



Thank you for your interest in the Sawmill Community Land Trust. Enclosed is some important information regarding our goals, how you can become a member of SCLT, Information on our current project, Arbolera de Vida, and our Home Ownership Program including Homeownership Education and Counseling Services

WHAT IS A COMMUNITY LAND TRUST? A Community Land Trust (CLT) is a democratically controlled nonprofit organization that owns real estate in order to provide benefits to its local community – and in particular to make land and housing available to residents who cannot otherwise afford them. When a CLT sells homes, it leases the underlying land to the homeowners through a long-term (usually 99-year) renewable lease, which gives the residents and their descendants the right to use the land for as long as they wish to live there. When CLT homeowners decide to move out of their homes, they can sell them. However, the land lease requires that the home be sold either back to the CLT or to another low to moderate income household, and for an affordable price based on a “Resale Formula” (*resale restrictions apply*).

OUR GOAL: Founded in 1997, the purpose of the Sawmill Community Land Trust is to acquire and hold land to create and maintain permanently affordable, quality housing and foster economically vital neighborhoods in Albuquerque. Currently, we are reclaiming 27+ acres in the heart of the city... the plan includes housing, a park, plaza, offices and retail space, senior apartments, a community center, and live/work spaces for in home businesses.

Housing Currently Available Consists of the Following:

- **Homeownership** – “Arbolera de Vida” 7 Newly Constructed 2 and 3 Bedroom Homes; 5 Previously owned 2 and 3 Bedroom Homes; 1 Live/Work 2 Bedroom Home; To be Constructed – 4 - 3 Bedroom Homes and 1- 2 Bedroom Home
- **Affordable Rental Apartments** – “Sawmill Lofts”, 1, 2 and 3 Bedroom Rental Apts. Call 842-6455 for more information and availability.
- **Affordable Rental Apartments** – “The Artisan at Sawmill Village”, 1, 2 and 3 Bedroom Rental Apartments Call 554-3859 for more information and availability.
- **Affordable Senior Rental Apartments** – “Villa Nueva”, 1 & 2 Bedroom Rental Apts. Call 508-5541 for more information and availability.

HOMEOWNERSHIP EDUCATION AND COUNSELING SERVICES! SCLT is a HUD Certified Housing Counseling Agency and is offering these services, free of charge, to the general public regardless if they purchase a home on the land trust or not. Take advantage of this great service and opportunity as you begin the process toward homeownership.

“We’re building more than just homes, we’re building neighborhoods!”

(To learn more about SCLT visit our website at www.sawmillclt.org)

SAWMILL COMMUNITY LAND TRUST

Homeownership Program Guidelines

You must have an income that is sufficient to support the cost of obtaining a mortgage. This amount varies depending on mortgage financing terms, which change from time to time, and the current costs of our homes. We will determine at the Pre-Qualification meeting if your income is sufficient. If your income is not sufficient you will need to have cash for a significant down payment (some of this could be a gift from another person).

To qualify for a Subsidized home: You must...

- Be a first time homebuyer or have not owned a home within the last 3 years.
- Have good or repairable credit with minimal monthly debt obligation.
- Have stable employment (at least **two** years continuous employment).
- Have cash for closing costs and down payment (we may be able to help you access programs that can lower these costs).
- What is subsidy? Monetary assistance to help bring down the overall cost of purchasing a home.

SCLT is developing homes for households in two income groups....

- 1) **SUBSIDIZED**: Households earning **80% or less** of the Albuquerque median income (*see chart below*). These households are our primary focus [see chart below]. Most of our homes are priced for this group. These households are generally eligible for subsidies and other homebuyer assistance programs that may be available.
- 2) **MARKET RATE**: Households earning above **80%** of the Albuquerque median income (*see chart below*). Fewer of these units are available and buyers of these homes **do not** have to be a First Time Homebuyer but are **not** eligible for subsidies. Our home prices for this group are not subsidized, however they are still relatively lower than homes sold on the open market. Contact SCLT's homebuyer Counselor to learn more about "Market Rate" purchase program.
- 3) **Asset Guideline**: Liquid Assets not to exceed \$15,000. (*Subsidized buyers only*)

| 2012 Income Guidelines | |
|-------------------------------|-------------------------------|
| Household Size | 80% Area Medium Income |
| 1 Member | \$34,650 |
| 2 Member | \$39,600 |
| 3 Member | \$44,550 |
| 4 Member | \$49,500 |
| 5 Member | \$53,500 |
| 6 Member | \$57,450 |
| 7 Member | \$61,400 |
| 8 Member | \$65,350 |

SCLT HOMEBUYING PROCESS

1. **Complete an Intake Form and return it to SCLT along with your check for the Credit Report fee.** This information gives us a general idea of your qualifications and interests.
2. **Attend an SCLT Orientation Session.** These sessions are held one a month. They are very informative giving you a general overview of SCLT's History and the Community Land Trust Model which is used to preserve permanent affordability of the homes sold. Attending an orientation is mandatory if you purchase a home on the land trust. An RSVP and refundable reservation deposit of \$20 is required, upon completion of the orientation your deposit will be fully refunded to you.
3. **Schedule a Pre-qualification Meeting:** Once your "In Take" form is received and you have attended the SCLT Orientation session you will be then be scheduled for a Pre-Qualification meeting with the Homebuyer Counselor. You will need to bring with you to this meeting the items listed on the "Required Documents" page.
4. **Initial Pre-qualification Meeting:** At this meeting the Homebuyer Counselor will discuss with you everything that is involved in purchasing a home. Your credit report will be reviewed with you at this time to have a clear understanding of your credit and debt obligations currently are. Your households combined annual gross income will then be calculated to determine just how much of a mortgage you should be able to qualify for.
5. **If the Pre-Qualification meeting is favorable you will then need to do the following:**
 - A. Schedule an appointment to meet with a mortgage lender to confirm your mortgage eligibility based on their guidelines.
 - B. Once you are mortgage approved, you can select a home. Home selection is based on:
 1. The date of your Intake form
 2. Matching your mortgage amount to the sales price of the home.
 3. and Availability
 - C. Attend a HUD Certified Homebuyer Training Class, held by SCLT.
 - D. Visit to the City of Albuquerque's Department of Family and Community Services if you will be utilizing City subsidy funds to purchase a home on the Land Trust.
 - E. SCLT, the Lender and the City of Albuquerque will work together to get your loan and subsidy request approved.
6. **If the Pre-Qualification meeting reveals areas of concern, i.e. credit problems, insufficient income or down payment, etc. SCLT will work with you through its *Homebuyer Education and Counseling Program* to help you become mortgage ready and ultimately purchase a home. There are no fees associated with these services except the credit report fee.**
7. **Visual inspection/final walkthrough** of your new home. If new construction the contractor will go over their One Year Warranty contract with you. This is usually done at least 1 day prior to your closing date.
8. **Closing.** Closing takes place at a Title Company. Ownership is then transferred to you and **CONGRATULATIONS you are now a new Homeowner!**

All of these steps are mandatory program requirements for purchasing a SCLT home

REQUIRED DOCUMENTATION LIST

FOR PRE QUALIFICATION MEETING WITH HOMEBUYER COUNSELOR

For each member of your household, 18 years or older, you will need to provide the following items at the time you meet with the SCLT staff at your pre-qualification meeting. Please begin to collect and copy the following:

- Complete Income Tax Returns including W2's for the past 3 consecutive years. If you did not file a tax return for any of those three years you will need to obtain a transcript from the IRS, www.irs.gov, and a written statement as to why taxes were not filed.
- 3 Consecutive months of paycheck stubs
- Self employed clients will need to provide their most recent Profit and Loss statement
- 6 months of your most recent bank statement for all bank accounts, (all pages of the actual statements are required, no computer printouts unless it is a printout of the actual statement)
- Assets: Documentation of cash and/or assets that can be easily liquidated without penalty.
- (If Applicable) Copy of Bankruptcy documents
- (If Applicable) Copy of three (3) consecutive disability or social security award letters
- (If Applicable) Copy of Social Security, Retirement or Disability award letters
- (If Applicable) Copy of Resident Alien Card
- (If Applicable) Copy of divorce decree and settlement agreements including CHILD SUPPORT and/or ALIMONY
(If applicable)
- Identification: Government Photo ID and Social Security Card
- Credit Report Fee: Single Person \$20; Married Couple \$25
(This fee is due at the time you submit your "Client Intake Form"; cash or money order only)