



PO Box 6461
329 Harbor Drive, Suite 212
Sitka, AK 99835
EIN: 35-229210

P/F: 907-747-2860
C: 907-738-2888
www.sitkaclt.org
sitkaclt@gmail.com

SITKA COMMUNITY LAND TRUST | **COMMUNITY-SUPPORTED, SUSTAINABLE, AFFORDABLE HOME OWNERSHIP**

Qualification/Application Process for Purchasing a Sitka Community Land Trust (SCLT) Home

The SCLT provides opportunities for local, limited-income households to buy Sitka homes.
When land is available, homes will be built to SCLT specifications.

Contact Info:

- Mim McConnell, Executive Director
 - Main Phone/FAX: 907-747-2860; Cell: 907-738-2888; Email: sitkaclt@gmail.com
 - Address: PO Box 6461, Sitka, AK 99835
 - Website: www.sitkaclt.org
- **Application Time Period:** Open
 - **Expected Completion Date for home built at SCLT specifications:** 1306 Halibut Point Rd homes are available now for pre-sales. We expect to have 3 homes completed in 2017.
 - Cannot own other land at time of purchase of SCLT home.
 - Must be US Citizen or Registered Alien, age 18 or older, and income eligible.
(See Appendix A: Selection Criteria)

What is Sitka Community Land Trust homeownership?

When a SCLT home is initially sold, the land and the improvements are separated. As a homebuyer, you purchase and own the home and all improvements. The SCLT retains ownership of the land and leases it to you for 99 years (and you can pass it along to your children and it can be renewed for an additional 99-year term.) As a homeowner, you will pay a nominal monthly fee (\$75) to the SCLT - \$50 of which will go to SCLT to help offset their costs to administer the program and \$25 will be set aside to create a reserve fund you will be able to use for necessary repairs to your home.

How is a SCLT home similar to a market-rate home?

As a SCLT homeowner, you will have many of the same rights and responsibilities as any homeowner. You control the use of the home you own and the land you lease. You will be responsible for following the same rules as any homeowner, as well as for maintaining your home, keeping it insured, and for paying property taxes. You can stay in your home as long as you wish. Should you ever decide to sell your home, you will be able to keep the equity that is yours but there will be a price restriction in order to make sure the home remains affordable to the next limited-income homebuyer.

Initial Costs:

- **Application Fee:** \$25
- **Payment may be required by your lender** to go towards down payment and closing costs.

Monthly/Annual Costs for Homeowner:

- **Lease Fee (to SCLT):** \$50/month
- **Repair and Replacement Reserve Fund Fee (to SCLT):** \$25/month
- **Property Taxes on House and Leased Land**

Revised: June 19, 2017

Qualification Process Checklist:

- Income Limit:** In order to purchase a SCLT, your household income must meet SCLT’s income requirements. Gross household income must not exceed 120% of the area median income based on household size (before down payment). (<https://www.hudexchange.info/resource/3680/nsp-income-limits/>)

FY 2017 INCOME LIMITS SUMMARY (U.S. DEPARTMENT OF HUD 05/2017)

FY 2017 Income Limit Area	Median Income	FY 2017 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
Sitka City and Borough	\$82,300	Moderate (120%)	69,150	79,000	88,900	98,750	106,650	114,550

- Lender Mortgage Application:** Complete Lender’s application.
- Copy of personal Financial Statement as submitted to Lender.**
- Pre-Qualification Letter from Lender:** Obtain a lender pre-qualification or pre-approval based on tri-merge credit for a mortgage loan (based on credit, income, savings, and debt).
- SCLT Application:** Complete & qualify before you can sign a sales contract.
- Watch the Homes & Hands video:** cltnetwork.org/homes-hands. This is a classic video about CLTs across the country.
- Combined SCLT Orientation/Alaska Housing Finance Corporation (AHFC) HomeChoice™ class.** The class is held periodically throughout the year. This is a required, free 8-hour Home Buyer Education Class. Pre-registration is required. Register online at www.ahfc.us/classes. For more information call 1-800-459-2921, 907-330-8437. In exceptional cases, AHFC/SCLT will allow the manual to be read followed by a test and a CLT orientation meeting.

Please submit this application directly to SCLT.

Application Fee:

One \$25 fee is required to process your application. Please attach the check or money order to your application (**made payable to Sitka Community Land Trust or SCLT**). Cash will not be accepted.

For Staff Use: Date/Time rec'd _____

Date: _____

Name: _____

Address: _____

City/State/Zip Code: _____

Phone: Home: _____ work: _____

Fax: _____ cell: _____

E-mail: _____

Program Requirements:

Your application for a SCLT home will be complete only after SCLT has received your lender pre-qualification letter and supporting documents, and all of the following program requirements are met. Please place a check mark in the boxes above to answer the questions regarding our program requirements. This information will help us determine your eligibility for a SCLT home.

Your Housing Preferences:

Earliest date that you could move: _____ Latest date that you could move: _____

Household size (including yourself and those who would be living in the SCLT home): _____

Please see Appendix A: Selection Criteria

Reasonable Accommodation: If you or a member of your household is an individual with a disability, you have the right to request reasonable accommodation for that disability. SCLT is committed to assuring that each individual has an equal opportunity to use and enjoyment of the benefits of this program. For more information, please call (907) 747-2860.

I/we certify the following: the information provided in this SCLT Application is true and complete to the best of my/our knowledge. I/we are aware that any misrepresentation/omission will result in the forfeiture of my/our right to be eligible for a SCLT home. Inquiries may be made to verify this information. I/we authorize representatives from SCLT to supply and receive information to/from Alaska and other housing programs, down payment assistance sources/programs, my/our employer(s), my/our financial institutions, my/our Realtor, and/or my/our Mortgage Lender to verify information contained in this Application and/or for applicant's qualification for other programs. I/we understand that the income I/we use to qualify for a mortgage loan must be the same as the income I/we claim in this Application. I/we understand that information in this Application may be shared with program funders for the purposes of SCLT's program funding compliance.

The completion of this SCLT Application form and/or completing the SCLT program requirements in no way guarantees a home. SCLT is committed to a fair and equitable process for each applicant.

Signature _____ Date _____ Signature _____ Date _____

PART 1: HOUSEHOLD INFORMATION

Section A - Please complete the following section for all household members age 18 or older who will occupy the property.

For household members younger than 18 years old, complete the information requested in **Section B**, on the next page. Make copies, if necessary, for any additional household members.

Primary Applicant – Name: _____

Current Address (street, city, state, zip): _____

Phone: (W) _____ (H) _____ (Cell) _____ Email: _____

Birthdate _____ Number of people who live in your household _____

In what city do you hold your primary job? _____ Are you currently employed? Y N

Current Employment: _____

If circumstances have affected your employment, explain here. _____

Adult Household Member #2 – Name: _____

Current Address and Phone (if different from above): _____

Current Employment: _____

Relationship to Primary Applicant _____ Birthdate _____

Adult Household Member #3 – Name: _____

Current Address and Phone (if different from above): _____

Current Employment: _____

Relationship to Primary Applicant _____ Birthdate _____

Section B - Please complete the following section for all household members younger than 18 who will occupy the property.

For Household Members 18 years old and older, please complete the information requested on the previous page.

Name	Birthdate	Gender	# of months during the year the child lives with you?

Section C - Other Information

- Length of City and Borough of Sitka residency. (Your length of residency does not need to be consecutive):

- Community involvement: List ways you have been involved in the community – e.g., organizational memberships and/or participation in, support for, or sponsorship of non-profit, church or civic groups/events, etc.:

- Are you currently married, have a domestic partner, or in a common law marriage? Yes No
- Are you a first-time homebuyer? Yes No
(Defined as someone who has not owned a principal residence in the past three years; or a single parent who may have owned a home with a former spouse in the past three years but now no longer resides there.)
- Have you been separated or divorced w/in the last 3 years? Yes No
- Are you or your domestic partner, if you have one, over 62 yrs of age? Yes No
- Are you or your domestic partner, if you have one, disabled? Yes No
- If you have a lender to work with, please complete the following: Yes No
- Is your household facing immediate or near-term displacement? Y N
- Have you ever owned a CLT home? Y N
- If circumstances have affected your employment, explain here.

Please tell us why you are applying for a SCLT home?

PART 2: CERTIFICATIONS

It is our policy to verify all information contained in this application. In acknowledgement of this policy, please sign your name(s) where indicated.

I/We certify the following:

- All the information contained and submitted in support of this application is true and complete to the best of my/our knowledge and belief.
- I/We are aware that any misrepresentation will result in the forfeiture of my/our right to participate in the SCLT and may result in legal action against me/us.
- Consent to Release Information:
I/We authorize representatives from the SCLT to supply and receive information to/from my/our financial institution(s), other housing/down payment assistance programs, my/our Realtor and/or my/our Mortgage Lender to verify the information contained in this application. This information includes, but is not limited to bank statements, employment status, income, outstanding debts and other financial information. I/We understand that information in this application may be shared with funders for the purpose of funding compliance.

I release all representatives from SCLT from any and all liability arising from release of such information. This authorization is limited solely to information requested for the processing of my application for the SCLT.

- If I/we purchase a home under the SCLT listed in this application, I/we will occupy the home and agree to use the home as my/our primary and principal residence.
- I understand that completion of this application does not guarantee that my/our eligibility for the program and/or that I/we will successfully purchase a home through the SCLT.



Signature

Date

Signature

Date

Equal Opportunity: In accordance with the provisions of the Equal Opportunity Act and the SCLT's policies, there will be no discrimination against an applicant for these benefits on the basis of age, source of income, sex, race, marital status, sexual orientation, gender identity or expression, national origin, religion or handicap. If you or a member of your household is an individual with a disability, you have the right to request reasonable accommodation for that disability. The SCLT is committed to assuring that each individual has an equal opportunity to the use and enjoyment of the benefits of this program. For more information, please contact Mim McConnell, 907-738-2888.

Confidentiality: In order to process an application, SCLT may supply and receive information as detailed in the "Consent to Release" clause above. Information may also be released to comply with the auditing requirements of program funders. With these two exceptions, all personal and identifying information on an application remains fully confidential.

REQUIRED DOCUMENTATION CHECKLIST

-- Keep this page for your records --

The following documents (if applicable) must be submitted with your application or processing will be delayed. Please include information for all household members regardless of who will be on the title and/or mortgage of a home.

Provide copies only as original documents cannot be returned.

- Completed application, signed and dated. Include the cover page.
- A non-refundable \$25 check or money order, made payable to "Sitka Community Land Trust" or "SCLT". CREDIT CARDS AND CASH WILL NOT BE ACCEPTED.
- A copy of a SCLT Orientation/Alaska Housing Finance Corporation (AHFC) HomeChoice™ class certificate.
- Watched the Homes & Hands video: cltnetwork.org/homes-hands.
- A photocopy of an approved form of identification for each adult (18 years old or older) household member.
- Copy of personal Financial Statement as submitted to Lender.
- Loan Qualification Documents such as a preapproval letter based on a loan application from your lender or a pre-qualification letter from a lender, based on a tri-merge credit report, stating the principal, interest rate, front and back end ratios, estimated PITI payment, type and terms of your loan or a loan application.
- If you had joint ownership in a property within the last 3 years and are no longer on the Title, submit a Quit Claim Deed showing the termination of your interest in the property.

CONTACT INFORMATION

Sitka Community Land Trust
Mim McConnell, Executive Director
PO Box 6461, Sitka, AK 99835
P/F: 907-747-2860 C: 907-738-2888
Website: sitkaclt.org
Email: sitkaclt@gmail.com

OTHER RESOURCES

- Alaska Housing Finance Corporation (AHFC), Mortgage Loans and Down Payment Assistance
800-478-AHFC (2432) outside Anchorage but within Alaska. Website: www.ahfc.us
- USDA Rural Development, Housing Programs, 204 Siginaka Way, Suite B; Sitka, AK 99835
Phone: (907) 747-3506; Fax: (907) 747-3597
Email: keith.perkins@ak.usda.gov
Email: marsha.lysons@ak.usda.gov
Website: www.rurdev.usda.gov/Home.html
- Local Lender – SCLT Partners
 - First Bank: 203 Lake Street, Sitka, AK 99835; (907) 747-6636
 - First National Bank Alaska: 318 Lincoln St, Sitka, AK 99835; Phone: (907) 747-7000
 - ALPS Federal Credit Union: 401 Halibut Point Road, Sitka, AK 99835; (907) 747-6261 or Toll Free: 1-888-747-6261
 - Possibly Wells Fargo

APPENDIX A

SELECTION CRITERIA

The following criteria reflect the SCLT 's goal to reasonably match household size to unit size and household income to housing costs. [Note: some funding sources which the SCLT may rely on to develop its community land trust housing opportunities establish maximum eligible incomes of 80% to 120% of the area median income.]

1. THRESHHOLD SELECTION CRITERIA

- A. Majority Age – You must be 18 in the State of Alaska to qualify for a mortgage.
- B. Citizen of USA or registered alien
- C. Income Eligibility - annual income which does not exceed 120% of the median income of households of equal size residing in the statistical area (as defined by the U.S. Department of Housing and Urban Development or its successor agency) within which the housing unit is located.
- D. Financial Criteria
 - 1. Creditworthiness: In all cases, a household must be able to demonstrate a sense of ownership of its financial obligations, and a history of responsible effort to meet them.
 - 2. Pre-qualified: The household, must be "pre-qualified" through the Lender's application process to determine whether mortgage financing is likely to be obtained by the household based on the applicant's available cash resources and the known requirements of various mortgage programs for which the household may be eligible.
 - a) Minimum Income: To be considered for SCLT homeownership opportunities, a household's monthly income, when multiplied by the appropriate debt-to-income ratio, must be sufficient to support the housing costs for the housing opportunity in question. In general, households that require a cosigner in order to obtain a mortgage will not be considered.
 - (1) Affordability: (i.e. matching household income to housing cost). In general, affordable means that the monthly cost of occupying a particular housing unit does not exceed 28% - 36% of monthly household income, depending on the applicable lender's guidelines.
 - (2) Assets: To be considered for SCLT homeownership opportunities, a review of a household's financial resources and circumstances should clearly indicate a limited ability to compete successfully in the conventional housing market in Sitka.

2. SECONDARY SELECTION CRITERIA

The following circumstances, not necessarily in order of priority or importance, will be considered in those instances when there are two or more households expressing interest in a particular unit and who meet the Threshold Eligibility Criteria outlined above.

- A. Residency: First priority will be given to current or former residents of the City and Borough of Sitka. Longer-term residency will generally be given higher priority than shorter-term residency although the term of residency need not be in consecutive years. The homebuyer must live in the CLT home.
- B. Community involvement: Residents having demonstrated involvement with and commitment to the community as evidenced by organizational memberships and/or participation in, support for, or sponsorship of non-profit, church or civic groups/events, etc.
- C. Heirs. If "heir property" is sold to the SCLT, any heir of the former owner(s) that meets the Threshold Eligibility Criteria outlined above, and who has properly filed a CLT homeownership application will be given special consideration.
- D. Need: In general, the SCLT will give consideration to the lower-income household for its community land trust program. The SCLT will give special consideration for its community land trust program to households facing immediate or near-term displacement, especially if children are involved.
- E. Application on File. Length of time which a household's application for homeownership has been on file.
- F. Community Land Trust (CLT) Homeownership: The SCLT wishes to link with other resale restricted housing organizations in other communities to provide the same kind of mobility within the "resale-restricted" housing market as exists in the unrestricted housing marketplace. In other words, SCLT desires to enable CLT homeowners to convert their "limited" equity stake in one community into another such home ownership option in another community. Thus, length of ownership of a SCLT home, and/or the length of ownership of a home in another CLT will be considered. Involvement in the SCLT's operation and general activities will also be considered.
- G. First-time homebuyers. Defined as someone who has not owned a principal residence in the past three years; or a single parent who may have owned a home with a former spouse in the past three years but now no longer resides there.
- H. Appropriate Size - (i.e. matching household size to unit size). In general, households consisting of the number of persons appropriate for the unit size will be given preference.