

# Wintergreen Townhomes: A Community Land Trust Project



HOUSING  
RESOURCES  
BAINBRIDGE

# Housing Resources

## Bainbridge (HRB) history and programs

Since 1989, HRB has developed and stewarded permanently affordable homes to foster the social and economic health of our community.

### **Homeownership**

We shepherd prospective homebuyers through the process and work with current homeowners, supporting them in the ongoing stewardship of their homes.

### **Rental**

HRB has 90 rentals on Bainbridge available for low-income households.

### **Independent Living**

We facilitate home repairs and modifications to help older adults and people with disabilities remain in their homes with safety and confidence.





## Two-Story Townhome

### Units 44-50

789 SF Living Space

+100 SF Heated Attic Space

1 BdRm / 1.5 Bath

Bonus Room

Designated On-Site Parking



### First Floor

Kitchen

Living & Dining

Half Bath

Front & Rear Patio

### Second Floor

Bedroom

Full Bath

Bonus Room

Laundry Closet

Heated Attic Space



## Is a CLT home right for you?

- We separate the ownership of the land from the ownership of the house. We then lease the land to the homeowner for a 99-year term.
- Homes must be owner occupied and cannot be rented.
- Price upon selling is based on the resale formula, not the market rate.
- Home must be sold to another owner based on income and other requirements of HRB.
- Homes are inheritable.



## **Who can buy an affordable Wintergreen Townhome?**

### **Income**

Homebuyers must have a steady income that is at or below 80% area median income. Total housing costs can be no more than 35% of gross monthly income. The AMI limit is currently \$67,050 for a household of 1 and \$76,600 for a household of 2.

### **Debt**

Total debt (including housing costs) should be no more than 40% of gross monthly income.

### **Assets**

Total assets after closing are limited to \$300,000.

### **Homeownership**

Property must be primary residence. Homeowners cannot own other real estate.

### **Credit Rating**

Score of 640 or higher, no significant delinquencies the past year, and no bankruptcies or foreclosures in the last four years. (If your score is less than 640 due to lack of history, alternate review may be available.)

# Bridging the affordability gap



The first phase  
Wintergreen townhomes  
have a base price of  
\$369,000

**USDA loans:** Low-interest rates; subsidies for income-eligible buyers; allows buyers to borrow more than they might with conventional loans.

**HRB subsidies:** \$15,000+ grants from HUD's Self-Help Homeownership Opportunity Program (SHOP) in exchange for 60 hours of sweat equity per owner.

**Housing Trust Fund grant:** HRB anticipates lowering homes, on average, by an additional \$80,000 for first-time homebuyers.

**Down payment assistance:** Provided by our partner, Community Frameworks, in the form of an interest-deferred loan.

# How much will a HRB Wintergreen home cost?

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**Base price (Phase I): \$369,000**

<b>Subsidies:</b>	<b>Resources:</b>
<b>Washington Housing Trust Fund (\$2.5 million) \$80,000 (average per home)</b>	<b>Community Frameworks down payment assistance</b>
<b>Federal HUD SHOP Funding \$15,000 to \$25,000</b>	<b>Low-interest USDA loans for eligible buyers</b>

**Final anticipated price to buyer: \$274,000 - \$354,000**

**HRB provides real estate services to buyer free of charge**

# Ground Lease overview



- Legal document the buyer and CLT sign.
- Recorded along with the deeds and defines the ongoing relationship between the owner and the CLT.
- Renewable 99-year term.
- Defines the ground lease fee and resale formula.
- Outlines process to follow if/when owner decides to sell.
- States that owner agrees to pay property taxes and insurance and maintain the home.
- Each buyer will read the ground lease in its entirety and have an opportunity to ask questions before signing.
- It's important all owners fully understand the ground lease.



CLT homes are  
affordable  
forever

- If the home is sold, it must go to another low-income household.
- You agree to a limited profit on the sale to ensure that it is affordable to the next buyer.

# Resale formula overview

HRB homes appreciate at a set rate which is typically slower than the rate of appreciation in the open market. But homeowners still build equity.

HRB ground lease formula determines the sale price to subsequent buyers so that homes remain perpetually affordable:

Purchase price plus 1.5% compounded annually.

Example: Your home is sold after 10 years.

- Initial purchase of home - \$274,000
- Potential resale price - \$318,000



# Wintergreen Townhomes Homeowners Association



Collects  
monthly dues.



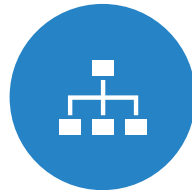
Manages the  
HOA budget.



Enforces the  
CC&Rs and  
Bylaws.



Maintains the  
common areas  
and exterior of  
the buildings.



Consists of a board of  
directors made up of  
homeowners and the  
developer to start.



CC&Rs, bylaws  
and budget are  
available for  
review.



## Stewardship

- CLTs build community as well as housing. Our relationship doesn't end at closing. We are here for you throughout ownership.
- As a CLT homeowner you will maintain the home inside and out for yourself and for the future.
- Participation in the Wintergreen Townhomes Homeowners Association is encouraged.
- Homeowners also have the opportunity to serve on the HRB board.

# Questions? Please feel free to contact us!

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