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Habitat for Humanity to launch new national organization in Armenia

YEREVAN, ARMENIA (May 8, 2008) – Habitat for Humanity International announced today it will launch a new national organization in Armenia, starting with a USD\$3.7 million home-improvement loan program expected to serve nearly 1,200 families in its first two years.

“We’re excited about helping many more low-income families in Armenia escape indecent housing conditions,” said Don Haszczyn, general director of Habitat for Humanity’s Europe and Central Asia office in Bratislava, Slovakia. “For thousands of families, access to credit is what they need to improve their living conditions.”

Habitat for Humanity is partnering with DIGH, the Netherlands-based housing aid organization, and the First Mortgage Company, a private mortgage finance company in Armenia, to offer the program, which will home loans to eligible families who earn 20 percent to 65 percent of the median income in Armenia. Habitat makes no profit from the loans.

The lending partnership is one of several innovative programs the new Habitat for Humanity Armenia organization will employ to fight poverty housing.

“The Church is committed to working with Habitat for Humanity to help families in need in Armenia to eliminate inhuman living conditions in our country,” said Archbishop Vicken Aykazian of the Armenian Church. “Everyone deserves at least a simple, decent house in which to live, and Habitat for Humanity’s approach to helping families into their own homes has proven very successful around the world. We are committed to having a significant program in Armenia, too.”

The Archbishop, who also serves on the international board of directors of Habitat for Humanity, is leading an effort by Armenian churches to raise funds and send thousands of volunteers both from Armenia and the United States to underline the Church’s leadership in rebuilding the country, which suffers severe housing problems from decades of Soviet planning and a devastating 1988 earthquake.

The innovative Habitat for Humanity-DIGH-First Mortgage partnership will offer loans of up to five years for house renovations and up to 10 years for completion of half-finished houses. It will serve an estimated 455 low-income households in its first year, and another 710 the following year. The lending program’s hallmark is its sustainability: As one loan is paid, it is loaned out again for a similar home-improvement project. DIGH is making available \$2.6 million of the capital, and First Mortgage \$1.1 million.

On Monday, Habitat for Humanity’s international board of directors disaffiliated Armenian Habitat, which failed to comply with a sustainability standard that must be met by Habitat for Humanity organizations in nearly 90 countries around the world. The standard relates to

Armenian Habitat's continued ability to make no-profit mortgages available to low-income families in the future.

"With the intense need for housing in Armenia, it is important to make funds available today and for the tomorrows to come," said Mike Carscaddon, executive vice president of Habitat's International division. "Our new organization in Armenia is focused on helping low-income Armenian families secure access to simple, decent shelter as quickly and affordably as possible."

About Habitat for Humanity

Habitat for Humanity International is an international nonprofit organization that welcomes to its work all people dedicated to the cause of eliminating poverty housing. Since its founding in the USA in 1976, Habitat has built more than 250,000 houses in dozens of countries, providing simple, decent and affordable shelter for more than 1 million people. For more information, visit <http://www.habitateurope.org> .

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