



togetherforbetter

**Welcome Home Community Land
Trust**

Program & Administration

July 16, 2024

Clark County

Current Housing Market

Average Median Home Price: \$428,928

Area Median Income (AMI): \$87,800

100% AMI Homebuyer Can Afford:
\$337,000

*Approximately Half of County Residents
are Priced Out*



Welcome Home

Community Housing Fund

Clark County Wages & Purchasing Power

Calculated for Family of 3
(Parent and 2 children)

		Annual	Average Wage
100% AMI		\$79,020	\$37.99
Food Services Manager		\$71,540	\$34.39
Human Resources Specialist		\$72,890	\$35.04
Heavy Equipment Operator		\$70,080	\$33.69
Can afford a home priced no more than \$301,200			
		Annual	Average Wage
80% AMI		\$68,550	\$32.96
Chef/Head Cook		\$62,700	\$30.15
Teacher		\$61,340	**
Truck Driver		\$56,430	\$27.13
Can afford a home priced no more than \$236,800			
		Annual	Average Wage
60% AMI		\$47,412	\$22.79
Administrative Assistant		\$44,760	\$21.56
Sales		\$43,000	\$20.68
Maid/Housekeeper		\$41,310	\$19.86
Can afford a home priced no more than \$172,400			

What is a Community Land Trust (CLT)?

- Creates below-market homeownership opportunities
- CLT (County) owns the land; homeowner owns the home
- Homeowner leases the land through a Ground Lease
- Homes are resold to the same income-level homebuyer
- Homes remain affordable
- Homeowner can build equity



togetherforbetter

Welcome Home CLT

- Clark County is the CLT
- Community Housing Office will Administer the CLT
- Two Projects in the Pipeline (240 homes)
- Starter Homes – Same Quality as Market Rate Homes
- Kavison Development
- Homes at 100% and 80% AMI and below



Welcome Home

Community Housing Fund

CLT Home Prices

How are CLT homes subsidized?

- *Cost of the Land*
- *Community Housing Fund (CHF)*
 - *Gap Between Developer Cost and the CLT Home Price*
 - *County Second Mortgage*
 - *Down Payment and Closing Costs*



Calculating the Sales Price of CLT Homes

Sales price is backed into based on target income level of homebuyers:

- 100% AMI homebuyer/\$87,800 annual income (family of 4)
- 35% of income on housing costs: $(\$87,800 * 35\%) / 12 = \$2,561/\text{mo}$
- Reduced by monthly Ground Lease Fee, taxes and insurance: \$2,130/mo
- For a 30-year fixed rate mortgage at 7% interest
- Homebuyer can afford a mortgage of \$320,180, plus 5% down (\$16,850)
- Sales price for the home will be \$337,000



togetherforbetter

Resales

- Governed by Homeowner's Ground Lease on the Home
- Resale Price
- Non subordination of Ground Lease
- County has first right to purchase
- Building Equity



togetherforbetter

Homebuyer Qualifications

- Homebuyers will need to verify income at 100% AMI and below, or 80% AMI and below
- First-time homebuyers – No Homeownership or Foreclosure in past five years
- Clark County Resident – up to 3 years preferred
- Education and Counseling
 - County Orientation Session
 - HUD-Certified Homebuyer Class
 - Homebuyer Counseling
- Minimum 640 Credit Score



Qualification and Purchase Process

- Rollout of Program
 - CLT Website, Outreach Plan, Marketing
- Threshold Qualifications
- Lender Pre-Qualification
- Homes Available
- Application
- Lottery



Welcome Home

Community Housing Fund

Post-Purchase

- Support for CLT Homeowners
 - Ongoing education
 - Ongoing Communication
- Monitoring & Compliance
 - Ground Lease
 - Use of Property
 - Resales
- Delinquency
 - Support
 - Foreclosure mitigation



togetherforbetter



Questions?

