

Pre-foreclosure CLT Assessment

1. Check Median Home Price in area	
Median Home Price	\$550,000
Current value of home	\$435,095 adjusted appraisal to current
Median Home Price less Current Price	\$114,905 *

Check value of home vs median
current median home price

IF VALUE GREATER THAN MEDIAN - DO NOT PROCEED

2. Owner's equity with original loan	
Current Appraised Value	\$435,095
First Mortgage - Payoff	\$371,757
Second Mortgage - Payoff	\$0
Homeowner Equity under existing loan	\$63,338

Given the original debt, equity and investment, determine the owner's equity

IF NEGATIVE-DO NOT PROCEED

3. Determine gap & funds required	
Current debt plus 1.25% closing costs	\$376,404
Less Suggested Investment	78% \$339,374
Investment Required	10% \$37,030
Funders:	
CLT Investment-City	33% \$12,343
CLT Investment-County	0% \$0
CLT Investment-State	33% \$12,343
CLT Investment- other funders	33% \$12,343
CLT Investment-	0% \$0
Funds Available	\$37,030
Funding Gap	\$0
CLT Investment-Funding Total	\$37,030

Given equity & value, what is required investment?

Owner sells home & land for current debt level including 1.25% closing costs

% of market value of property=max new debt

All grants to CLT to purchase the land

IF LACK FUNDING-DO NOT PROCEED

4. New Mortgage Amount & new pmnts	
New loan amount:	
Homeowner Investment	\$339,374
Closing Costs included above	
Less Homeowner Funds Into Transaction	Can be from skipped pay due to refi \$0
New Refinanced Mortgage Amount	\$339,374
Check 80% LTV-New loan must not be more than 80% value	\$348,076 -\$8,702
Estimate the new mortgage payment & monthly fees:	
Interest Rate	6.00%
Term (months)	360
Monthly Mortgage Payments (PI)	\$2,035
Taxes from Assessor's Office	\$1,400 12 \$117
Insurance from Homeowner	\$1,680 12 \$140
Other monthly fees (association)	\$0 \$0
CLT Monthly Lease Fee	\$65 \$65 *
Total Estimated Montly Payments	\$2,356

Given original debt and funds available, project new debt level and payments for owner.

NEG = less than maximum...PROCEED

Estimate owner's new monthly housing payments

confirm terms

confirm terms

* CLT monthly fee

IF LOAN NOT AVIALABLE DUE TO CREDIT OR OTHER ISSUES, CAN NOT PROCEED.

5. Assess housing burden	
Monthly Income to Support Payment at	35% \$6,733
Minimum Annual Income Required	12 \$80,790
Household information:	
Household size:	1
Household income:	\$37,560
Owner income as % of Required:	46%

Assess ower's ability to pay.

to confirm with lender ratio required for new mortgage

minimum income needed

Actual income/Required income - PROCEED if >>1

IFOWNER CAN NOT AFFORD-DO NOT PROCEED

6. Funding Needed if MAX loan limited by income:	
Household income:	\$37,560
Income Available for housing:	35% \$13,146 \$1,096
Non Debt Monthly Obligations:	
Taxes from Assessor's Office	\$117
Insurance from Homeowner	\$140
Other monthly fees (association)	\$0
CLT Monthly Lease Fee	\$65
Total	\$322
Funds Available for debt payment	\$774
Debt Level that owner can afford:	\$129,069
Grant Funds Required:	
Closing cost of home	\$376,404
New Debt	\$129,069
Additional Funding Required	\$247,335
Original Funding Assumption	\$37,030
GAP	(\$210,305)

If debt pmnts too high for owner, Assess need for additional grant funds

loan terms from above

IF ADDITIONAL FUNDS NOT AVAILABLE, DO NOT PROCEED

PROGRAM COSTS

1. Cost per transaction		success	1 in 3
a. Successful transaction			
Initial screening	4		
Due diligence	40		
Closing	8		
Post Closing	4		
Total Estimated hours	56	\$	50.00 \$2,800
b. failed transaction			
Screening	8	\$	50.00 \$400
Total			\$3,200

2. Funding needed per home	
Investment per transaction	\$37,030
Local investment	\$24,687
Additional Investment needed	\$12,343
Transaction Costs	\$3,200
Total funding needed per new home	\$15,543

3. Cost per market value	
market value of home	\$435,095
additional funding needed	\$12,343 2.84%
transaction cost	\$3,200 0.74%

4. Funding Requested	
new homes in program	20
total funding needed	\$ 310,866 \$ 15,543
	per home funding: