

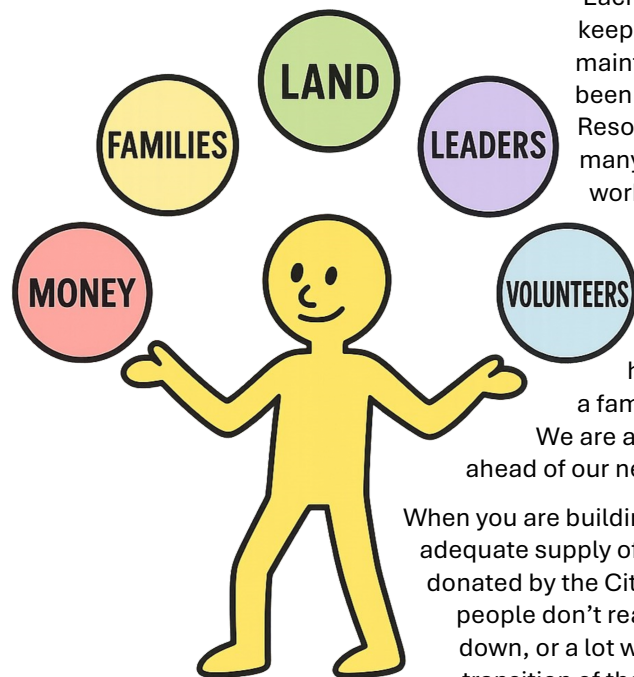


# Habitat Highlights

## What does it take?

What does it take to build Habitat homes on the Iron Range? Well, let me go back to a conversation I had with my board president, Paul Knuti, when I was hired as the first employee of North St. Louis County Habitat for Humanity way back in 2003. During an impactful orientation session, Paul said, "Nathan, your job is easy, you just need five things to build a Habitat home. You need a partner family, land to build a home on, money to buy 2X4s, volunteers to pound nails, and leaders to help them."

I have found that when we put these five elements together, we build a home. We've done it over 100 times in 15 Iron Range communities: Aurora, Babbitt, Biwabik, Buhl, Chisholm, Cook, Hibbing, Ely, Embarrass, Eveleth, Gilbert, Mountain Iron, Tower, Soudan, and Virginia.



Each year presents unique challenges or blessings in these areas. I continually keep them in mind to stay ahead of our organization's needs as we seek to maintain and grow our capacity to help our neighbors in need. In 2025, we have been blessed with strong support from our **funding** partners at Iron Range Resources & Rehabilitation. Some might think that means that we don't need as many dollars. Not so! With more funding comes more building, and we are working to bring in additional dollars to match the IRRR funding. This will allow us to serve seven households while starting two additional foundations this fall. Each dollar is vital to reaching our 2025 goals.

You may have noticed our increased advertising for partner **families** in newspapers and on the radio. We have now selected all our future homeowners for 2025 except one more needed for Virginia. Maybe you know a family or an individual you could encourage to apply. It would change their life! We are also accepting applications for our 2026 projects across the Range to stay ahead of our needs.

When you are building six or more homes per year and planning for subsequent years, an adequate supply of **land** can be a real challenge. We have recently been blessed with lots donated by the City of Hibbing and Virginia, plus two individual donors in Virginia! Many people don't realize that donating an empty lot, a lot with a home that needs to be torn down, or a lot with a home that we can rehab is a great way to contribute. We make the transition of these properties easy, and it may bring a tax benefit to the donor.

We have been blessed with great **leadership**. Our 18-member board of directors provides strategic support and direction for our legal, HR, architectural, financial, and business needs. We are grateful for our board! The build site also needs great leadership, and we are blessed with volunteers who have the know-how and ability to guide volunteers on construction sites. Maybe you benefited from some of them when you volunteered! We are always looking to add to this vital human resource. If you are knowledgeable about building and like working with people, contact us to become a regular part of our volunteer go-to crew.

Volunteers are the heart of Habitat. Without **volunteers**, we simply could not build homes. Volunteer labor is a big part of keeping our homes affordable. We typically engage over 1,000 community volunteers each year. With increased productivity, our need for volunteers has gotten much greater! This year, we are being blessed in the areas of funding, families, land, and leadership, but we urgently need more volunteers. You can volunteer as an individual or with your friends, church group, business, or club. We need your help, and getting on the schedule is easier than you think. Call Tucker Nelson at the Habitat office, and he will get you scheduled. You don't have to be a skilled builder. Our leaders on the build site will guide you through each task.

Now that you know what it takes to build a Habitat home, call us if you can help in any of these areas. We greatly appreciate your support.



**Nathan Thompson**  
Executive  
Director



**Marnie Maki**  
Family  
Services  
Manager

## From construction to closing with Habitat

### Education and support along every step of the homeownership journey

Did you know that partnering with Habitat is like working with a contractor, an educator, and a lender all rolled in one? The process of building a home with Habitat takes future homeowners on a journey that begins with an empty lot and a house plan and ends with mortgage documents and most importantly, a home with a whole lot of opportunities to learn along the way.

#### How do the families we partner with connect with us and with each other?

In addition to working on a building site or in our warehouse, home builders come together once per month to meet with staff as a group. We discuss upcoming sweat equity opportunities. Each adult in the household is required to complete a minimum of 200 hours and recruit a minimum of 100 hours from friends and family. We go around the room and each home builder updates the group on the status of their project, often telling us the tasks they enjoyed or something new they learned. We find these meetings to be beneficial for all! Staff members get to check in with everyone and home builders offer one another support and encouragement.

Also at these meetings, we cover educational topics. Topics include what to expect at closing, homeowner maintenance, how to be a good neighbor, and financial literacy basics. The goal is providing them with information to set them up for successful homeownership. We often invite community members in to share their expertise. For example, it is so beneficial to have a fire marshal talk about fire safety and the police chief talk about being a good neighbor and how best to stay safe at home.



#### After closing, are Habitat homeowners different than any other household?

When the house is near completion, we schedule an appraisal. It is Habitat's policy to sell a home for the full fair market value. Around this time, we request updated income documents, run a final credit check, and order title work. When the appraisal is received and the sales price is set, we put on our lender hat and prepare for closing. Like a conventional lender, we work with a title company and prepare closing documents like a purchase agreement, loan estimate, closing disclosure, mortgage notes and the mortgage itself. Home builders bring in their required downpayment and sign mortgage documents.

Then, they become new homeowners in their communities and add to the tax base by paying property taxes. They are just like every other homeowner in the community. They do not get any special tax breaks other than the homestead credit. They begin to make mortgage payments and if they are ever late, we and our loan servicer work with them to get them back on track. Like a conventional lender, we follow a process for delinquency that could result in foreclosure.

#### How is partnering with Habitat affordable for them? What does financing look like?

Most of our families come to us because they cannot get conventional financing. Perhaps their income is too low or their credit needs cleaning up. The first mortgage is set to an amount that results in an affordable monthly payment. Using the home buyer's annual gross income, we set the first mortgage amount with a payment, including property taxes and hazard insurance, that is calculated at 25% of their annual income.



We expect that there will be a gap between the first mortgage amount, which is affordable for the home buyer, and the full fair market value of the home. That gap will be filled by subordinate mortgage(s) by either North St. Louis County Habitat for Humanity, Habitat for Humanity of Minnesota, or another third-party subsidy provider. This is where we are a bit different from a conventional lender. We can tap into resources to subsidize our first mortgage. Subsidy providers have their own income and credit guidelines as well as mortgage terms. We provide education and support to the home buyers as we all work together to keep their home affordable.



Partnering with Habitat is unique in that we provide guidance and support throughout the building and buying process. We remain a source of information and support long after they purchase their homes. For us, they will always be a part of our greater Habitat family. Our hope is that their communities will see and embrace them as homeowners.

To learn more about our program, call me at 218-749-8910 or email me at [marnie@nslchfh.org](mailto:marnie@nslchfh.org). You can also scan this QR code and go to the Homeownership section of our website. I look forward to hearing from you!

## Recent memorial and honorary donations

**In memory of Orlen Helgerson**  
Doris Helgerson

**In honor of Nick Jagunich**  
Kim Lapakko

**In memory of Rose Marie Lacher**  
Keith and Barb Knoop

**In honor of Ruth Lunde (Build.Bike.Home fundraiser)**  
William and Kristine Falk, Doris Koski,  
Ruth Lunde, Anthony Rotondi

**In memory of Kay Ongaro**  
Dave Ongaro

**In memory of Ralph Richtsmeier**  
Becky Richtsmeier

**In memory of Kirsten Knuti Schultz**  
Paul and Carol Knuti

**In honor of Steve Shoden**  
Pat Sleeman

## Giving homes a new future

Donating to Habitat often means a financial contribution. But one of the most powerful gifts you can give is property. All of the lots where we are currently building were given to us by individuals or local government. Donating a house or a buildable lot can provide an immediate site for a new home or a structure we can renovate into safe, efficient housing. Many choose to make this gift as part of their estate planning or when deciding what to do with property after a loved one has passed away. Others give when they downsize later in life, knowing their home will continue serving the community. Donated property may qualify for a tax deduction. If you own land or a house you believe could make a difference, we'd love to talk with you. Call us at 218-749-8910 or email [habitat@nslchfh.org](mailto:habitat@nslchfh.org) to explore how your gift can help build homes, communities, and hope.

## Don't miss the Chili Cook-Off!

Thursday, September 18



Join us (and come hungry!) at the Iron Range Rotary Club's Chili Cook-Off! Let your taste buds tingle as Habitat's chili competes (in a friendly way) with local businesses and organizations. Some of our competitors include our own business partners and Habitat homeowners. May the best chili win!

**Iron Trail Motors Event Center**  
**919 6th St. S., Virginia**

**4 p.m. Social hour**  
**5 p.m. Chili tasting and voting**  
**6:45 p.m. Winners announced**

This popular event raises funds for Rotary-supported efforts like youth scholarships, the Salvation Army, the Gary Carlson Kids' Fishing and Casting Contest, international projects, and Habitat for Humanity.





**BUILDING HOMES  
BUILDING HOPE**

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**Tucker Nelson**  
Community  
Engagement

**Big housing challenges  
mean exciting opportunities**

Elected officials, nonprofit leaders, business owners, and community members are having serious conversations about our region’s need for increased housing options. Habitat for Humanity is part of a wide network that aims to create more affordable homes. Current housing statistics, despite the discouraging story they tell, motivate us to maintain and strengthen our ability to change lives.

Housing is considered affordable if it consumes 30% or less of a household’s gross income. When households spend more than that to meet housing costs, they do not have enough remaining to meet other basic needs or to weather financial setbacks. Many agencies in our region provide affordable housing options, but due to the age and availability of existing housing stock, low-income families struggle to obtain safe, decent homeownership by shopping on the open real estate market.

Nobody should choose between a home and essentials like food and medicine. However, in 2023, 54% of all renters in St. Louis County were considered cost-burdened, meaning they spent more than 30% of their household income on housing costs. The county’s percentage of cost-burdened renters is among the top five out of 87 counties in the state. That isn’t a top five list we want to be on!

Recent housing studies in Hibbing and Virginia highlight what families across the Iron Range are experiencing every day: the need for affordable homes continues to grow, while the market offers few real options. In Hibbing, the projected demand by 2035 is nearly 200 new single-family homes. Virginia needs dozens of workforce homes priced within reach of families earning modest incomes. In those cities and across the Iron Range, though, new construction is rarely affordable for the people who need it most.

The conventional housing market rarely works for families earning less than 60 percent of median income. It isn’t surprising that sixty percent of St. Louis County houses and 54 percent of rental units were built before 1970. Many of the lower-cost homes available are also the oldest in the community and require costly maintenance. Too many Habitat homeowners previously lived in old rental units plagued by mold, leaky pipes, and drafty windows. When housing eats up too much of a family’s income, they have to make trade-offs, often skipping healthy food or medical care.

These numbers aren’t just statistics—they’re people. Melissa Wallace, for example, worked three jobs and still faced an \$800 monthly utility bill. That \$800 bill was 10 years ago. After moving into her Habitat home, she was finally able to spend more time with her children and less time worrying about bills and keeping her family warm.

For Wendy Breckenridge, accessibility was the barrier. Her power wheelchair cannot fit through her apartment’s bathroom door, and older homes are even less accessible. Her new Habitat home will soon give her independence and peace of mind.

The need for affordable housing on the Iron Range is urgent, but it is not unsolvable. Habitat for Humanity has partnered with families here for 30 years, proving that with community support, safe, decent housing is possible. Your support will help us work toward statistics that reflect a stronger, more affordable housing supply.

The need for affordable housing on the Iron Range is urgent, but it is not unsolvable. Habitat for Humanity has partnered with families here for 30 years, proving that with community support, safe, decent housing is possible. Your support will help us work toward statistics that reflect a stronger, more affordable housing supply.

**53.8% of St. Louis County renters are cost burdened, meaning they spend more than 30% of their income on housing (Department of Employment and Economic Development).**

**St. Louis County’s percentage of cost-burdened renters is among the top five counties in Minnesota**

**Many healthcare, retail, and service industry workers – some of the most in-demand occupations in our region – cannot afford a median priced home.**

**Across Minnesota, 80% of households earning under \$35,000 per year are cost burdened (MN Housing Partnership).**

**48.4% of all St. Louis County housing units were built before 1960, and only 5.3% are less than 15 years old (DEED).**





## Spring and summer volunteer groups



### THANK YOU!

Wednesday regular crew  
 Messiah Lutheran Church  
 Art Unlimited  
 b.2Bank  
 RV Care-A-Vanners  
 Trinity Lutheran Church of Detroit Lakes  
 North Star Credit Union  
 Carpenters Training Institute  
 Mesabi East Schools staff  
 BlueCross BlueShield  
 Voyageur Outward Bound School  
 Rock Ridge Schools staff  
 Laurentian Chamber of Commerce Women Build Day  
 State Farm agents Logan Ward and Allison Martinson  
 North Hope Church  
 Cal Warwas and friends  
 Embarrass Vermillion Federal Credit Union  
 Chris Vosbeek and friends  
 Minnesota Correctional Facility-Togo







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## YOU CAN HELP BUILD A HOUSE!

Learn new skills or utilize what you already know.  
We provide all equipment and tools. No experience necessary!

Volunteer as an individual or with your friends, family,  
business, club, or church group.



Scan to learn what you can expect on a  
Habitat build site.

Email [tucker@nslchfh.org](mailto:tucker@nslchfh.org) or call  
218-749-8910 to get your name on our  
volunteer calendar!

Mission: Seeking to put God's love into action, Habitat for Humanity  
brings people together to build homes, communities, and hope.

[habitat@nslchfh.org](mailto:habitat@nslchfh.org) | 218-749-8910 | [www.nslchfh.org](http://www.nslchfh.org)

