on Habitat homes built between 1985 and 2018. Due to data limitations, the study focused only on homes built within Wake County. As shown in the map above, homes are primarily located within Raleigh, Cary, Wake Forest, and Apex.

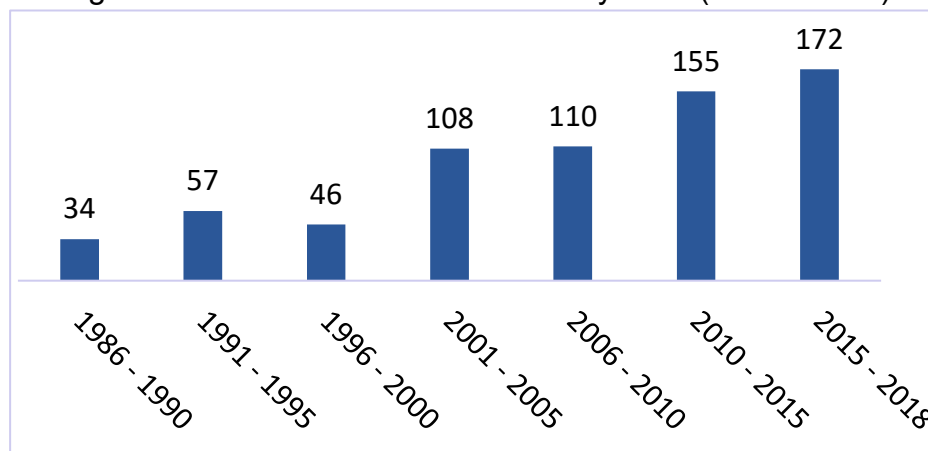
Habitat for Humanity of Wake County began building homes in 1985 and continues to increase their capacity in more recent years.

Prior to 2000, Habitat built 137 homes; however, in the most recent 20 years, Habitat has built close to four times the amount, or 545 homes, as shown in Figure 2.

Table 1: Location of Homes Built by Habitat Wake (1985-2018) by Jurisdictions Within Wake County

Jurisdiction	Number of Homes	Percentage of Homes
Wake County	678	100%
Raleigh	508	75%
Cary	50	7%
Wake Forest	37	5%
Apex	27	4%
Fuquay-Varina	18	3%
Garner	12	2%
Zebulon	8	1%
Knightdale	7	1%
Morrisville	4	1%
Wendell	4	1%
Holly Springs	3	0.4%

Figure 2: Habitat Wake Homes Built by Year (1985 - 2018)



PURPOSE AND SCOPE OF STUDY

The intended purpose of this study is to provide a comprehensive understanding of the impact that Habitat Wake has had on Habitat homeowners and the broader Wake County community. The study used a mixed method approach in data collection and analysis consisting of four parts.

- Focus group with 10 Habitat homeowners to develop the survey and provide more detailed information about the Habitat homeowner experience.
- Online and paper surveys to measure quality of life impacts for Habitat homeowners.
- Property valuation analysis of homes located near Habitat Wake homes to determine the impact of Habitat homes on the property values of neighboring homes.
- Assessment of economic impact that Habitat's home building and home rehabilitation activities have on the Wake County economy.



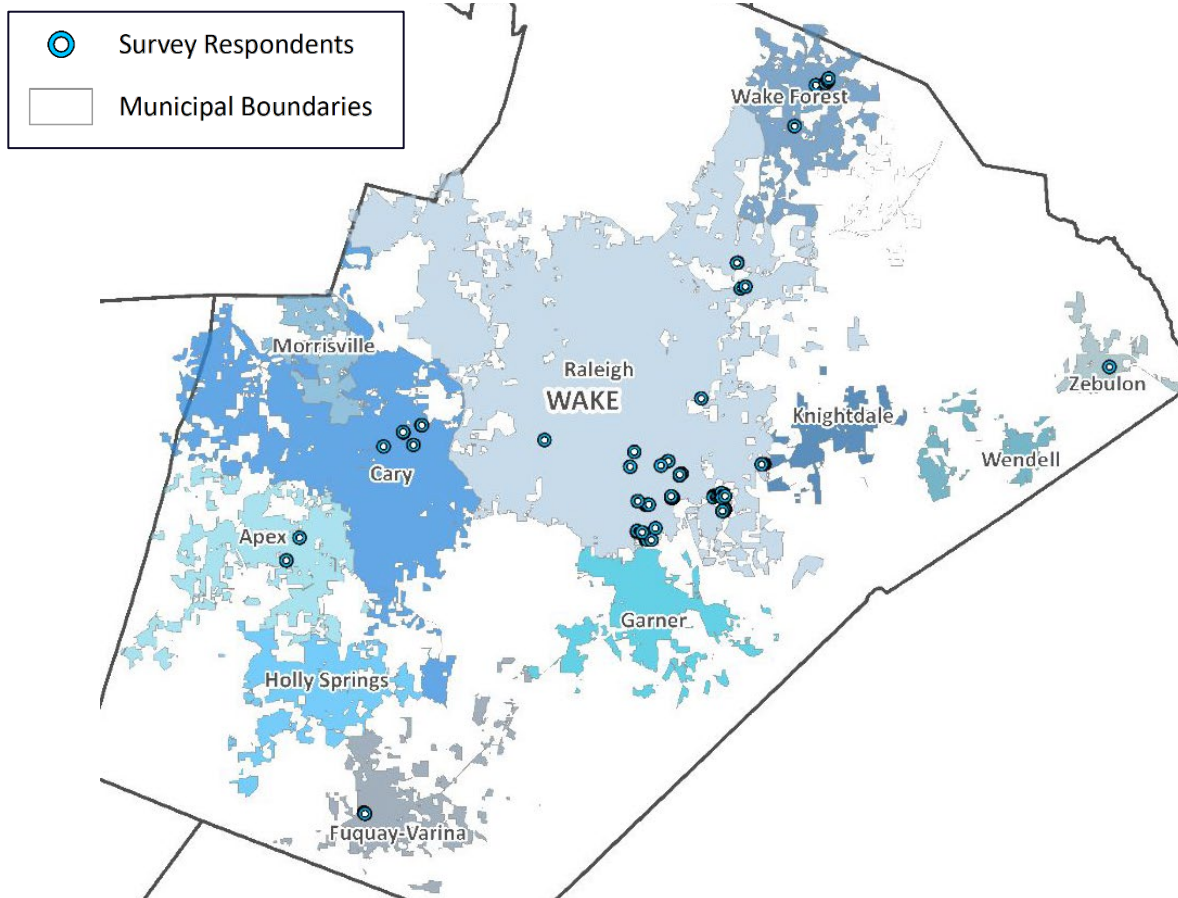
Detailed Homeowner Survey Findings

CHARACTERISTICS OF SURVEY RESPONDENTS

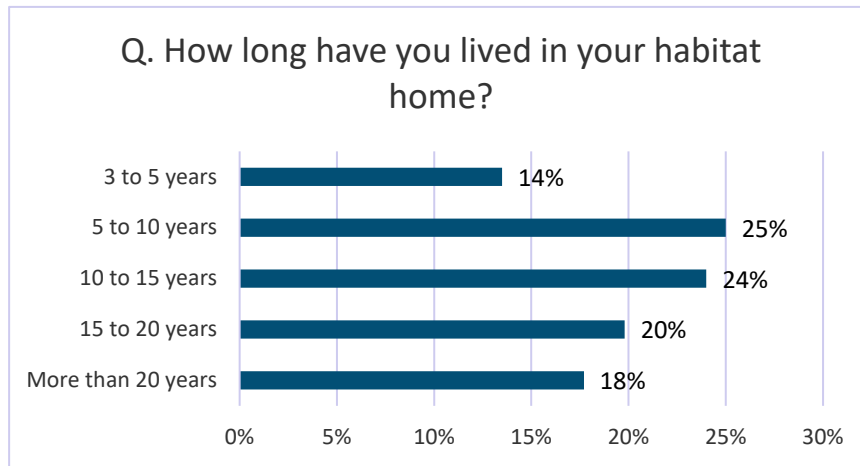
A total of 96 homeowners responded to the homeowner survey. Characteristics of survey respondents are provided in detail below. Overall socioeconomic characteristics of homeowners are included below:

- Survey respondents were more likely to have lived in their homes more than 10 years between the ages of 40 and 59 years old.
- Most respondents became Habitat homeowners between the ages of 30 and 49.
- The majority of respondents identified as Black/African American females, who have completed at least some college.
- The average respondent has children that live with them in their home.
- More than half of respondents with children noted that they were a single-parent household.
- Homeowners were mostly likely to work full-time, with annual household incomes between \$20,000 and \$49,999.
- Survey respondents were primarily located within the City of Raleigh, Town of Cary, or the Town of Wake Forest.

Figure 3: Map of Respondents to Impact Study Homeowner Survey

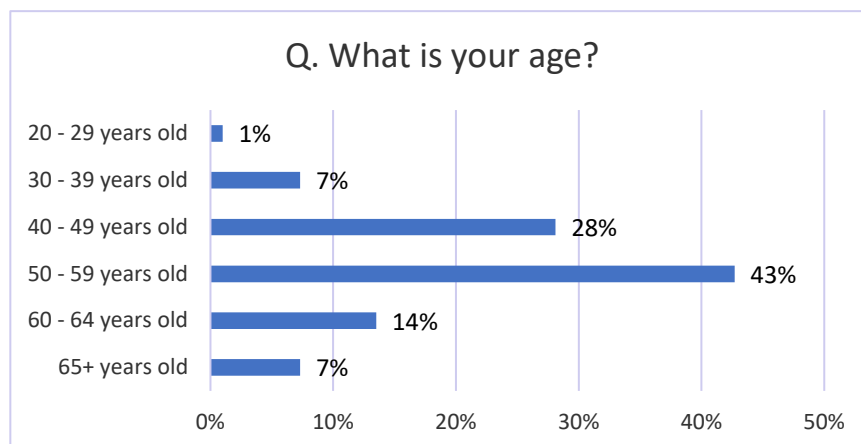
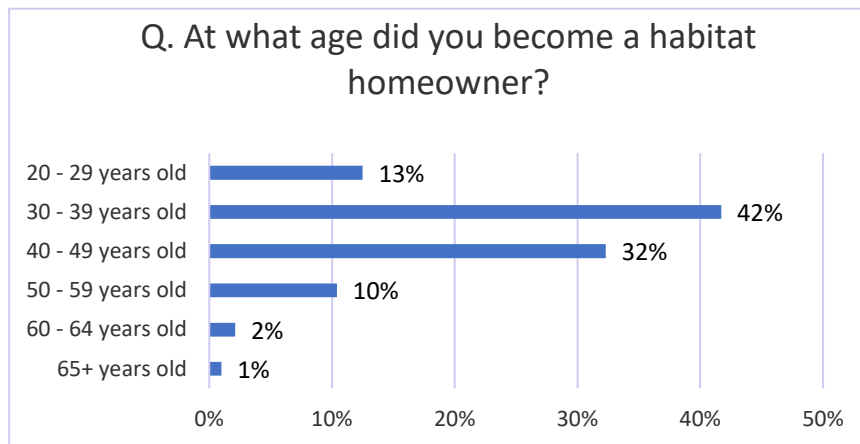


The 92 valid survey responses were completed either online or by mail. An additional 4 surveys were partially completed. Where possible, valid and partial surveys with meaningful responses are utilized within this report. More than half of survey respondents (55%) have lived in their homes for more than 10 years; only 20% of survey respondents have lived in their home for less than five years.

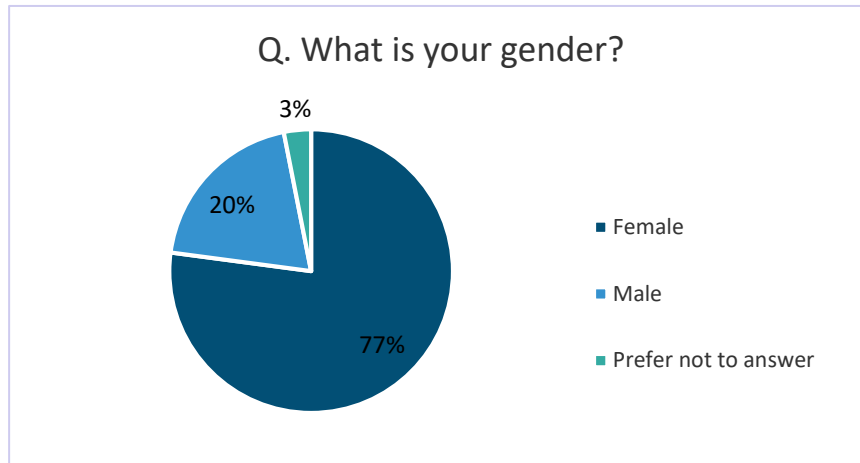


AGE AND GENDER

Three-quarters of survey respondents moved into their homes between the ages of 30 and 49 and have continued to age in their homes. As such, the majority of survey respondents noted they were 50 years old or older, with another 28% of respondents between the ages of 40 and 49 years old. Many respondents have been in their homes for at least 10 years.

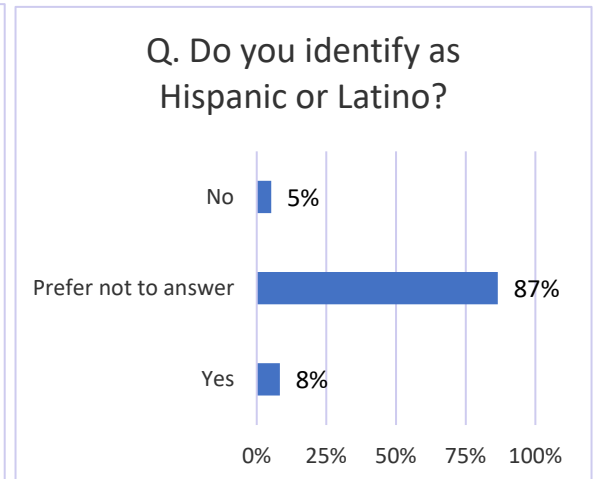
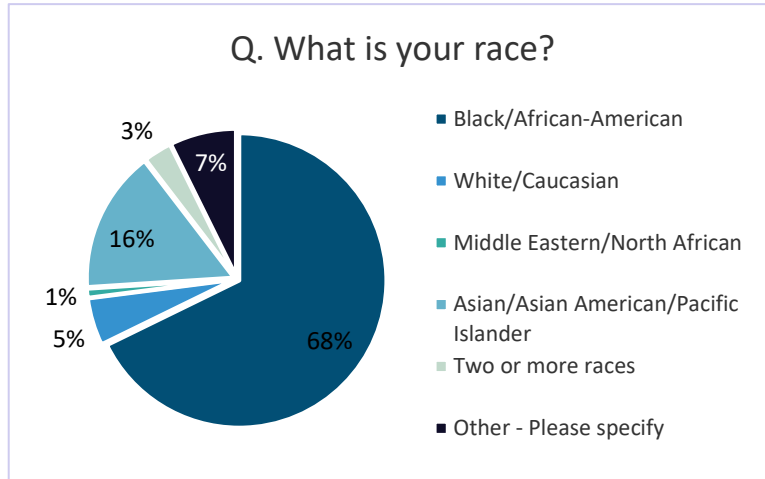


Of survey respondents, 77% identify as female and 20% identify as male, with 3% of respondents preferring not to answer.



RACIAL COMPOSITION

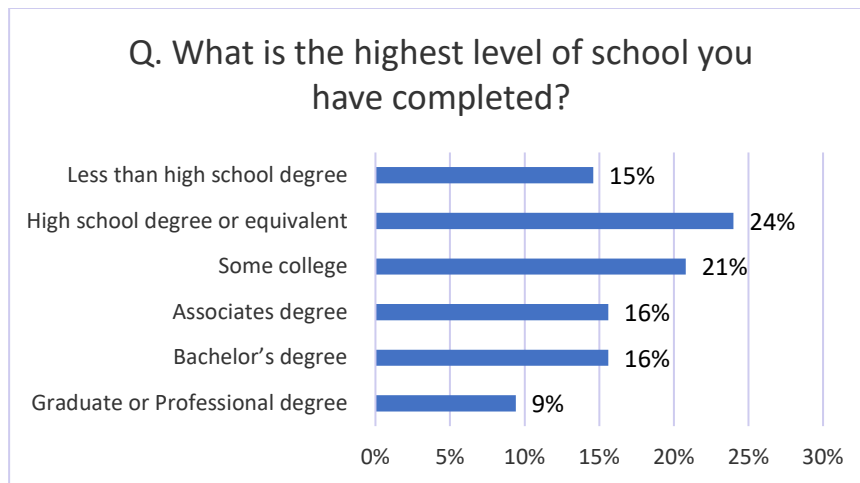
Of the survey respondents who reported their race, 68% identified as Black or African American and 16% as Asian, Asian American, or Pacific Islander. According to the breakdown in the figure below, an additional 9% of respondents either identified as White/Caucasian, Middle or Eastern African, or two or more races with the remainder identifying as “other” race. Most survey respondents also noted that they do not identify as Hispanic or Latino.



EDUCATIONAL ATTAINMENT

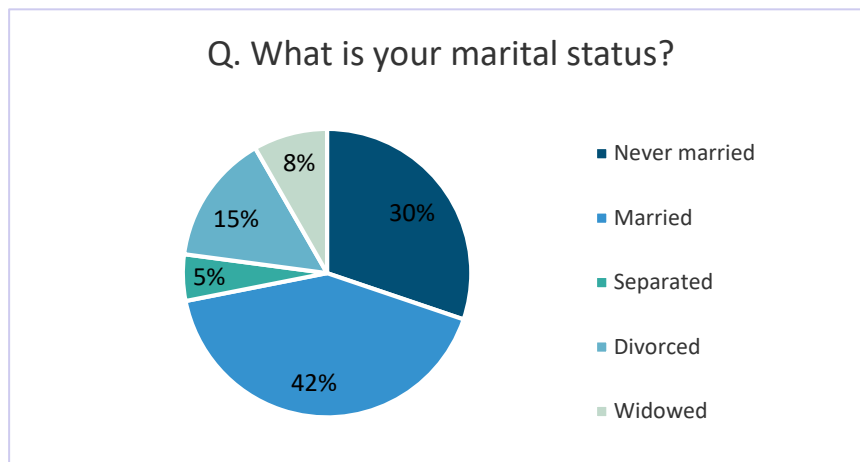
As illustrated below, 24% of respondents report having a high school degree or equivalent. More than 40% of respondents have obtained a college degree, with 16% completing an Associate’s degree, 16% completing a Bachelor’s degree, and 9% completing a graduate or other professional degree.



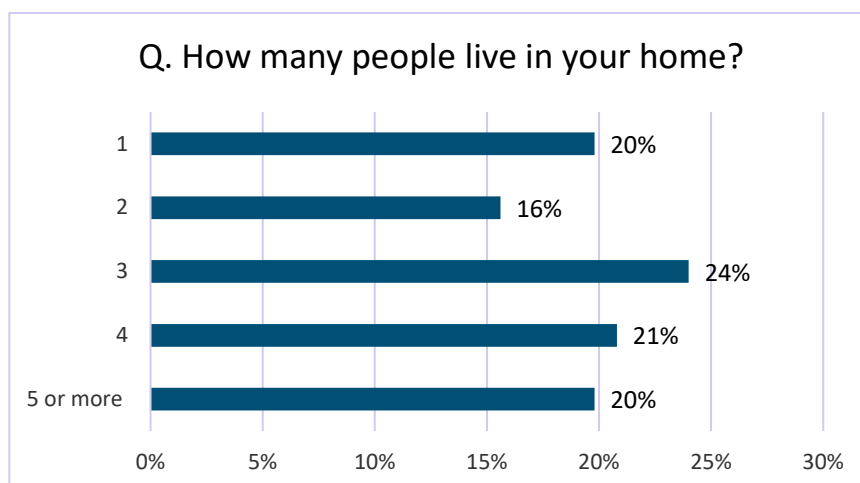


MARITAL STATUS AND FAMILY MAKEUP

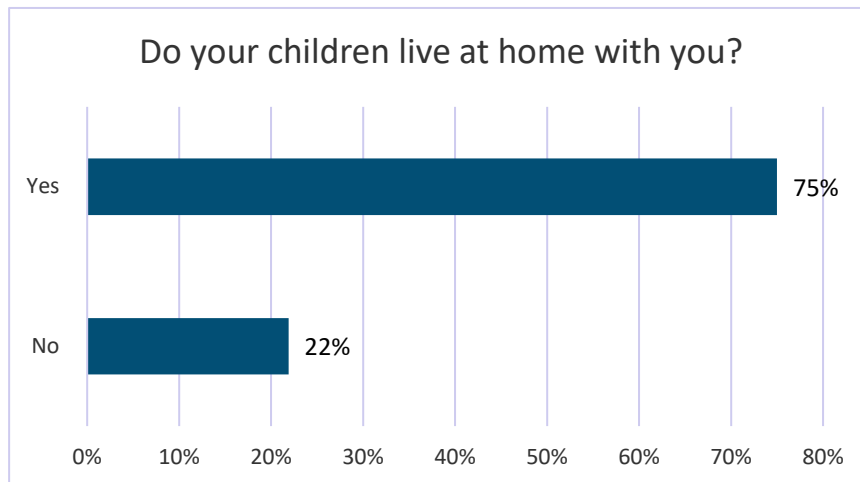
Overall, 42% of respondents reported they are currently married, with 30% of respondents reporting they have never been married. Of the remainder, 18% reported being either divorced or separated.



Participants had a wide range of survey responses for the number of people currently living in their home. Forty-one percent of respondents noted they had four or more people living in their home, while only 20% of respondents noted that they lived alone.



Overall, 95% of survey respondents noted that they had children, though only 75% of respondents had children that currently lived at home with them.



Of survey respondents with children, more than half are single-parent households (57%). Females are almost exclusively heads of household for single-parent households within the sample of survey respondents.

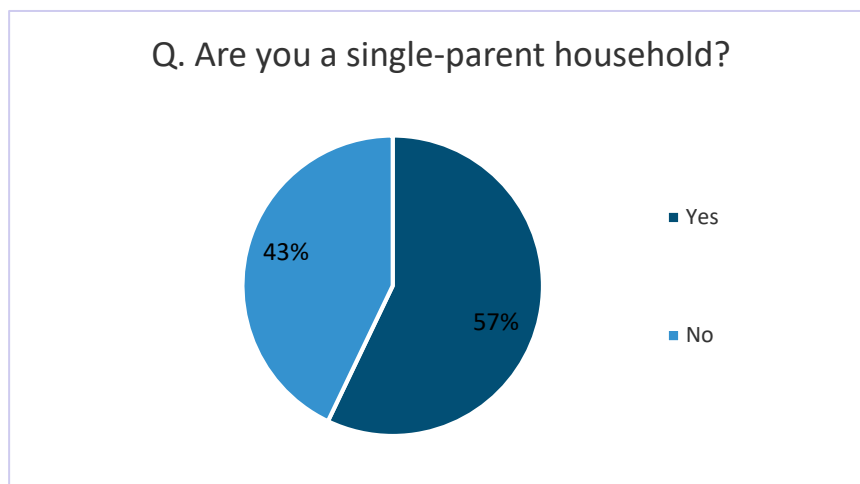


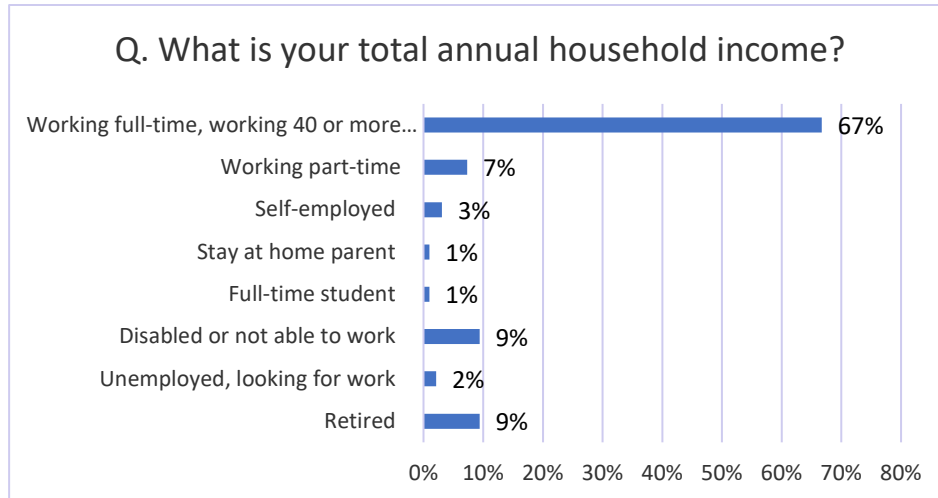
Table 2: Gender of Single-Parent Heads of Households

Gender of Survey Respondent	Number of Responses	Percentage of Single-Parent Households
Female	49	94.2%
Male	2	3.8%
Prefer not to answer	1	1.9%

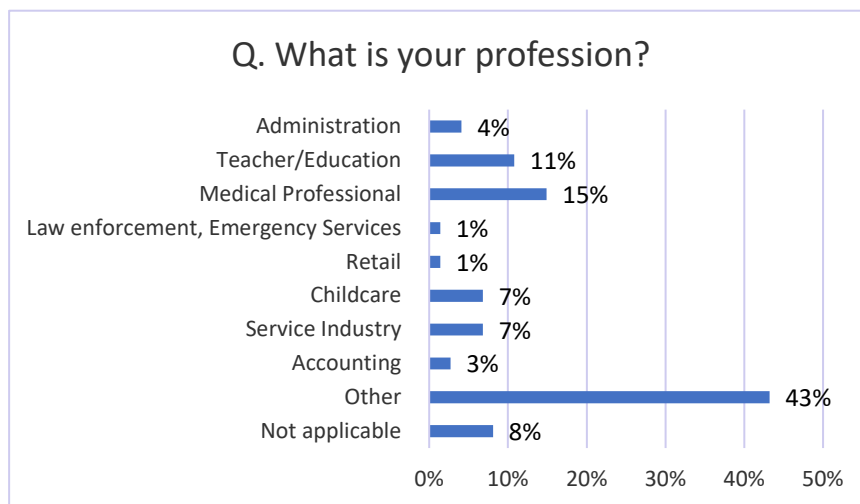


EMPLOYMENT

Most survey respondents have at least one full-time worker in the household. Sixty-seven percent of respondents report working full-time (employed for 40 or more hours per week), with an additional 7% reporting that they have part-time employment (1 – 34 hours per week). Nine percent are retired and may be on a fixed income.

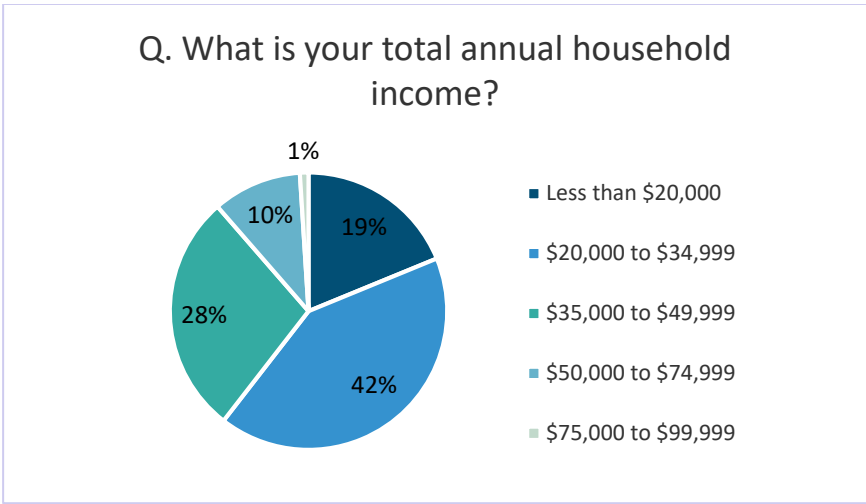


Approximately 33% of survey respondents work as medical professionals, teachers, in childcare or in the service industry.



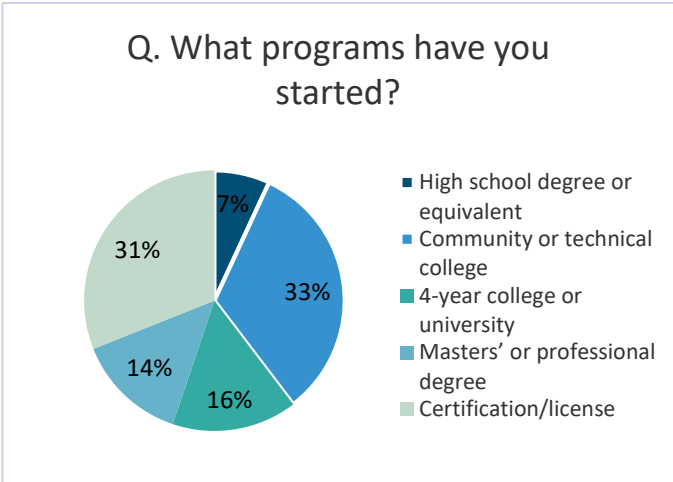
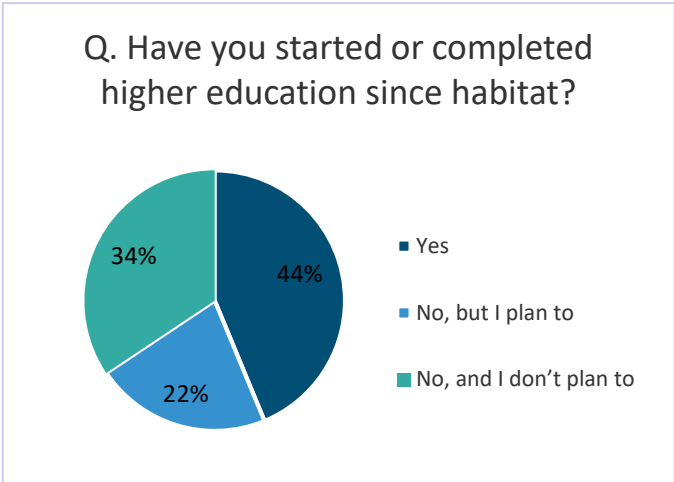
Overall, survey respondents make, on average, between \$20,000 and \$50,000. Of the total respondents, 19% noted that their annual household income was less than \$20,000. Only 11% of respondents had annual household incomes of more than \$50,000.





EDUCATIONAL OUTCOMES

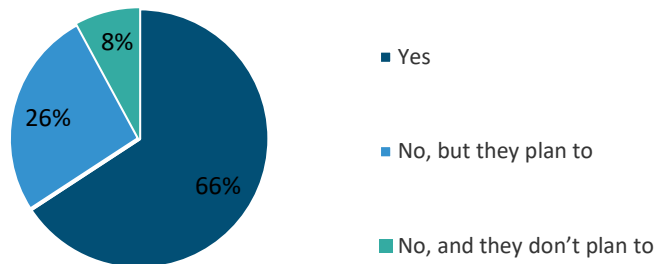
Most survey respondents have either started, completed, or plan to complete higher education since becoming Habitat homeowners. Of those who have started higher education programs themselves, approximately 33% have pursued education at a community college, another 31% have pursued education or training through a certification program, and another 30% pursued either a bachelor's or master's degree.



Many households also had family members who started or completed higher education since their family moved into their Habitat home. More than half of homeowners that had other family members living with them responded that someone in their family began or completed higher education since they became homeowners.

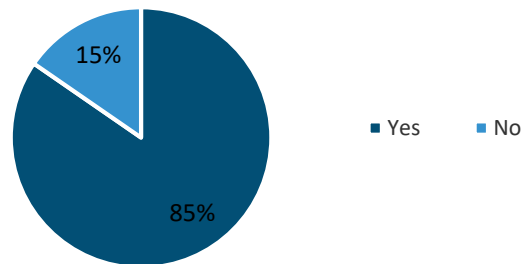


Q. Have any family members started or completed higher education since habitat?

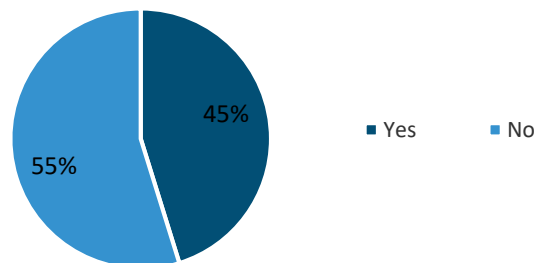


For homeowners who have adult children, about 85% have children who have graduated high school and 45% are enrolled in college.

Q. Have your children 18 or older graduated high school?



Q. Have your children 18 or older enrolled in or graduated from college?

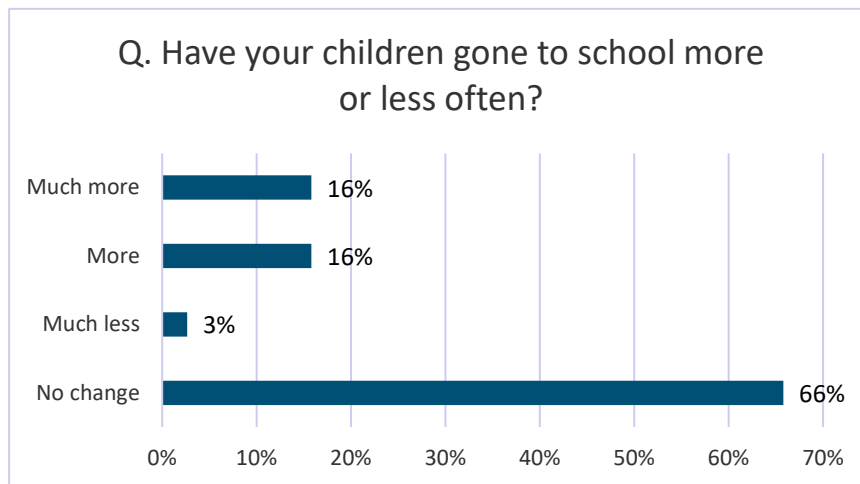
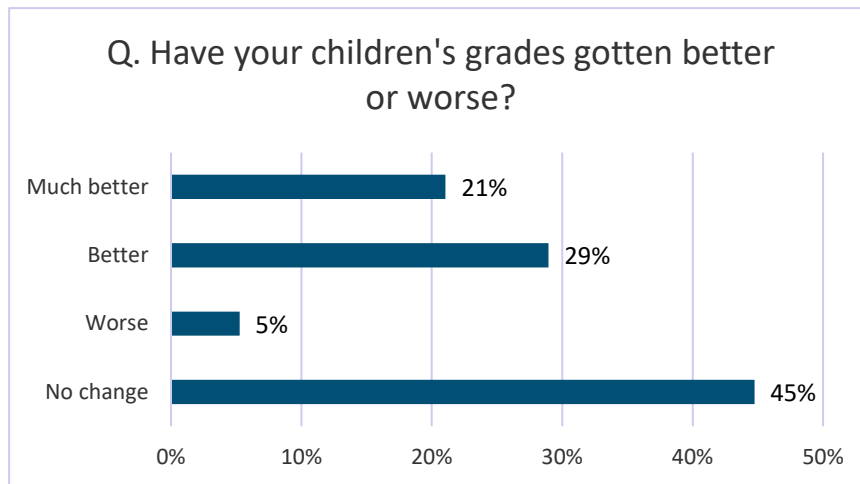


Many homeowners with younger children at home reported that their children's educational experiences improved since moving to their Habitat home.

- Fifty percent of respondents with children between kindergarten and 12th grade reported their children's grades have gotten better or much better since they moving to their Habitat home.



- Thirty-two percent of respondents noted their children go to school more or much more often now than before they become homeowners.



Approximately 93% of homeowners noted that their children have a quiet place to study in their home, while only 53% of homeowners had a quiet place for their children to study where they were living before.

Table 3: Availability of Quiet Place to Study in Home Before and After Moving

Availability of Study Space	Before	After	Change
Yes	53%	93%	40%
No	47%	7%	-40%

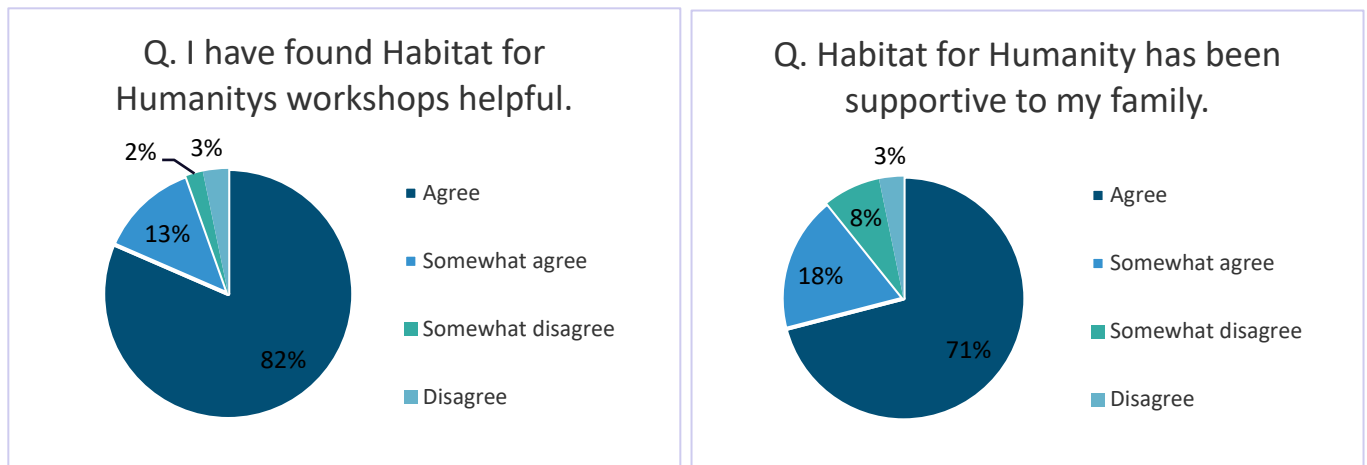


EXPERIENCE AS A HOMEOWNER

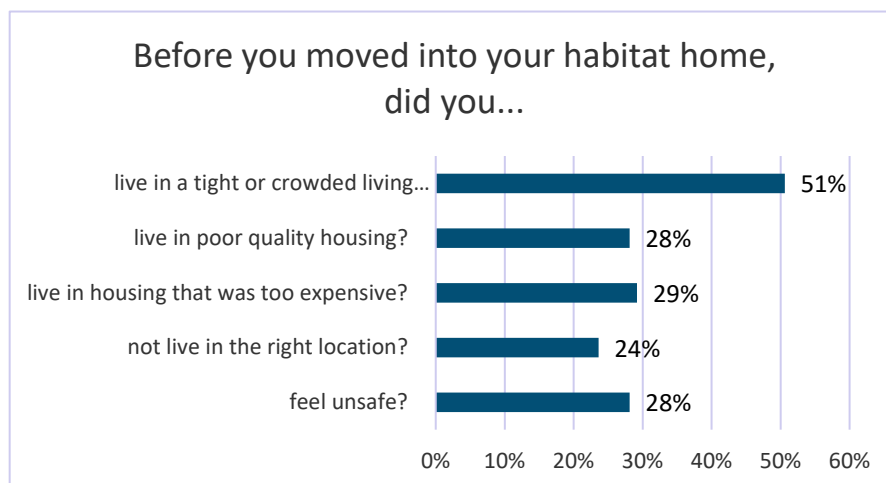
Overall, survey respondents indicated that working with Habitat Wake and becoming a homeowner has been a positive experience in their lives and the lives of their families.

- More than 90% of respondents agreed that their lives have improved since becoming Habitat homeowners.
- Again, more than 90% of respondents felt that Habitat contributed to the positive changes in their lives.
- Ninety-five percent of respondents stated that owning a home has positively impacted the way they feel about themselves.

As part of working with Habitat, homeowners are required to attend workshops that assist with the homebuying process as well as learn about home maintenance. Overall, 95% of respondents noted that they found the workshops helpful. Approximately 90% of respondents felt that Habitat Wake had been supportive to their family over the years.



Survey respondents reported that before they became homeowners, many had experiences with poor living conditions, including living in a crowded home (51%), living in poor quality housing (28%), living in housing that was too expensive (29%), not living in the location that was right for them (24%), or feeling unsafe (28%). Overall, respondents reported having improved living conditions since moving into their Habitat home.



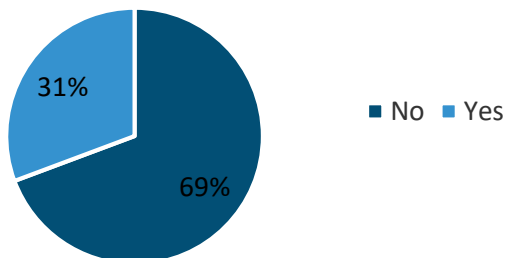
More than 30% of homeowners responded that they had tried to purchase a home before working with Habitat, but had experienced various challenges throughout the homebuying process, including, but not limited to:

- Mortgage payments were too high
- Lack of information about the homebuying process
- Lack of money for a down payment

Table 4: Challenges Experienced

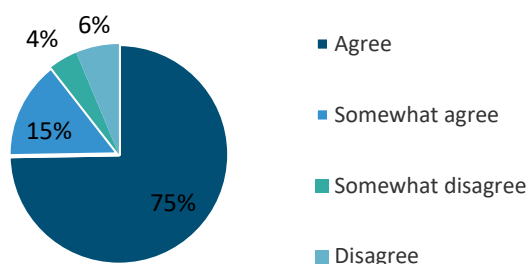
Challenges to Purchasing a Home	Respondents
Payments were too high	36
Lack of information	20
Other	18
Lack of money	13
Lack of or low credit	10
Too much debt	6
Could not find the right house	5
Was not interested	3

Q. Had you tried to buy a house before you learned about habitat?



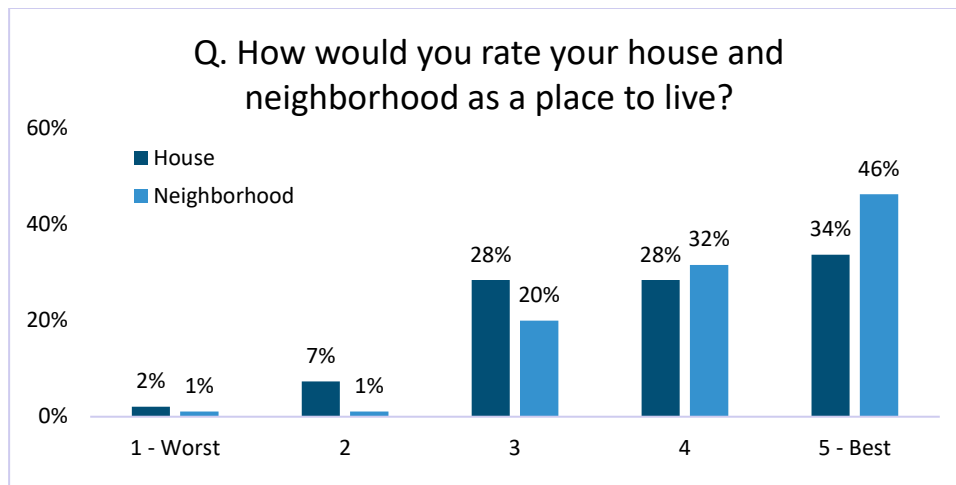
Most homeowners also responded that they felt they could not have purchased their home without the assistance of Habitat for Humanity.

Q. I could not have owned my home without the help from Habitat for Humanity.

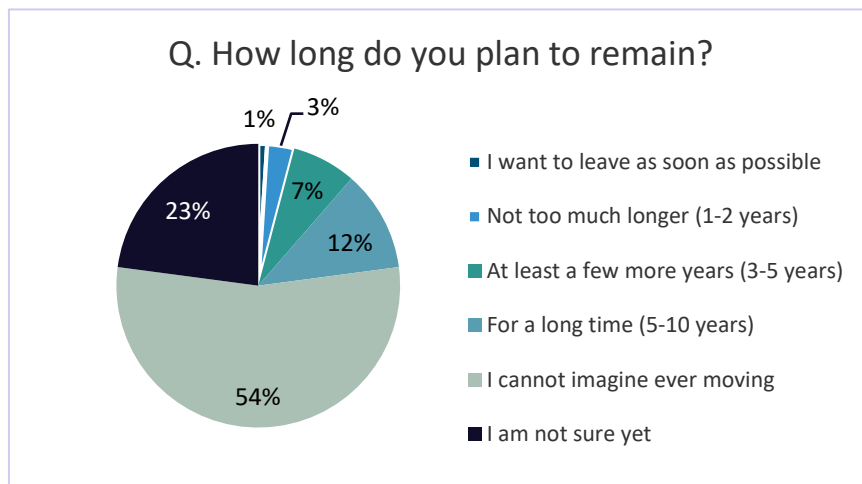


As shown below, homeowners were asked to rate their existing neighborhood and Habitat home on a scale of one to five, with zero being the worst and five being the best. More than 60% of respondents rated their neighborhood as a great place to live (rated four or five), as well as their homes.





Many respondents plan to remain in their homes for some years to come. Of respondents, 54% cannot imagine ever moving from their current home and another 12% plan to remain in their home for at least five to 10 more years.



Respondents reported that they generally have a more positive outlook on life since becoming homeowners. They feel that owning a home has positively impacted the way they feel about themselves and their families. Most homeowners stated that Habitat has been supportive to their family over the years.

Table 5: Quality of Life Statements and Responses from Homeowner Survey

Statements Reflecting Quality of Life Impacts for Homeowners	Percent Agree or Somewhat Agree	Percent Disagree or Somewhat Disagree
Since becoming a Habitat homeowner the lives of my family members are better.	91%	9%
I feel that Habitat for Humanity's homeownership program has contributed to the changes in my family's life.	91%	9%
Owning a home has positively impacted the way I feel about myself.	95%	5%



Habitat for Humanity has been supportive to my family.	88%	11%
My association with Habitat for Humanity has helped me experience personal spiritual growth.	84%	16%

COMMUNITY AND SOCIAL CONNECTION

Building stability includes community connection, which helps empower families for long-term success. Survey participants were asked about their social lives, neighborhoods, and community connectedness and most responded that these aspects of their lives had generally improved since moving into their Habitat homes. Many respondents noted that the behavior of the children in their home has improved since becoming homeowners.

Overall, both parents and children feel safer in their neighborhoods since becoming Habitat homeowners. Approximately 80% of Habitat homeowners feel safe in their neighborhoods compared to 73% before they moved into their Habitat homes. An additional 9% of respondents noted that they have taken a leadership role in their community since becoming Habitat homeowners.

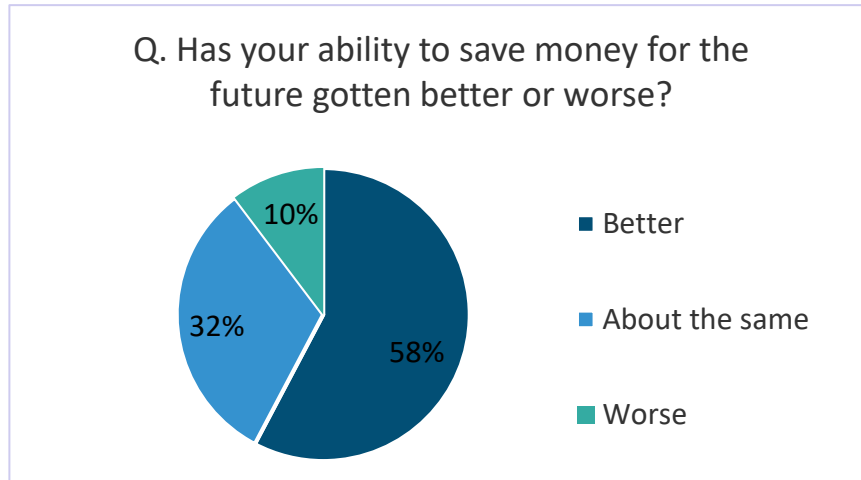
Table 6: Statements and Responses About Social Life and Community Connectedness from Homeowner Survey

Statement	Agree (%)		% Change
	Before Habitat	After Habitat	
The behavior of the child/ren in my home (needs/has) improved.	32	55	23
My children feel safe in our neighborhood.	60	67	7
I feel safe in my neighborhood.	73	79	6
I have taken a leadership role in my community.	26	35	9
I feel I have attained personal financial security.	56	74	18
The adults in my home have made work achievements.	65	69	4
I am involved in neighborhood activities.	34	44	10
I feel connected to my community.	54	65	11
The grades of the children in my home are fair to excellent.	72	66	-6
The child/ren in my home social life and friends are going well.	79	74	-5
The child/ren in my home have made academic achievements	76	65	-12
I spend quality time with my family.	82	78	-4

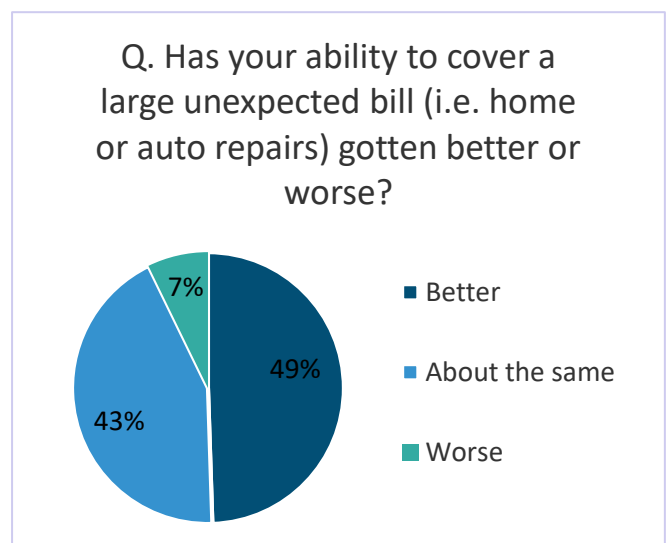
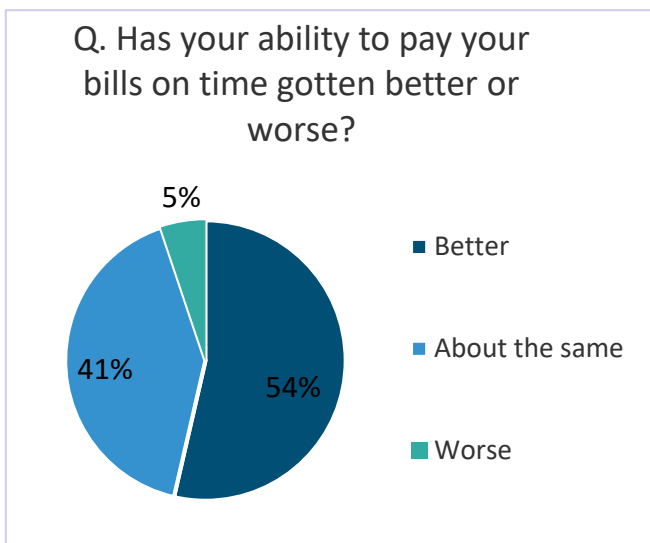


FINANCIAL IMPACTS

Through Habitat homeownership, families have achieved financial security, independence, and have been able to save for their futures. For many people, owning a home help build financial equity and provide financial security. Seventy-five percent (75%) of homeowners felt they could not have owned their home without the help of Habitat for Humanity. Additionally, 58% noted their ability to save for the future has improved since moving into their home.



Financial stability can also help families improve their ability to pay their bills on time or handle unexpected bills when they arise. Approximately 50% of survey respondents noted that owning their homes has generally improved their ability to pay their bills on time and handle unexpected expenses.



Overall more than 20% of homeowners responded that their monthly housing costs decreased after becoming Habitat homeowners. Approximately 80% of homeowners responded that they currently pay \$600 or less for their monthly mortgage payment, whereas, before becoming Habitat homeowners, only 53% paid less than \$600 per month for rent.



Utility costs for homeowners who responded seemed, on average, to increase slightly. This could be due to increased cost of heating or cooling a larger home, or a variety of other factors. The survey did not account for seasonal variation in energy usage and utility costs.

Table 7: Monthly Housing Payment Before and After Habitat

What was/is your monthly rent or mortgage payment?	Before Habitat		After Habitat		% Change
	n	%	n	%	
Less than \$300	5	5.3	11	11.8	6.5
\$300 to \$599	45	47.4	60	64.5	17.1
\$600 to \$1,000	41	43.2	21	22.6	-20.6
\$1,000 to \$1,500	4	4.2	0	0	-4.2
More than \$1,500	0	0.0	1	1.1	1.1

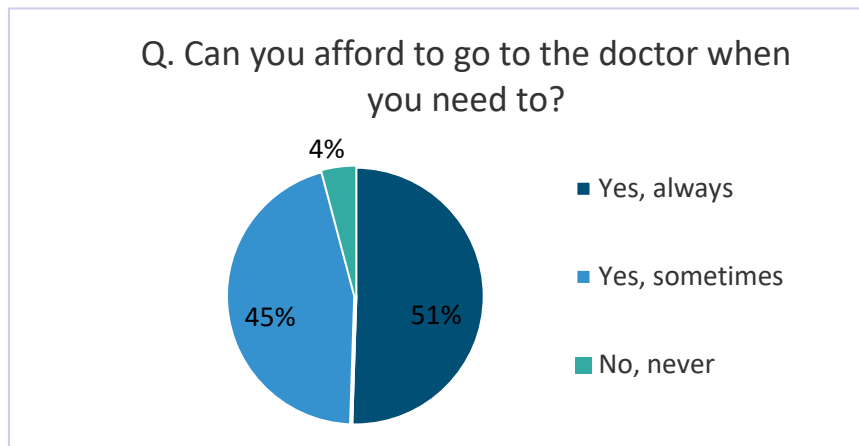
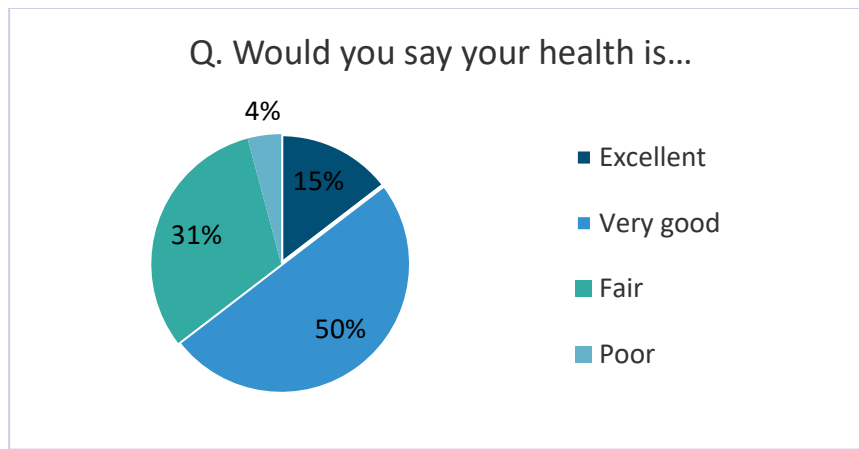
Table 8: Utility Costs Before and After Habitat

Which best describes your monthly household utility costs?	Before Habitat	After Habitat	Change %
	%	%	
Below \$99	5.2	1.0	-4.1
\$100 to \$149	26.8	19.6	-7.2
\$150 to \$199	24.7	27.8	3.1
\$200 to \$249	13.4	20.6	7.2
\$250 to \$299	7.2	10.3	3.1
\$300 to \$349	6.2	11.3	5.2
\$350 to \$399	3.1	3.1	0.0
\$400 to \$499	4.1	2.1	-2.1
\$500 to \$599	1.0	1.0	0.0
\$600 to \$699	1.0	2.1	1.0
More than \$700	3.1	0.0	-3.1
I don't remember	4.1	0.0	-4.1

HEALTH IMPACTS

The majority of homeowners surveyed stated their health was either excellent or very good at the time of the survey. Overall, they felt that they could afford to go to the doctor when they needed to.





More than 70% of respondents felt their health had improved since becoming Habitat homeowners. Additionally, the vast majority of homeowners surveyed noted that they felt good about themselves, indicating a positive state of well-being.

Table 9: Statements and Responses About Physical and Mental Health and Well-Being

Statement	Percent Agree or Somewhat Agree	Percent Disagree or Somewhat Disagree
Overall my family's health has improved since I moved into my Habitat home.	71%	29%
Sometimes we feel we don't have enough control over the direction our lives are taking.	43%	57%
Our family is under a lot of emotional stress.	23%	77%
Someone in my household has asthma or allergies.	44%	56%
I personally go to the doctor often.	47%	59%
My family members (other than myself) go to the doctor often.	41%	14%
I feel good about myself.	93%	7%
I feel positive about the future.	92%	8%



Economic Impact Analysis

This report summarizes an economic impact analysis of Habitat for Humanity of Wake County, conducted from November 2018 through January 2019. Our analysis focuses on the impact of economic activity generated through construction-related expenditures, which excludes administrative and professional services and retail at Habitat ReStore locations, in fiscal year 2018 (July 1, 2017 – June 30, 2018).¹ We quantify the economic activity that would not have occurred ‘but-for’ the homebuilding functions of Habitat.

The focus of this analysis is to provide an assessment of the economic impact that Habitat’s home building and home rehabilitation activities have on Wake County. For this reason, neighboring regions have been excluded from the study. Additionally, this analysis will identify the multiplier effect of construction generated from Habitat spending. In order to accomplish this goal, the analysis considers Habitat construction salaries and benefits, material costs, and expenditures related to subcontractor labor for new home construction and home rehabilitation.

SUMMARY OF IMPACT

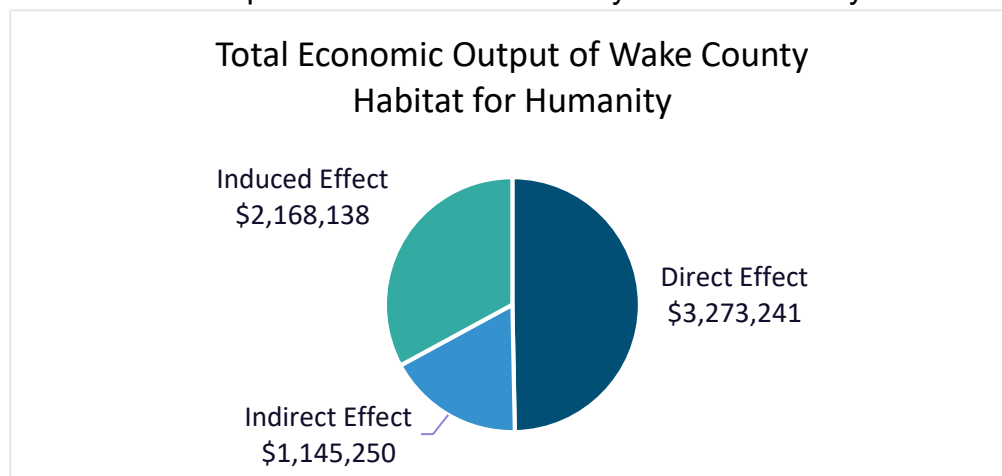
The impact analysis shows that Habitat directly supports 23 jobs in Wake County (Table 23). Additionally, Habitat’s construction and rehabilitation activities also support the creation of 23 additional jobs in the county through indirect and induced effects. Just under 8 jobs are created through business-to-business spending through Habitat’s construction and rehabilitation activities. Furthermore, over 15 jobs are created in the Wake County economy due to the increased household spending stimulated by Habitat’s direct and indirect impacts. This total employment multiplier of 2.0 indicates that for every job directly created by Habitat’s construction and rehabilitation activities, another job is supported in the region’s economy. Beyond employment, the total economic output of Habitat’s construction and rehabilitation activities are \$6.59 million which includes \$2.30 million in labor-related income.

Table 10: Habitat Wake Summary of Total Economic Impact

Impact Type	Employment	Labor Income	Output
Direct Effect	23.0	\$1,183,507	\$3,273,240
Indirect Effect	7.6	\$422,111	\$1,145,250
Induced Effect	15.5	\$699,201	\$2,168,138
Total Effect	46.1	\$2,304,820	\$6,586,628



Figure 4: Total Economic Output of Habitat for Humanity of Wake County



In addition to the direct employment supported by Habitat, an equal amount of employment is supported through indirect and induced effects, though the employment effects are spread somewhat thinly across many industry sectors for indirect and induced effects. Indirect effects (Table 24) illustrate the top industries that see growth in output due to Habitat's activities. These are mainly support industries tightly connected with real estate development activities such as Real Estate, Architectural Services, Wholesale Trade, and Maintenance and Repair of Nonresidential Structures. Induced industries (Table 25) are mainly service industries such as food service, real estate, and hospitals which are supported by the larger general growth in the region's economy.

Table 11: Top Direct Impacted Industries

Sector	Description	Direct Output
59	Construction of new single-family residential structures	\$1,710,296
399	Retail - Building material and garden equipment and supplies stores	\$484,373
469	Landscape and horticultural services	\$397,910
526	Other local government enterprises	\$294,467
445	Commercial and industrial machinery and equipment rental and leasing	\$197,328
449	Architectural, engineering, and related services	\$90,589
447	Legal services	\$43,088
471	Waste management and remediation services	\$31,384
42	Electric power generation - Fossil fuel	\$20,012
440	Real estate	\$2,256

¹ The analysis comprises one component of a larger study that will measure the impact on education levels, health outcomes, jobs, and wealth accumulation for Habitat for Humanity of Wake County's homeowners, as well as the economic impact of Habitat homes in the community.



Table 12: Top Indirect Impacted Industries

Sector	Description	Indirect
395	Wholesale trade	\$121,487
440	Real estate	\$120,462
449	Architectural, engineering, and related services	\$85,491
62	Maintenance and repair construction of nonresidential structures	\$62,834
433	Monetary authorities and depository credit intermediation	\$45,052
464	Employment services	\$30,709
461	Management of companies and enterprises	\$30,567
457	Advertising, public relations, and related services	\$24,986
399	Retail - Building material and garden equipment and supplies stores	\$23,708
401	Retail - Health and personal care stores	\$23,272
454	Management consulting services	\$22,237
437	Insurance carriers	\$20,855
49	Electric power transmission and distribution	\$20,235
438	Insurance agencies, brokerages, and related activities	\$16,896
403	Retail - Clothing and clothing accessories stores	\$16,840

Table 13: Top Induced Impacted Industries

Sector	Description	Induced
441	Owner-occupied dwellings	\$284,951
440	Real estate	\$174,454
482	Hospitals	\$125,579
395	Wholesale trade	\$104,633
433	Monetary authorities and depository credit intermediation	\$75,835
502	Limited-service restaurants	\$72,677
475	Offices of physicians	\$68,604
437	Insurance carriers	\$60,453
428	Wireless telecommunications carriers (except satellite)	\$46,840
501	Full-service restaurants	\$43,131
427	Wired telecommunications carriers	\$42,060
436	Other financial investment activities	\$40,410
49	Electric power transmission and distribution	\$39,466
438	Insurance agencies, brokerages, and related activities	\$36,900

ECONOMIC IMPACT CONCLUSION

Habitat for Humanity of Wake County contributes more to the community than providing much-needed affordable housing to families in Wake County. Habitat's construction and rehabilitation activities alone in FY 2018 created a total of \$6.59 million in total economic impact for Wake County. In addition to the estimated 23 jobs Habitat directly supports in construction related activities, an additional 23 jobs are supported in a variety of support industries as well as in the wider Wake County economy.





This 2.0x employment multiplier is a conservative estimate of Habitat’s economic impact. Not considered in this analysis is the property appreciation experienced following the investments Habitat makes in Wake County neighborhoods. Also omitted is the important administrative work Habitat staff conduct to generate development opportunities and raise capital to support Habitat’s mission of building homes and communities.

Property Value Analysis

OVERALL RESULTS

The research team analyzed home sales near Habitat for Humanity homes over a 10-year period. A model was created to estimate home sales price from the home’s presence inside or outside of the treatment area (500 feet of a Habitat home). The model accounted for a number of factors and characteristics that can impact a home’s sale price.

The results of the full model indicate a local amenity from the difference-in-difference analysis (increase in Sales Price associated with sales occurring inside the treatment area, post-intervention). This result, however, is highly non-significant. Further analysis of a more complete dataset is required to confirm the accuracy and certainty of the connection between the presence of a Habitat home and an increase and sales price.

Table 14: Coefficient and P-value Estimates Resulting from Overall Model

Independent Variable	Coefficient	P-Value
Treatment	-13,080	0.352
Time Period	34,920	3.83e-05
Heated Area	129	< 2e-16
Bedrooms	-3,650	0.626
Bathrooms	37,930	2.20e-05
Year Built	-882	4.53e-06
Air	9,754	0.610
Heat	100,300	0.144
Stories	-5,413	0.519
Foundation	-19,760	0.257
Utilities	15,710	0.599
Sale Period	6,003	0.374
Difference-in-Difference	3,428	0.839



INDIVIDUAL ZIP CODE RESULTS

Researchers also created models for each of the zip codes included in the study in order to assess any localized effects that may not have surfaced in the overall analysis. Limitations on the sample size of the data did not allow for accurate modeling of every zip code where Habitat homes are located. Four zip codes were chosen for analysis that contained sufficiently large sample sizes: 27511, 27545, 27601, and 27610.

Models were created for home sales data in each zip code. The models for three of the studied zip codes did not yield significant results. In zip code 27545, however, the effect of the existence of a Habitat home on neighboring homes compared to homes where no Habitat home existed was significant. In this zip code, the result of the model suggests the existence of the Habitat home is associated with a \$12,460 amenity for home sales within the treatment group (within 500 feet of the Habitat home).

CONCLUSIONS

Using a difference-in-difference regression model, the researchers found no significant impact, positive or negative, on home sales prices in the presence of the intervention in the overall geographic area. Upon analyzing the four zip codes with the highest count of home sales in the over the study period, a positive, significant effect of the intervention was detected in the 27545 zip code. In this geography, a Habitat home build was associated with a \$12,460 amenity.

LIMITATIONS

There are a number of limitations with this study. Many records obtained from the Wake County Tax Assessor's office were missing data, thus the dataset is not complete. This limited how well the variables could control for differences in home sale pricing. This data set is further limited in that it only contains records for the most recent sale of a home. Thus, homes within the study geography that sold more than once during the study period only had their most recent sale price included in the analysis, rather than the price of every sale.

In addition, there are many factors the researchers could not access that may impact home sales prices including proximity to localized amenities, crime statistics, and more. It is not very likely that factors such as those listed here would have a different impact on home sales inside the treatment area versus those outside the treatment area, but this cannot be confirmed through the dataset used for this analysis.

Further study in this area would be desirable. Sourcing various external databases could potentially fill in missing data that led to uncertainty in the presented analysis. In addition, other factors that can influence home sale price, such as crime statistics and nearby schools could be included in a model to further its accuracy. Finally, it is possible that a longer time period after the intervention may be needed to be examined for more reliable analysis.



Conclusion

Overall, Habitat for Humanity of Wake County's model shows positive impacts for program participants, employees, and residents of Wake County overall. The study finds that homeownership through Habitat for Humanity is generally associated with positive quality of life outcomes, including but not limited to, educational achievement, good physical and mental health, improved social connections, feelings of safety, and financial stability.

In addition, Habitat for Humanity of Wake County contributes more to the community than providing affordable housing to families in need. Habitat's construction and rehabilitation activities totaled more than \$6.5 million in FY 2018 in Wake County alone. The organization also directly supports 23 jobs within Wake County as well as the creation of an additional 23 jobs in the County through indirect and induced effects.

Finally, research shows that overall, the presence of a Habitat home was found to have an overall positive impact on home sale prices for properties located within 2,000 feet of the Habitat property. Despite limitations associated with the data, researchers found a positive, significant impact of the presence of the Habitat home within the 27545 zip code. In this geography, a Habitat home was associated with an increase of approximately \$12,5000 for surrounding home sales.

