

LOCAL & BUSINESS

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Habitat's homeowners set record

All 326 pay Oct. mortgages on time

By Chris Echegaray
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Nashville's Habitat for Humanity is celebrating a milestone in its 25-year history that's particularly notable in this recession.

In October, all of the charity's 326 homeowners paid their mortgages on time, and most of their family incomes are under \$30,000 per year. The accomplishment comes at the same time about 5 percent of Middle Tennessee mortgages are 90 days or more past

due, according to research firm First American CoreLogic.

Habitat didn't always enjoy that kind of record. Seven years ago, its homeowners had a 44 percent delinquency rate.

"I am very, very proud," said Chris McCarthy, executive director for Habitat for Humanity. "The delinquency classes are the reason that this is happening. I will never forget back in 2002, and that was not acceptable."

The organization started

a new curriculum in 2005 called Homeworks, aimed at teaching potential Habitat homeowners how to budget and make good financial decisions. Habitat also enacted tight policies on dealing with late mortgage payments. Habitat sends a letter when a homeowner is 15 days late and another one after 30 days. Foreclosure starts when the mortgage is 45 days late, compared to the three months banks often grant.

"If you don't pay your mortgage, you impact our ability to put new families in homes," McCarthy said. "You are not doing any bet-

ter than when we found you. Originally, it was a lack of financial education and lack of responsibility."

There are 426 Habitat Homes in Davidson and Dickson Counties. In 25 years, Habitat has foreclosed on 19 homes, McCarthy said.

Before Angela McCutcheon moved into her Jasmine Drive home in June, she took the finance classes, in which a coach sat down with her.

"Whatever you needed, whatever you wanted to go with your budget, they

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Habitat homeowner Gail Horton with her sons Tramar Frieson, center, and Darius Horton. Horton has never been late or missed a payment.

Buyer is punctual with payments

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made it workable," McCutcheon said. "It was highly informative. They went over everything."

Gail Horton said she has not been late with a mortgage payment since she bought her Rainwood Drive home seven years ago. "You have to set a limit, especially through hard times," Horton said. "I think people are saving and paying it on time because you can't fall behind. It says a lot about Habitat, the organization."

A single mother, Horton moved from a rental on Litton Street in East Nashville. Horton said owning a

home gave her family stability.

"It was pretty rough for my little boy, growing up with gun shots ringing out," she said. "I want someone else blessed with this, and I'm trying to pay it forward."

For those who own a Habitat home and have lost their jobs, the organization sets up a repayment plan, McCarthy said.

"Habitat is not about entitlement," she said. "It's about empowerment. They are good, hardworking people, and I'm real proud of them."

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