

Homebuyer Purchase Checklist



Community Land Trust

Below are the required items to apply to purchase a DPCLT home. If any of the items are missing, your application may be denied. DPCLT reserves the right to request additional information to determine final approval of your application.



Homebuyer Name

Name of individual or household applying to purchase.

Name: _____



DPCLT Orientation

Schedule and attend a 1-hour orientation with the DPCLT or an affiliated partner.

Date Completed: _____



DPCLT Pre-Application

Complete and return an application form via mail, email, fax, or in-person.

Date Submitted: _____



Homebuyer Education

Complete the required "Introduction to Homeowners" class along with homeownership counseling.

Date Completed: _____



Financing

Obtain a pre-qualification letter from an approved DPCLT lender.

Attach Pre-qualification Letter: _____



Home for Sale

Review and tour available DPCLT homes and projects to find your ideal home. Once you have selected a home, you will complete a purchase agreement with DPCLT.

Home Address Applying to Purchase: _____



Date Application Submitted

Homebuyer acknowledges the above items has been completed and all required information is attached.

Date Submitted: _____



Selection Criteria Score

Complete attached Selection Criteria Worksheet.

Enter Score: _____

Eligibility Criteria

The following criteria is designed to reasonably match household needs to the availability of DPCLT's affordable homes.

- Must be at least 18 years old in Michigan to qualify for a mortgage.
- Must be a citizen of the United State, registered alien or have an individual tax id number (ITIN).
- Completed all required steps as stated in the DPCLT Homebuyer Checklist.
- Must have an annual household income which does not exceed 110% of the area median income. Some CLT neighborhoods may have income restrictions between 50% to 80%. Income limits are updated annually by the Department of Housing and Urban Development (HUD) and may increase or decrease.

| Income Limit | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 Person | 7 Person |
|--------------|----------|----------|----------|----------|-----------|-----------|-----------|
| 50% | \$31,359 | \$35,800 | \$40,300 | \$44,750 | \$48,350 | \$51,950 | \$55,500 |
| 60% | \$37,620 | \$42,960 | \$48,360 | \$53,700 | \$58,020 | \$62,340 | \$66,600 |
| 70% | \$43,890 | \$50,120 | \$56,420 | \$62,650 | \$67,690 | \$72,730 | \$77,700 |
| 80% | \$50,160 | \$57,280 | \$64,480 | \$71,600 | \$77,360 | \$83,120 | \$88,800 |
| 100% | \$62,700 | \$71,600 | \$80,600 | \$89,500 | \$96,700 | \$103,900 | \$111,000 |
| 110% | \$68,970 | \$78,760 | \$88,660 | \$98,450 | \$106,370 | \$114,290 | \$122,100 |

- A homebuyer cannot have more than 20% of the DPCLT purchase price in liquid assets (e.g., savings account, cash) remaining after closing.
- Must be able to qualify for a 30-year, fixed rate, conventional mortgage provided by a DPCLT partnered lender.
- An existing homeowner may purchase a DPCLT home if the following criteria are met:
 - Household meets DPCLT income eligibility requirements.
 - Must have a current listing agreement of their existing home before entering into a purchase agreement.
 - Purchase Agreement on the DPCLT home is contingent on the sale of their existing home.
 - After the sale of the existing home, buyer's assets must not exceed the limit mentioned above.

Selection Criteria

There is a high demand for affordable housing in West Michigan, which means many interested homebuyers may apply for the same DPCLT home. The following selection criteria will serve as a guideline to determine which household will be selected to purchase the home. Points will be awarded for each criterion and the household with the highest number of points will be selected.

In the event of a point tie, all interested buyers will receive zero (0) points for the "Household Size" criteria with one (1) point being awarded to the largest household. If there are multiple similar sized households where the above solution does not break the tie, the DPCLT Board will conduct a lottery to determine the buyer. All household names will be written on equal size slips of paper and placed into a lottery container. The DPCLT Board Chairperson will then draw a name from the lottery container.

Please use the worksheet on the next page to assist with determining how many points your household would receive, and what to expect should multiple households are interested in the same home.

Selection Criteria Worksheet

| Local Resident | Conditions | Points Awarded | My Points |
|--|------------|----------------|-----------|
| Awarded if a buyer currently resides within the city limits of the desired DPCLT home. | Yes or No | 5 | _____ |

| Proximity | Conditions | Points Awarded | My Points |
|---|--------------------|----------------|-----------|
| Awarded based on the distance between the current residence and the desired DPCLT home. Distance will be determined using Google Maps using the directions between the two locations. | Within 1/2 mile | 5 | _____ |
| | Within 1 mile | 4 | |
| | Within 2 miles | 3 | |
| | Within 3 miles | 2 | |
| | Within 4 miles | 1 | |
| | More than 4+ miles | 0 | |

| Household Size | Conditions | Points Awarded | My Points |
|--|-------------------------------|----------------|-----------|
| Awarded if buyer's household size matches the desired DPCLT unit size (# of bedrooms) e.g., a family of 6 applying for a 2 bedroom would NOT receive points. | 1 bedroom (1-3 persons) | 5 | _____ |
| | 2 bedroom (2-5 persons) | | |
| | 3 bedroom (3-7 persons) | | |
| | 4 bedroom (4-9 persons) | | |
| | 5 bedroom (5 or more persons) | | |

| Income | Conditions | Points Awarded | My Points |
|---|--------------------|----------------|-----------|
| Awarded based on the buyer's current income level as it related to the Area Median Income (AMI). Please refer to AMI chart on page 11. | 50% or less of AMI | 5 | _____ |
| | 51-60% of AMI | 4 | |
| | 61-70% of AMI | 3 | |
| | 71-80% of AMI | 2 | |
| | 81-110% of AMI | 1 | |

| First-Time Homebuyer | Conditions | Points Awarded | My Points |
|--|------------|----------------|-----------|
| Awarded if a buyer is someone who has not owned a home previously or has not had an interest in homeownership in the last three years. | Yes or No | 3 | _____ |

| Missed CLT Selection | Conditions | Points Awarded | My Points |
|---|-------------------------|----------------|-----------|
| Awarded based on how many times a buyer has not been selected on previous DPCLT home sales. | One missed selection | 1 | _____ |
| | Two missed selections | 2 | |
| | Three missed selections | 3 | |

Total Possible Points: 26 **My Total Points:** _____



Who is Dwelling Place Community Land Trust?

Dwelling Place Community Land Trust (DP CLT) is a non-profit development organization that will facilitate the purchase of the land to remain a community asset. We'll work with builders to build the homes and mortgage them to qualified families. DP CLT is organized through Dwelling Place, which has been a non-profit developer in Grand Rapids for more than 40 years. Dwelling Place owns over 1,500 affordable housing units across West Michigan. Our board will be made up of CLT homeowners, community appointed members, and Dwelling Place representatives to ensure our work shares the vision of our community.



Have questions about the application process? Get in touch!

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