

Town of Davie



SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

2025-2026, 2026-2027, 2027-2028



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I. Program Details:

A. LG(s)

Name of Local Government	Town of Davie
Does this LHAP contain an interlocal agreement?	No
If yes, name of other local government(s)	N/A

B. Purpose of the program:

- To meet the housing needs of the very low, low and moderate-income households;
- To expand production of and preserve affordable housing; and
- To further the housing element of the local government comprehensive plan specific to affordable housing.

C. Fiscal years covered by the Plan: 2025-2026, 2026-2027, 2027-2028

D. Governance: The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37, Florida Administrative Code. Cities and Counties must be in compliance with these applicable statutes, rules and any additional requirements as established through the Legislative process.

E. Local Housing Partnership: The SHIP Program encourages building active partnerships between government, lending institutions, builders and developers, not-for-profit and community-based housing providers and service organizations, providers of professional services related to affordable housing, advocates for low-income persons, real estate professionals, persons or entities that can provide housing or support services and lead agencies of the local continuums of care.

F. Leveraging: The Plan is intended to increase the availability of affordable residential units by combining local resources and cost saving measures into a local housing partnership and using public and private funds to reduce the cost of housing. SHIP funds may be leveraged with or used to supplement other Florida Housing Finance Corporation programs and to provide local match to obtain federal housing grants or programs.

G. Public Input: Public input was solicited through the local newspaper in the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability and through the Town's website.

H. Advertising and Outreach: SHIP funding availability shall be advertised in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required.

I. Waiting List/Priorities: A waiting list will be established when there are eligible applicants for strategies that no longer have funding available. Those households on the waiting list will be notified of their status. Applicants will be maintained in an order that is consistent with the time completed applications were submitted as well as any established funding priorities as described in this plan.

The following priorities for funding (very low income, Special Needs, etc.) described/listed here apply to all strategies unless otherwise stated in an individual strategy in Section II:



All strategies will serve households meeting the definition of Special Needs as defined in 420.0004 (13) first. Second priority after Special Needs is Essential Services Personnel applications which will be assisted for each strategy until the very low and low income set-asides are met.

- J. Discrimination:** In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, color, religion, sex, national origin, age, handicap, or marital status in the award application process for eligible housing.
- K. Support Services and Counseling:** Support services are available from various sources. Available support services may include, but are not limited to: Homeownership Counseling (Pre and Post), Credit Counseling, Tenant Counseling, Foreclosure Counseling and Transportation.
- L. Purchase Price Limits:** The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs. The sales price of new and existing units, which can be lower but may not exceed 90% of the average area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

U.S. Treasury Department	X
Local HFA Numbers	

- M. Income Limits, Rent Limits and Affordability:** The Income and Rent Limits used in the SHIP Program are updated annually by the Department of Housing and Urban Development and posted at www.floridahousing.org.

"Affordable" means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071, F.S. However, it is not the intent to limit an individual household's ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

- N. Welfare Transition Program:** Should an eligible sponsor be used, a qualification system and selection criteria for applications for Awards to eligible sponsors shall be developed, which includes a description that demonstrates how eligible sponsors that employ personnel from the Welfare Transition Program will be given preference in the selection process.
- O. Monitoring and First Right of Refusal:** In the case of rental housing, the staff and any entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides periodic monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$10,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility



requirements. Tenant eligibility will be monitored annually for no less than 15 years or the term of assistance whichever is longer unless as specified above. Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons.

- P. Administrative Budget:** A line-item budget is attached as Exhibit A. The city/county finds that the moneys deposited in the local housing assistance trust fund are necessary to administer and implement the local housing assistance plan.

Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, states: “A county or an eligible municipality may not exceed the 5 percent limitation on administrative costs, unless its governing body finds, by resolution, that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan.”

Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states: “The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 percent of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(19), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs.” The applicable local jurisdiction has adopted the above findings in the resolution attached as Exhibit E.

- Q. Program Administration:** Administration of the local housing assistance plan will be performed by:

Entity	Duties	Admin. Fee Percentage
Local Government	All administrative duties	10%
Third Party Entity/Sub-recipient	N/A	

- R. First-time Homebuyer Definition:** For any strategies designed for first-time homebuyers, the following definition will apply: *An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers). A single parent who has only owned a home with a former spouse while married. An individual who is a displaced homemaker and has only owned with a spouse. An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations. An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.*
- S. Project Delivery Costs:** The Town of Davie will charge a maximum 5% project delivery fee for services provided by contracted home inspection service company. The services will include: initial work write up/cost estimate; pre-bid meetings and final inspections. Fees will only be incurred for barrier removal and owner occupied rehabilitation applicants.
- T. Essential Service Personnel Definition (ESP):** ESP includes Town of Davie residents meeting program income limits and working full time-time as teachers and educators, other school district, community college, and



university employees, police and fire personnel, health care personnel, and skilled building trades personnel.

- U. Describe efforts to incorporate Green Building and Energy Saving products and processes:** The Town will, when economically feasible, employ the following Green Building requirements on rehabilitation and emergency repairs:
1. Low or No-VOC paint for all interior walls (Low-VOC means 50 grams per liter or less for flat paint; 150 grams per liter or less for non-flat paint);
 2. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
 - a. Toilets: 1.6 gallons/flush or less,
 - b. Faucets: 1.5 gallons/minute or less,
 - c. Showerheads: 2.2 gallons/minute or less;
 3. Energy Star qualified refrigerator;
 4. Energy Star qualified exhaust fans in all bathrooms; and
 5. Air conditioning: Minimum SEER of 14. Packaged units are allowed in studios and one-bedroom units with a minimum of 11.7 EER.
- V. Describe efforts to meet the 20% Special Needs set-aside:** The Town partners with social service agencies serving the designated special needs populations to achieve the goal of the special needs set-aside. The goals will be met through owner-occupied rehabilitation and purchase assistance.
- W. Describe efforts to reduce homelessness:** The Town works with agencies serving the homeless populations primarily through referrals to rental assistance programs to place these individuals or families in rental or transitional housing for the purpose of providing a stable housing situation. The Town will continue to operate its Neighborhood Service Center which provides rent free space to non-profits who provide social services to the homeless.

Section II. LHAP Strategies:

A. Purchase Assistance	Code 2
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a.	Summary: Funds will be awarded for downpayment and closing costs, principal write down for new and existing homes.
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- b. Fiscal Years Covered: 2025-2026, 2026-2027, 2027-2028
- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$90,000
- e. Terms:
 1. Repayment loan/deferred loan/grant: Deferred payment loan secured by a note and mortgage.
 2. Interest Rate: 0 %
 3. Years in loan term: 10
 4. Forgiveness: Loan is forgiven on a prorated basis so that 10% of the principal is forgiven annually.



5. Repayment: None required as long as the loan is in good standing.
6. Default: The loan will be determined to be in default if any of the following occurs during the loan term: sale, transfer, or conveyance of property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the Town will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment.

- f. Recipient/Tenant Selection Criteria: Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities for Special Needs, Essential Services Personnel and income groups as described in section I. (I) of this plan.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information:
 - Applicants must secure a first mortgage by an approved lender and provide evidence of such at the time of application.
 - Applicants must contribute a minimum of 1 % toward the purchase of the home and must have these funds at the time of closing.
 - Eligible housing is any real property, located within the municipality which is designated and intended for the primary purpose of providing decent, safe and sanitary residential units which are designed to meet Chapter 553, F.S. including: detached single-family housing, condominium unit, townhouse and villa.
 - Mobile homes built before June 30, 1994 are not eligible. Modular homes and manufactured homes built after June 30, 1994 are eligible.
 - Applicants must receive a certificate of housing counseling upon completion of an eight (8) hour education and counseling workshop conducted by a HUD certified housing counselor. The certificate is required prior to closing.
 - Lenders must abide by the instructions for lenders set out by the Town, as amended from time to time.

B. Owner Occupied Rehabilitation	Code 3
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a. Summary: Funds will be awarded to repair owner occupied homes to alleviate code violations, health hazards and life and safety issues, electrical, plumbing, roofing, windows and other structural items. Other items may be included on rehabilitation projects if funds are available after completing repairs listed above.

- b. Fiscal Years Covered: 2025-2026, 2026-2027, 2027-2028



- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$70,000
- e. Terms:
 1. Repayment loan/deferred loan/grant: Deferred payment loan secured by a note and mortgage.
 2. Interest Rate: 0%
 3. Years in loan term: 10
 4. Forgiveness: Loan is forgiven on a prorated basis so that 10% of the principal is forgiven annually.
 5. Repayment: None required as long as the loan is in good standing.
 6. Default: The loan will be determined to be in default if any of the following occurs during the loan term: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the Town will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment.

- f. Recipient/Tenant Selection Criteria: Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities for Special Needs, Essential Services Personnel and income groups as described in in section I. (I) of this plan.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: Mobile Homes are not eligible.

C. Barrier Removal	Code 3
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a. Summary: Designed to improve accessibility to elderly applicants as defined by in 825.101 (4) and/or households that include one or more persons in need of accessibility upgrades by installing and/or replacing wheelchair ramps.
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- b. Fiscal Years Covered: 2025-2026, 2026-2027, 2027-2028
- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$20,000
- e. Terms:



1. Repayment loan/deferred loan/grant: Grant
 2. Interest Rate: N/A
 3. Years in loan term: N/A
 4. Forgiveness: N/A
 5. Repayment: N/A
 6. Default: N/A
- f. Recipient/Tenant Selection Criteria: Applicants will be ranked for assistance based on a first-qualified, first-served basis with priorities for Special Needs, Essential Services Personnel and income groups as described in section I. (I) of this plan.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: Mobile Homes constructed after June 1994 are eligible.

D. Disaster Assistance	Code 5
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- a. Summary: Funds will be awarded to applicants in need of home repairs directly caused by a disaster that is declared by an Executive Order of the President or Governor. Repairs will be prioritized as follows:
1. Immediate threats to health and life safety (sewage, damaged windows, roofing) in cases where the home is still habitable.
 2. Imminent residual damage to the home (such as damaged windows, roofing) in cases where the home is still habitable.
 3. Repairs necessary to make the home habitable.
 4. Repairs to mitigate dangerous situations (exposed wires).
 5. Payment of homeowner's insurance deductible.
- b. Fiscal Years Covered: 2025-2026, 2026-2027, 2027-2028
- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$10,000
- e. Terms:
1. Repayment loan/deferred loan/grant: Grant
 2. Interest Rate: N/A
 3. Years in loan term: N/A
 4. Forgiveness: N/A
 5. Repayment: N/A
 6. Default: N/A
- f. Recipient/Tenant Selection Criteria: Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities for Special Needs, Essential Services Personnel and income groups as described in section I. (I) of this plan.



- g. Sponsor Selection Criteria: N/A
- h. Additional Information: Property must be owner-occupied. If homeowner is insured, proceeds from the insurance must be used first before SHIP funds, except for the payment of the deductible.

E. New Construction - Rental	Code 21
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| <p>a. Summary: The strategy is designed to promote the production of affordable multi-family rental housing in the Town. Funds will be awarded to developers of affordable rental units that are awarded construction financing through other state or federal housing programs to construct or rehabilitate affordable rental units. This funding is intended to be used a gap financing required for the project.</p> |
|---|
- b. Fiscal Years Covered: 2025-2026, 2026-2027, 2027-2028
 - c. Income Categories to be served: Very low, low and moderate
 - d. Maximum award: \$70,000 per unit
\$350,000 per project
 - e. Terms:
 1. Repayment loan/deferred loan/grant: Deferred payment loan secured by mortgage and note.
 2. Interest Rate: 0%
 3. Years in loan term: 30 years
 4. Forgiveness: Forgiven at the end of the term.
 5. Repayment: None required if the loan is in good standing.
 6. Default: A default will be determined as: sale, transfer, or conveyance of property; conversion to another use; failure to maintain standards for compliance as required by any of the funding sources. If any of these occur, the outstanding balance will be due and payable.
 - f. Recipient/Tenant Selection Criteria: Each tenant household in a SHIP-assisted unit must meet income qualifications of the program as determined and reported by the developer's management company for the development.
 - g. Sponsor/Sub-recipient Selection Criteria: Developers will apply to the Town through an RFQ process that is open year-round. The RFQ will require proof of developer experience in providing affordable rental housing, proof of financial capacity, evidence of site control (or contract for sale), proof of ability to proceed once all funding is closed, and a housing unit design plan that meets with the Town's housing element in the Comprehensive Plan. All funding awards will be subject to closing on other funding sources.
 - h. Additional Information: Developers will be required to meet compliance reporting requirements on the development necessary to meet the statutory requirements for monitoring of SHIP rental units.



F. Community Land Trust	Code 9,10
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- a. Summary: The CLT may be used to buy land and build new homes or to purchase and rehabilitate existing homes, which will then be sold to eligible households through a Community Land Trust (CLT). Funds can cover both hard costs (direct construction or rehabilitation expenses) and soft costs (planning and administrative expenses). These activities may be carried out either by the Town, after which the properties are transferred to the CLT, or directly by the CLT itself.
- b. Fiscal Years Covered: 2025-2026, 2026-2027, 2027-2028
- c. Income Categories to be served: Very low, low, and moderate households up to 120% AMI
- d. Maximum award:
- Town of Davie property acquisition: \$325,000 per unit
 - Sponsor: \$150,000 per unit for rehabilitation
 - Homebuyer: \$150,000 for down payment, closing cost and/or gap financing
- e. Terms :
- Sponsor
1. Repayment loan/deferred loan/grant: Funds will be awarded as a rehabilitation loan secured by a mortgage and note. Cost of land for the property purchased by the Town of Davie or the CLT shall not be included in the lien when sold to an income eligible buyer.
 2. Interest Rate: 0 %
 3. Years in loan term: 2 years from the date of recording of the mortgage and note.
 4. Forgiveness: Not forgiven.
 5. Repayment: When the unit is sold, the funds provided to the sponsor for rehabilitation or construction minus any developer fees, will be used as down payment, closing cost, gap financing and/or a subsidy to the buyer at closing to make the unit affordable. For the initial buyer, any cash to seller at closing will be paid to the Town of Davie as program income.
 6. Default: The loan will be in default and funds will be recaptured if the Sponsor fails to sell the unit to an income eligible buyer within the loan term and execute a ground lease with the initial buyer and subsequent buyers that are income eligible during the 30-year buyer loan term.
- Buyer
1. Repayment loan/deferred loan/grant: Funds will be awarded as a deferred loan secured by a subordinate mortgage and note.
 2. Interest Rate: 0 %
 3. Years in loan term: 30
 4. Forgiveness: If the loan is in good standing, the loan will be forgiven at the end of the loan term; however, the ground lease shall survive the term of the loan and will address the requirements for residency, resale price, subsequent buyers' income eligibility, and assure the unit remains affordable in perpetuity.
 5. Repayment: Not required if the loan is in good standing.



6. Default: The loan will be determined to be in default if any of the following occurs:
- Sale, transfer, or conveyance of the property to a buyer that was not pre-approved or deemed eligible pursuant to the requirements of this strategy by the CLT. However, it shall not be an event of default if the loan is assumed by an income-eligible homebuyer, if the assumed loan is reflected in the contract for sale, and the sale is approved by the CLT to ensure the assisted home remains affordable in perpetuity;
 - Conversion to a rental property;
 - Loss of homestead exemption status or failure to occupy the home as a primary residence;
 - Unit is refinanced (includes home equity loans or lines of credit) without prior authorization from the CLT;
 - In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by an eligible heir who will occupy the home as a primary residence as established in the ground lease. If the legal heir does not comply or qualify, the heir may, within six months of becoming legal owner, sell the unit at the resale restricted price to an income eligible buyer that can assume the mortgage and note, as approved by the CLT. Otherwise, the transfer of ownership is considered default and the outstanding balance will be due and payable.

If any of these occur, the outstanding balance will be due and payable unless otherwise noted.

If a superior mortgage holder accelerates the loan or forecloses upon the home, the Town of Davie will attempt to obtain repayment of funds via the legal process if the Town determines that adequate funds may be available to justify pursuing repayment.

- f. Recipient/Tenant Selection Criteria: CLT must advertise and select the buyer on a first qualified, first served basis with priority for very low income and special needs households. The CLT must income qualify the buyer and eligibility reviewed by the City. Each subsequent buyer must be qualified in accordance with 24 CFR part 5.609. Buyer and subsequent buyers must attend a homebuyer education course with the selected CLT prior to purchase.
- g. Sponsor Selection Criteria: Through a competitive Request for Proposals (RFP) process, the Town will select a qualified Community Land Trust (CLT) to carry out CLT-related affordable housing activities as outlined in the SHIP Local Housing Assistance Plan (LHAP). Priority will be given to sponsors in the following order:
1. Community land trusts that meet the definition of a "community land trust" under section 193.018 of the Florida Statutes. Preference will be given to CLTs that have been certified or are in the process of certification by the Florida Community Land Trust Institute.
 2. Quantity and quality of experience in affordable housing rehabilitation and development;
 3. Experience in developing and/or stewarding CLT homes for permanent affordability;
 4. Financial strength of the sponsor, including the ability to leverage funds from other sources;
 5. Ability of the sponsor to complete the project by deadlines established by the Town;
 6. Capacity of the sponsor;
 7. Sponsors who employ personnel from the Welfare Transition Program.
- h. Additional Information:
- Subsidy for rehabilitation of units, new or existing, will be awarded at the maximum amount to reduce the base price dollar-for-dollar for initial and subsequent homebuyers via the CLTs stewardship of the ground lease.



This type of assistance may first require that the CLT take ownership of the property (land & existing improvements) and sell the improvements and enter into a ground lease with the eligible buyer.

Please see Exhibit I for additional instructions and information for CLT purchases.

III. LHAP Incentive Strategies

In addition to the **required Incentive Strategy A and Strategy B**, include all adopted incentives with the policies and procedures used for implementation as provided in Section 420.9076, F.S.:

- A. Name of the Strategy: **Expedited Permitting**
Permits as defined in s. 163.3177 (6) (f) (3) for affordable housing projects are expedited to a greater degree than other projects.

Provide a description of the procedures used to implement this strategy:

The Town's Housing & Community Affairs Manager was assigned to guide affordable housing developers through the permitting process. Affordable housing projects/initiatives will be expedited to a greater degree than all other projects in Davie. The Housing & Community Affairs Manager works closely with the Planning and Zoning Manager, Town Engineer and the Town's Chief Building Official to ensure any glitches in the permitting process for affordable housing initiatives are resolved in a expeditious manner.

- B. Name of the Strategy: **Ongoing Review Process**
An ongoing process for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption.

Provide a description of the procedures used to implement this strategy:

The Housing & Community Affairs Division will be consulted on all matters that impact affordable housing.

IV. EXHIBITS:

Required

- A. Administrative Budget for each fiscal year covered in the Plan.
- B. Timeline for Estimated Encumbrance and Expenditure.
- C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the plan.
- D. Signed LHAP Certification.
- E. Signed, dated, witnessed or attested adopting resolution.

Optional



- F. Ordinance: (If changed from the original creating ordinance).
- G. Interlocal Agreement (Required if applicable).
- H. Other Documents Incorporated by Reference.
- I. Community Land Trust Requirements.

(Local Government name)

Fiscal Year: 2025-2026	
Estimated SHIP Funds for Fiscal Year:	\$ 822,923.00
Salaries and Benefits	\$ 80,692.30
Office Supplies and Equipment	\$
Travel Per diem Workshops, etc.	\$
Advertising	\$ 1,600.00
Other*	\$
Total	\$ 82,292.30
Admin %	10.00%
OK	
Fiscal Year 2026-2027	
Estimated SHIP Funds for Fiscal Year:	\$ 822,923.00
Salaries and Benefits	\$ 80,692.30
Office Supplies and Equipment	\$
Travel Per diem Workshops, etc.	\$
Advertising	\$ 1,600.00
Other*	\$
Total	\$ 82,292.30
Admin %	10.00%
OK	
Fiscal Year 2027-2028	
Estimated SHIP Funds for Fiscal Year:	\$ 822,923.00
Salaries and Benefits	\$ 80,692.30
Office Supplies and Equipment	\$
Travel Per diem Workshops, etc.	\$
Advertising	\$ 1,600.00
Other*	\$
Total	\$ 82,292.30
Admin %	10.00%
OK	
*All "other" items need to be detailed here and are subject to review and approval by the SHIP review committee. Project Delivery Costs that are outside of administrative costs are not to be included here, but must be detailed in the LHAP main document. Details:	

Exhibit B
Timeline for SHIP Expenditures

Town of Davie affirms that funds allocated for these fiscal years will
(local government)
meet the following deadlines:

Fiscal Year	Encumbered	Expended	Closeout Report
2025-2026	6/30/2027	6/30/2028	9/15/2028
2026-2027	6/30/2028	6/30/2029	9/15/2029
2027-2028	6/30/2029	6/30/2030	9/15/2030

If funds allocated for these fiscal years is not anticipated to meet expenditure deadlines, Florida Housing Finance Corporation should be notified according to the following dates:

Fiscal Year	Funds Not Expended	Closeout AR Not Submitted
2025-2026	3/30/2028	6/15/2028
2026-2027	3/30/2029	6/15/2029
2027-2028	3/30/2030	6/15/2030

Requests for Expenditure Extensions (close-out year ONLY) must be emailed to robert.dearduff@floridahousing.org and include:

1. A statement that "(city/county) requests an extension to the expenditure deadline for fiscal year _____.
2. The amount of funds that is not expended.
3. The amount of funds that is not encumbered or has been recaptured.
4. A detailed plan/timeline of how/when the money will be expended.

Note: an extension to the expenditure deadline (June 30) does not relieve the requirement to submit (September 15) the annual report online detailing all funds that have been expended.

Other Key Deadlines:

AHAC reports are now due annually by December 31. Local governments receiving the minimum (or less) allocation may choose not to report.

ACFR financial statements are due each June 30 for the report ending September 30 of the previous year.

FLORIDA HOUSING FINANCE CORPORATION

HOUSING DELIVERY GOALS CHART

2025-2026

Name of Local Government

Davie

Estimated Funds (Anticipated allocation only)

\$ 822.923

Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
	Homeownership											
2	Purchase Assistance without Rehab	No		\$90,000		\$90,000	1	\$90,000	\$0.00	\$90,000.00	\$90,000.00	
3	Owner Occupied Rehabilitation	Yes	3	\$70,000	2	\$70,000	1	\$70,000	\$420,000.00	\$0.00	\$420,000.00	
3	Barrier Free	Yes	2	\$20,000	2	\$20,000		\$20,000	\$80,000.00	\$0.00	\$80,000.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
	Total Homeownership		5		4		2		\$500,000.00	\$90,000.00	\$590,000.00	1
Purchase Price Limits:			New	\$ 636,806	Existing	\$ 636,806						

OK

OK

Code	Rental	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
21	New Construction - Rental	Yes	1	\$70,000	1	\$70,000			\$140,000.00	\$0.00	\$140,000.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
	Total Rental		1		1		0		\$140,000.00	\$0.00	\$140,000.00	
	Administration Fees		\$ 82,292		10%		OK					
	Home Ownership Counseling		\$ -									
	Total All Funds		\$ 812,292	OK								

Set-Aside

Percentage Construction/Rehab (75% requirement)		77.8%	OK
Homeownership % (65% requirement)		71.7%	OK
Rental Restriction (25%)		17.0%	OK
Very-Low Income (30% requirement)	\$ 320,000	38.9%	OK
Low Income (30% requirement)	\$ 180,000	21.9%	OK
Moderate Income	\$ 160,000	19.4%	

FLORIDA HOUSING FINANCE CORPORATION

HOUSING DELIVERY GOALS CHART

2026-2027

Name of Local Government

Davie

Estimated Funds (Anticipated allocation only)

\$	822.923
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Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
	Homeownership											
3	Owner Occupied Rehabilitation	Yes	1	\$70,000		\$70,000			\$70,000.00	\$0.00	\$70,000.00	1
3	Barrier Free	Yes	1	\$20,000		\$20,000			\$20,000.00	\$0.00	\$20,000.00	1
9,10	CLT Acquisition/Rehabilitation	Yes	2	\$325,000					\$650,000.00	\$0.00	\$650,000.00	2
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	Total Homeownership		4		0		0		\$740,000.00	\$0.00	\$740,000.00	

Purchase Price Limits

New

\$ 636.80

Existing

\$ 636,800

OK

OK

[illegible]

Set-Aside

Percentage Construction/Rehab (75% requirement)		89.9%	OK
Homeownership % (65% requirement)		89.9%	OK
Rental Restriction (25%)		0.0%	OK
Very-Low Income (30% requirement)	\$ 740,000	89.9%	OK
Low Income (30% requirement)	\$ -	0.0%	OK
Moderate Income	\$ -	0.0%	

FLORIDA HOUSING FINANCE CORPORATION

HOUSING DELIVERY GOALS CHART

2027-2028

Name of Local Government

Davie

Estimated Funds (Anticipated allocation only)

\$ 822.923

Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
	Homeownership											
3	Owner Occupied Rehabilitation	Yes	1	\$70,000		\$70,000			\$70,000.00	\$0.00	\$70,000.00	
3	Barrier Free	Yes	1	\$20,000		\$20,000			\$20,000.00	\$0.00	\$20,000.00	
9,10	CLT Acquisition/Rehabilitation	Yes	2	\$325,000					\$650,000.00	\$0.00	\$650,000.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
	Total Homeownership		4		0		0		\$740,000.00	\$0.00	\$740,000.00	
Purchase Price Limits:			New	\$ 636,806	Existing	\$ 636,806						

OK

OK

Code	Rental	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
									\$0.00	\$0.00	\$0.00	
	Total Rental		0		0		0		\$0.00	\$0.00	\$0.00	
	Administration Fees		\$ 82,292		10%			OK				
	Home Ownership Counseling		\$ -									
	Total All Funds		\$ 822,292		OK							

Set-Asides

Percentage Construction/Rehab (75% requirement)		89.9%	OK
Homeownership % (65% requirement)		89.9%	OK
Rental Restriction (25%)		0.0%	OK
Very-Low Income (30% requirement)	\$ 740,000	89.9%	OK
Low Income (30% requirement)	\$ -	0.0%	OK
Moderate Income	\$ -	0.0%	

**CERTIFICATION TO
FLORIDA HOUSING FINANCE CORPORATION**

Local Government or Interlocal Entity:

Town of Davie

Certifies that:

- (1) The availability of SHIP funds will be advertised pursuant to program requirements in 420.907-420.9079, Florida Statutes.
- (2) All SHIP funds will be expended in a manner which will ensure that there will be no discrimination on the basis of race, color, national origin, sex, handicap, familial status, or religion.
- (3) A process to determine eligibility and for selection of recipients for funds has been developed.
- (4) Recipients of funds will be required to contractually commit to program guidelines and loan terms.
- (5) Florida Housing will be notified promptly if the local government /interlocal entity will be unable to comply with any provision of the local housing assistance plan (LHAP).
- (6) The LHAP provides a plan for the encumbrance of funds within twelve months of the end of the State fiscal year in which they are received and a plan for the expenditure of SHIP funds including allocation, program income and recaptured funds within 24 months following the end of the State fiscal year in which they are received.
- (7) The LHAP conforms to the Local Government Comprehensive Plan, or that an amendment to the Local Government Comprehensive Plan will be initiated at the next available opportunity to insure conformance with the LHAP.
- (8) Amendments to the approved LHAP shall be provided to the Florida Housing for review and/or approval within 21 days after adoption.
- (9) The trust fund exists with a qualified depository for all SHIP funds as well as program income or recaptured funds.
- (10) Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.
- (11) The local housing assistance trust fund shall be separately stated as a special revenue fund in the

local governments audited financial statements (ACFR). An electronic copy of the ACFR or a hyperlink shall be provided to Florida Housing by June 30 of the applicable year.

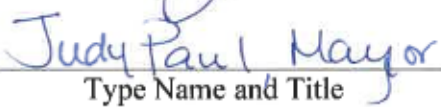
- (12) Evidence of compliance with the Florida Single Audit Act, as referenced in Section 215.97, F.S. shall be provided to Florida Housing by June 30 of the applicable year.
- (13) SHIP funds will not be pledged for debt service on bonds.
- (14) Developers receiving assistance from both SHIP and the Low-Income Housing Tax Credit (LIHTC) Program shall comply with the income, affordability and other LIHTC requirements, similarly, any units receiving assistance from other federal programs shall comply with all Federal and SHIP program requirements.
- (15) Loans shall be provided for periods not exceeding 30 years, except for deferred payment loans or loans that extend beyond 30 years which continue to serve eligible persons.
- (16) Rental Units constructed or rehabilitated with SHIP funds shall be monitored for compliance with tenant income requirements and affordability requirements or as required in Section 420.9075 (3)(e). To the extent another governmental entity provides periodic monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility.
- (17) The LHAP meets the requirements of Section 420.907-9079 FS, and Rule Chapter 67-37 FAC.
- (18) The provisions of Chapter 83-220, Laws of Florida have not been implemented (except for Miami-Dade County).

Witness



Chief Elected Official or designee

Witness



Type Name and Title

Date

OR



Attest:



DAVIE, FLORIDA

RESOLUTION NO. R 2025-100

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, APPROVING THE LOCAL HOUSING ASSISTANCE PLAN AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM ACT, SUBSECTIONS 420.907-420.9079, FLORIDA STATUTES; AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE; AUTHORIZING THE SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the State of Florida enacted the William E. Sadowski Affordable Housing Act, Chapter 92-317 of Florida Sessions Laws, allocating a portion of documentary stamp taxes on deeds to local governments for the development and maintenance of affordable housing;

WHEREAS, the State Housing Initiatives Partnership (SHIP) Act, ss. 420-907-420.9079, Florida Statutes (1992), and Rule Chapter 67-37, Florida Administrative Code, requires local governments to develop a one-to-three-year Local Housing Assistance Plan outlining how funds will be used;

WHEREAS, the SHIP Act requires local governments to establish the maximum SHIP funds allowable for each strategy;

WHEREAS, the SHIP Act further requires local governments to establish an average area purchase price for new and existing housing benefiting from awards made pursuant to the Act; The methodology and purchase prices used are defined in the attached Local Housing Assistance Plan;

WHEREAS, as required by section 420.9075, F.S. it is found that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the

necessary costs of administering the local housing assistance plan. The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 percent of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(19), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs;

WHEREAS, the Housing & Community Affairs Division has prepared a three-year Local Housing Assistance Plan for submission to the Florida Housing Finance Corporation;

WHEREAS, the Town Council finds that it is in the best interest of the public for the Town of Davie to submit the Local Housing Assistance Plan for review and approval so as to qualify for said documentary stamp tax funds.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA THAT:

Section 1. Legislative Findings/Recitals. The above recitals are hereby adopted by the Town Council of the Town of Davie as its legislative findings relative to the subjects and matters set forth in this Resolution.

Section 2. The Town Council of the Town of Davie does hereby approve the Local Housing Assistance Plan, as attached and incorporated hereto for submission to the Florida Housing Finance Corporation as required by ss. 420.907-420.9079, Florida Statutes, for fiscal years 2025-2026, 2026-2027, 2027-2028.

Section 3. The Mayor or designee is hereby authorized to execute any documents and certifications required by the Florida Housing Finance Corporation as related to the Local Housing Assistance Plan, and to do all things necessary and proper to carry out the term and conditions of said program.

Section 4. Severability. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, it is the intent of the Town Council that such invalidity shall not affect other provisions or applications of the Resolution which can be given effect without the invalid provision or application and, to this end, the provisions of this Resolution are declared severable.

Section 5. Conflicts. All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

Section 6. Effective Date. This Resolution shall take effect immediately upon its passage and adoption.

PASSED AND DULY ADOPTED by the Town of Davie Town Council on this 21st day of May, 2025.





Mayor Judy Paul

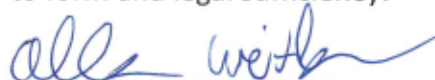
Authentication:



Evelyn Roig
Town Clerk

Motion: <u>Vice Mayor Hattan</u>		
Second: <u>Councilmember Starkey</u>		
☒ Approved ☐ Denied ☐ Approved Subject To		
Vote	Yea	Nay
Mayor Paul	✓	
Vice Mayor Hattan	✓	
Councilmember Whitman	✓	
Councilmember Starkey	✓	
Councilmember Luis	✓	

Approved by the Town Attorney
as to form and legal sufficiency:



Allan T. Weinthal



HOUSING AND COMMUNITY AFFAIRS DIVISION

4700 SW 64TH AVENUE- SUITE D , DAVIE, FLORIDA 33314
PHONE: (954) 797-1173 FAX: (954) 797-2058 WWW.DAVIE-FL.GOV

INSTRUCTIONS FOR LENDERS (Items to be provided by your lender)

Exhibit H

****Please refer to Page 10 for the Required Documentation List that is required for ALL household members****

1. Please carefully review the First Time Homebuyer Program guidelines on the following pages to ensure the borrower's file will be underwritten according to these guidelines. This program is designed to provide an affordable housing mortgage loan to all who meet the program guidelines. The Loan must be fully (income and assets) documented.
2. If your borrower would like to apply for Town of Davie down payment assistance (SHIP) -please submit the following:
 - Loan approval/commitment signed by lender and borrower
 - FNMA 1003 - typed, signed by lender and borrower
 - FNMA 1008 – completed
 - Photocopies of all VOE's, VOD's and financial statements
 - Photocopy of signed Loan Estimate
 - Real estate sales contract – signed by all parties
 - Property Appraisal – photocopy
 - Home Inspection report – photocopy
 - Lead Based Paint Inspection (for homes built prior to 1978)
 - Educational Home Buyer Workshop – photocopy of certificate
 - Down Payment Assistance Worksheet, completed and signed by lender
 - Tax Return (all pages) and forms W2/1099 covering the past 3 years. If self-employed, YTD P&L statement
 - Most recent pay stubs covering three (3) months for all adults in the household
 - Most recent bank statement (all pages) for each bank account
 - Awards letter for social security and pension
 - Financial Institution must be registered to conduct business in the State of Florida and provide evidence of such
 - Closing Agent name, contact person and phone number

Town of Davie contact

Glenda E. Martinez
4700 SW 64th Ave., Suite D
Davie, FL 33314
Office: (954) 797-1173

If ALL of the above required documents are not received simultaneously, the file will not be processed.

Note: Upon receipt of the above documents, we will contact the borrower to begin the certification process within 48 hours. We require 4 weeks processing time.

Additionally, we require 5 business days to request a Wire Transfer from our Budget & Finance Department. These time frames are strongly adhered to.

Lender shall provide a contact name, phone number and e-mail addresses. We will notify lender that loan package has been received and the staff processing the file.

Down payment assistance is available on first come, first qualified, first served basis. Down payment assistance is available to persons purchasing a home in Davie.



HOUSING AND COMMUNITY AFFAIRS DIVISION

4700 SW 64TH AVENUE- SUITE D , DAVIE, FLORIDA 33314
PHONE: (954) 797-1173 FAX: (954) 797-2058 WWW.DAVIE-FL.GOV

Town of Davie Housing & Community Affairs Division SHIP FIRST TIME HOMEBUYER PROGRAM INSTRUCTIONS FOR LENDERS

Applicants must obtain a commitment/pre-approval letter from a lending institution.

The following are program requirements associated with the implementation of the Town of Davie's SHIP First-Time Homebuyer Program:

RECIPIENT SELECTION CRITERIA:

- ✓ Applicants will be selected on a first come, first qualified, first served basis within the income groups. To ensure compliance with income set-asides, priority is given to low and very-low income households and to persons with special needs or developmental disabilities.
- ✓ Applicants must not own any other residential property at time of application and prior to closing for the past three (3) years as evidenced by previous three (3) years tax returns.
- ✓ Applicants must receive a certificate of housing counseling upon completion of an eight (8) hour education and counseling workshop conducted by a HUD certified housing counselor. This certificate is required prior to loan closing.
- ✓ All SHIP proceeds must be used to pay closing costs; down payment; principal reduction and must not be used for debt consolidation, or cash-out to applicant.
- ✓ The maximum loan-to-value is not to exceed 97% (with no mortgage insurance (MI)). Value is determined by an appraisal acceptable by the first mortgage lender and prepared by a Florida licensed residential property appraiser. For combined first and second mortgages the maximum LTV shall be 105% for very low, low and moderate income applicants.
- ✓ Applicant must make mortgage application with a lender who shall meet any lender's qualifying criteria as established by the Town.

SHIP PROGRAM REQUIREMENTS:

1. The principal reduction mortgage amount is based upon the purchase price of the desired property, however; the down payment/closing cost and purchase assistance provided by the Town of Davie will not exceed a maximum deferred payment loan up to \$90,000 for very-low, low and moderate income applicants.
2. The principal reduction mortgage will be in the form of a zero percent interest second position deferred payment loan. The full amount of the second mortgage will be forgiven if the homeowner meets all of the SHIP requirements including occupying the dwelling being purchased for the period specified in the mortgage and promissory note as their primary residence.



HOUSING AND COMMUNITY AFFAIRS DIVISION

4700 SW 64TH AVENUE- SUITE D , DAVIE, FLORIDA 33314

PHONE: (954) 797-1173 FAX: (954) 797-2058 WWW.DAVIE-FL.GOV

3. The first mortgage lender financing must be a fixed interest rate loan. Assumable: No.
4. Private Mortgage Insurance is not allowed to be charged by the primary lender if the down payment and second mortgage assistance being provided by the borrower and the Town's SHIP are equal to more than 20% of the appraised value of the property.
5. Applicant's Income/Debt Ratio should be 38% / 45% maximum.
6. Purchase Price: As of June 2024, the Broward County maximum sales price for existing and new construction dwellings is \$636,806. Annually the Florida Housing Finance Corporation (FHFC) establishes the maximum sales price, which meets the US Housing and Urban Development's (HUD) price limits.
7. Co-Borrowers (non-occupying): Not permitted under SHIP.
8. Down Payment: In all cases, buyer must contribute a minimum of one percent 1% of the purchase contract price of their own funds toward the transaction. Cost of appraisal, home inspections, and discount points can be applied towards the 1% required homeowner contribution.
9. Refinance Subordination Restrictions: Rate/Term only. No cash out. Homes must have evidence of homestead exemption. All other instance of refinance triggers repayment.

You should retain a copy of this to provide to your lender.

For questions related to the Town of Davie's SHIP First Time Homebuyer Program, please contact us at (954) 797-1173.

*** PLEASE NOTE THAT THE "INSTRUCTIONS FOR LENDERS" MAY BE CHANGED AT ANY TIME AT THE DISCRETION OF THE HOUSING & COMMUNITY AFFAIRS DIVISION.**

Acknowledgment of Receipt by Lending Institution:

PRINT NAME/TITLE

DATE

SIGNATURE

Exhibit I

Community Land Trust Requirements

Additional Instructions and Information for Assistance for Community Land Trust Homes

The community land trust (CLT) must meet the definition of a “community land trust” under section 193.018 of the Florida Statutes. The CLT will execute a 99-year ground lease with the homebuyer. A memorandum of that ground lease is recorded in the public records immediately following the deed. The terms of the ground lease restrict the resale of the property to an income eligible household and provide a right of repurchase to the CLT in the event of default. The CLT must approve the subsequent homebuyer. In the event of a default, the CLT must notify the Town of Davie whether it intends to exercise its right of repurchase. In the event the CLT is not willing or able to exercise its right of repurchase, it shall transfer its right of repurchase to the Town of Davie, giving the Town the right, but not the obligation, to purchase the property.

Rehabilitation assistance shall be treated as a cost pay-down to further reduce the sales price to the homebuyer. Assistance amount on a CLT home shall be separated from the Base Price and Formula Price as defined in the ground lease. The balance of the assistance must be included in the Purchase Option Price as defined in the ground lease to repay the funds to the Town of Davie in the event of default. At the end of the loan term, the loan will be forgiven, and the lien released. However, the CLT ground lease will remain in effect and the subsidy as well as the requirements for residency, resale price, and subsequent buyer’s income eligibility will continue. The CLT may request satisfaction of a loan and release of the lien during the term of the loan on behalf of a homeowner or seller, and under certain defined circumstances, with approval granted by the Town on a case-by-case basis.

When selling a CLT home, the seller must notify the CLT. The CLT will then enter into a purchase and sale agreement with the seller, that will get assigned to the subsequent homebuyer who will execute an Assumption Agreement or new loan with identical terms and/or ground lease. The Purchase Option Price for the CLT will be calculated as follows:

Purchase Option Price = Formula Price + Payoff Amount of Deferred Payment Loans

Until the recipient loan is forgiven, the Formula Price is calculated using a Base Price calculated by subtracting the amount of SHIP assistance from the purchase price. The assistance on the improvements is included to lower purchase price. For example:

Purchase Price: \$335,000
MINUS Assistance Provided as buy down (maximum): \$100,000
EQUALS Base Price (sales price) for first buyer: **\$235,000**

Base price is the amount the buyer would need to finance (plus transaction costs) and is used to calculate the Formula Price in the ground lease.

Suppose the Formula (re-sale) Price in the ground lease is calculated by a 1% annual increase to the Base Price, compounded. Suppose the home is sold after 5 years. To calculate the Purchase Option Price (price that will go in the purchase and sale agreement between the CLT and the seller), first calculate the Formula Price:

Formula Price = Base Price x Compound Rate

Exhibit I

Community Land Trust Requirements

Calculated as follows:

Year 1 = $\$235,000 \times 1.01 = \$237,350$

Year 2 = $\$237,350 \times 1.01 = \$239,723.50$

Year 3 = $\$239,723.50 \times 1.01 = \$242,120.74$

Year 4 = $\$242,120.74 \times 1.01 = \$244,541.95$

Year 5 = $\$244,541.95 \times 1.01 = \$246,987.37$

Formula Price = $\$246,987$

Purchase Option Price = $\$246,987 + \$100,000 = \$346,987$

The price to the subsequent buyer equals the Purchase Option price minus any down payment assistance (development assistance already included in the lower initial purchase price):

Purchase Option Price:	\$346,987.37
DPA assumed:	<u>- \$100,000</u>
Sales price for subsequent buyer:	\$246,987.37 (New Base Price for Formula Price)

The new price should be affordable to the subsequent buyer without additional subsidy.

At the end of the loan term, the value of the Purchase Option Price will be equal to the Formula Price; however, funds will remain as direct subsidy of the unit via the CLT and its administration of a ground lease.