

CITIZENS' LIGHTHOUSE COMMUNITY LAND TRUST (CLCLT)
HOMEBUYER CRITERIA

Adopted June 6, 2006

ELIGIBILITY CRITERIA

Income:

1. The income eligibility requirement is up to 120% of Area Median Income (AMI), while CLCLT prefers to focus on those participants whose income falls at 80% or below of AMI.
2. With Board approval, exceptions to the income requirement will be allowed for those who wish to sell their land to CLCLT and lease it back.

Age:

At the time of application, applicants must be of legal age to obtain a mortgage in Illinois.

Creditworthiness:

Applicants must have a good credit rating showing no significant delinquencies in the past year and no bankruptcy in the past three years. A credit report will be required at application and must be provided by the applicant.

Citizenship:

An applicant must be either a U.S. citizen or a registered (resident) alien for at least three years, following HUD's guidelines on registered/resident aliens.

Assets:

Applicants must have accumulated assets worth no more than 100% of the AMI for the applicable family size.

- a) Exclusions – household possessions, cars, tools, IRAs, 401(k)'s, pensions, and Qualified Education accounts
- b) Inclusions – savings, real property, mobile homes, recreational vehicles, boats, art collections or similar items

Employment:

Applicants must have proof of steady employment or income for at least one year. Sources of income include all wages, overtime and tips; interest and dividends; social security, annuities, pensions; unemployment, disability, and severance compensation; alimony and child support; and most forms of public assistance. Self-employed individuals must demonstrate proof of earnings with tax returns for the past three fiscal years.

SECONDARY SELECTION CRITERIA

The following criteria may be used at the discretion of the Board in selecting among eligible applicants.

Residency:

Preference will be given to residents of Evanston, of Cook County, and of Illinois --in that order. Length of residency or former residency also will be considered.

Local Employment:

Preference will be given to households in which the applicant or applicant's spouse/domestic partner works in Evanston. Individuals will be considered to work in Evanston if they are currently employed, or have a bona fide offer to work, in Evanston. For purposes of this policy, persons must work in Evanston at least 20 hours per week.

Community involvement:

Preference will be given to applicants demonstrating involvement with and commitment to Evanston community affairs as evidenced by their organizational memberships and/or participation in, support for, or sponsorship of non-profit, religious, or civic groups/events, etc.

Need:

In general, CLCLT will give consideration to applicants with household incomes that do not exceed 80% of the Chicago AMI. In the case where funding sources mandate maximum incomes lower than 80% of the Chicago AMI, those regulations will prevail. CLCLT will give special consideration to applicants facing immediate or near-term displacement, especially if children are involved.

Community Land Trust Membership:

CLCLT desires to enable CLT homeowners to convert their limited equity stake in one community into another such home ownership option in another community. Thus, length of membership in CLCLT, length of membership in other CLTs, in that order, will be considered. Involvement in CLCLT's operation and general activities also will be considered.

First-time homebuyers:

Preference will be given to "first-time homebuyers," where that term is defined as an applicant who has not owned a principal residence in the past three years; or a single person who may have owned a home with a former spouse in the past three years, but now no longer resides there.

Application on File:

Consideration will be given to the length of time which an application for ownership has been on file.

Appropriate Size: (i.e., matching household size to unit size)

To ensure that units are not underutilized, household size will be matched to unit size as follows:

<u>Unit Size</u>	<u>Minimum Household Size</u>
1 BR	1
2 BR	2
3 BR	3
4 BR	5

Affordable Housing Inventory:

With the approval of the Board of Directors, priority will be given to applicants who have sold or entered into a contract to sell their dwellings to CLCLT, thereby contributing to CLCLT's affordable housing inventory.