



— CDBG Committee, Sept 2022 —

MACLT

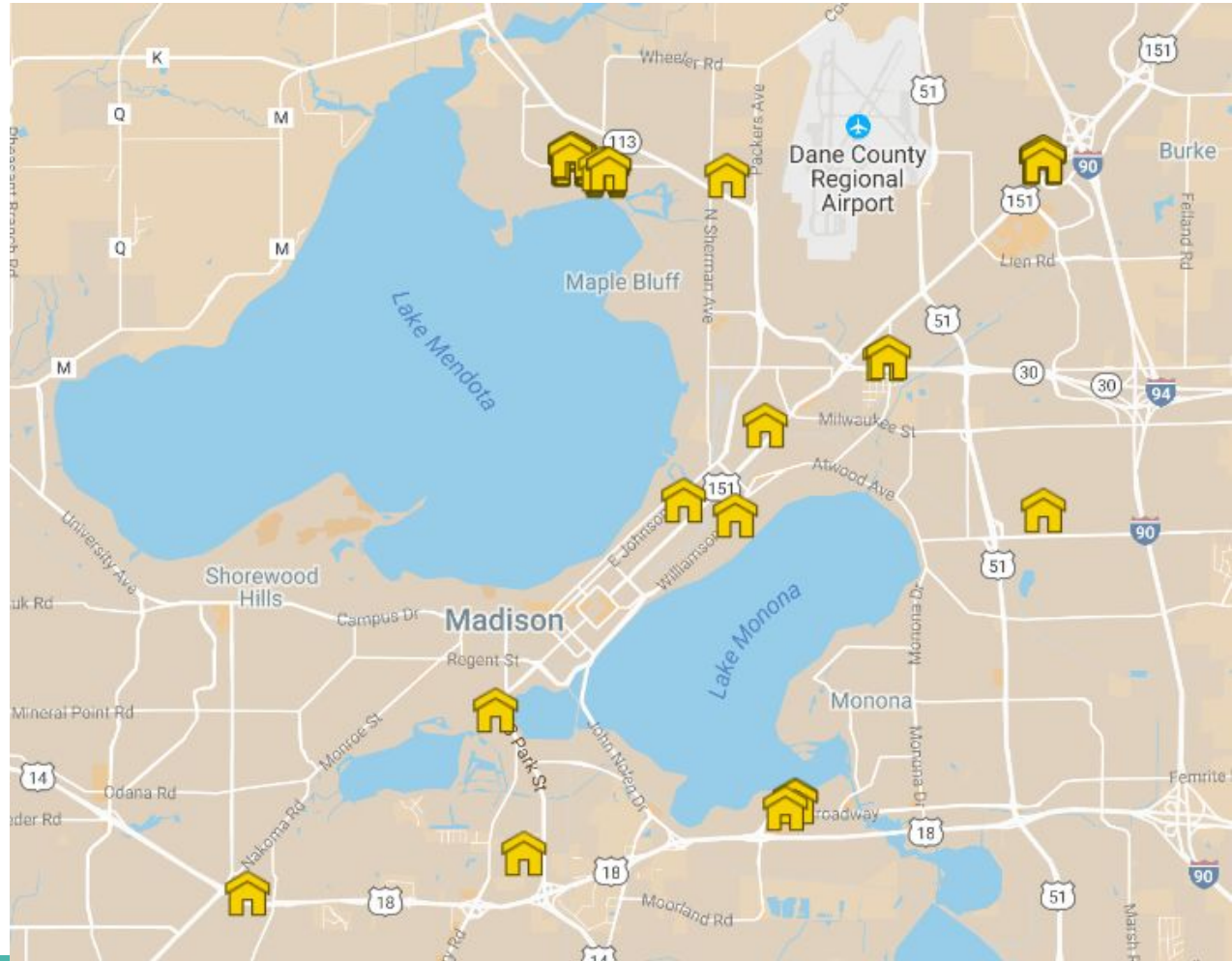
founded in 1991

71 homes now:

61 affordable

10 at Troy Gardens
are market-rate
condos

$\frac{1}{3}$ - $\frac{1}{2}$ of board is
always residents



Mission

MACLT liberates land for the benefit of historically marginalized populations at the lowest incomes possible, preserving urban space for community use, and creating deeply and permanently affordable homeownership opportunities for those typically exploited by the housing market.

About 300
CLTs in US
and Canada







CLTs keep homes permanently affordable using resale restrictions in a ground lease



DEED



LEASE



Resale Formula for homeownership program

Maximum resale price =

initial purchase price

+

25% increase in appraised value

+

Full appraised value of qualified capital improvements

Seller gets to keep a portion of the appreciated value &
The home gets more affordable over time

CLT homeownership benefits

Benefits to Homeowners

- Stable place to live
- Autonomy over the home
- Wealth building with modest financial returns on investment
- "Starter home"
- Reduce risk of foreclosure by 90% (Thaden 2011)
- Post-purchase support through CLT membership

Public Benefit

- Addresses need for workforce housing as wages stagnate
- Permanent affordability: subsidy stays with the land
- Community wealth-building strategy (generations of impact)
- Neighborhood stability & anti-gentrification strategy

Affordable homeownership program

- Last three home sales reached buyers **below 50% AMI**
- Average income served: **62% AMI** at time of purchase
 - Range: 44% - 79% AMI
- Average savings: **\$56,000 (30%)** off of fee simple appraised value
- Property taxes: **\$2,000-\$3,500** per year
 - Land assessed at \$12,000 - \$18,000 for tax rolls
- Wealth building with modest financial returns on investment
 - Our homeowners have on **average \$55,000 in equity** currently
- Of current homeowners:
 - Female head-of-household: **27 / 61 (44%)**
 - Homeowners of color: **22 / 61 (36%)**
 - Black & Indigenous homeowners: **16 / 61 (26%)**

Supporting our homeowners

- Lending partners: credit coaching, connect buyers to down-payment assistance and other programs
- MACLT Orientation for applicants
- Required: HUD certified first-time homebuyer courses from partner orgs
- Communication throughout homeownership: connections to social services, maintenance contractors, advice/support network of homeowners
 - 2021-2022: Maintenance Program (minor home maintenance funds)

Green and accessible homes



Mosaic Ridge

2 homes w/ solar

WPHD

| Funding Sources | |
|-------------------------|------------------|
| Construction Loan (FCI) | \$420,000 |
| City - AHF | \$300,000 |
| Focus on Energy | \$30,000 |
| Total Capital | \$750,000 |

| | |
|----------------------|-------------|
| Land cost | \$2 |
| Construction | \$682,998 |
| Soft costs & Fees | \$67,000 |
| Total costs | \$750,000 |
| Sale price per home* | \$210,000 |
| Total sales price | \$420,000 |
| FCI loan repayment | (\$420,000) |

*affordable for family of 4+ at 60% AMI

Owl Creek

4 townhomes w/solar

Kaba Baal LLC

| Funding Sources | |
|----------------------------------|--------------------|
| Construction Loan (Park Bank) | \$660,000 |
| City - AHF | \$600,000 |
| Focus on Energy | \$20,000 |
| Total Capital | \$1,280,000 |

| | |
|--------------------------|-------------|
| Purchase price | \$1 |
| Construction | \$1,127,000 |
| Soft costs | \$152,999 |
| Total costs | \$1,280,000 |
| Sale price per home* | \$165,000 |
| Total sales price | \$660,000 |
| Park Bank loan repayment | (\$660,000) |

*Affordable to family of 3+ at 50% AMI

Acquisition-Rehab

1 home

WPHD

| Funding Sources | |
|----------------------|------------------|
| Construction Loan | \$195,000 |
| City - AHF | \$150,000 |
| Total Capital | \$345,000 |

| | |
|------------------------|-------------|
| Purchase price | \$215,000 |
| Rehab | \$103,750 |
| Soft costs & fees | \$31,250 |
| Total costs | \$345,000 |
| Sale price* | \$195,000 |
| Constr. loan repayment | (\$195,000) |

*affordable for family of 3+ at 60% AMI

Maintenance Fund

- Began Maintenance Program 2021
- 30 affordable homes developed before 2005
- Minor repairs still needed:
 - Flooring
 - Windows
 - Plumbing repairs
 - HVAC replacement/repairs
- Improving housing stock now makes homes better for future homeowners
- It's a small investment for long-term, quality, affordable homeownership opportunities

| Maintenance Fund (CDBG) | |
|--------------------------|------------------|
| Operations & Rent | \$9,035 |
| Personnel | \$34,434 |
| Grants to CLT homeowners | \$100,000 |
| Total from City | \$143,469 |

Maintenance Fund Continued

- Program started due to homeowner requests
- Program has allowed us to understand homeowner and property needs
- At least 33 of total 41 applicants are low income
- Refining for CDBG compliance to streamline program and funding process



Completed Projects



Questions?