

## LBA Property Developed for Sale to Home Buyers

### LBA Transfer of Property to Developers

Item	Detail	Enforcement
Property Transfer to Developer	Direct Sale using an LBA Approved Attorney.	Deed
Sale Price & Terms to Developer	<ul style="list-style-type: none"> <li>• Sale Price to be Determined by LBA.</li> <li>• <u>Minimum</u> Cash at Closing 10% Sale Price.</li> <li>• <u>Possible LBA Loan</u> to Developer:                             <ul style="list-style-type: none"> <li>○ 90% Sale Price Maximum.</li> <li>○ Due in 12 months or upon sale of house--whichever occurs sooner.</li> </ul> </li> </ul>	Sales Contract  Deed to Secure Debt

### Affordability Requirements & Preferences

<b>Affordable Dwellings</b>	<b>Affordable Dwellings</b> are those that are sold to buyers with incomes and for sale prices that are at or below those established by the LBA.	
<b>Affordable Dwelling Requirement:</b> Includes single property or group of properties in the same neighborhood	<ul style="list-style-type: none"> <li>• A Single House must be an <b>Affordable Dwelling</b>, unless otherwise approved.</li> <li>• At least 50% of dwellings within a property or properties must be <b>Affordable Dwellings</b>.</li> <li>• Violation of this requirement may result in the LBA seeking Court ordered relief.</li> </ul>	Deed Restriction
<b>Home Buyer Income Requirement</b>	<ul style="list-style-type: none"> <li>• <b>Affordable Dwellings</b> must be sold to buyers with annual incomes at or below 80% HUD AMI or LBA approved alternative.</li> <li>• Developer must provide LBA evidence initial buyer income meets requirement.</li> <li>• Violation of this requirement may result in the LBA seeking Court ordered relief.</li> </ul>	Deed Restriction
<b>Sale Price Restriction Requirement</b>  Exceptions	<ul style="list-style-type: none"> <li>• Developer required to sell <b>Affordable Dwellings</b> at or below LBA established Sale Price, determined at the time the sale of the property is approved by the Board.</li> <li>• Limits established quarterly.                             <ul style="list-style-type: none"> <li>○ \$225,000 for 3rd Quarter 2022</li> </ul> </li> <li>• Violation of this requirement may result in the LBA seeking Court ordered relief.</li> <li>• With LBA approval, <b>Affordable Dwellings</b> sale price may be higher if developer or other entity provide 30 Year 0% DPL for difference between LBA Sale Price Limit and Appraised Value of dwelling. Forgiveness provision may apply.</li> </ul>	Deed Restriction
<b>Affordability Period Requirement</b>	<ul style="list-style-type: none"> <li>• Affordability Period shall be 10 years.</li> <li>• Equity sharing may apply if the property is sold, transferred or refinanced with cash out, during Affordability Period.</li> </ul>	Deed Restriction
<b>Proposal Preferences Include</b>	<ul style="list-style-type: none"> <li>• Number of <b>Affordable Dwellings</b> are greater than 60% of dwellings.</li> <li>• Sales prices 10% or more below LBA limits.</li> <li>• Non-Profit Developer.</li> </ul>	

## LBA Property Developed for Rental Housing

### LBA Transfer of Property to Developers

Item	Detail	Enforcement
Property Transfer to Developer	<ul style="list-style-type: none"> <li>• Direct Sale using LBA Approved Attorney or</li> <li>• Ground Lease: Terms TBD by LBA.</li> </ul>	Deed Lease
Sale Price & Terms to Developer	<ul style="list-style-type: none"> <li>• Sale Price to be determined by LBA.</li> <li>• <u>Minimum</u> Cash at Closing 10% Sale Price.</li> <li>• <u>Possible LBA Loan</u> to Developer:                             <ul style="list-style-type: none"> <li>○ 90% Sale Price Maximum.</li> <li>○ Payment due in 12 months.                                     <ul style="list-style-type: none"> <li>▪ LBA may offer longer term.</li> </ul> </li> </ul> </li> </ul>	Contract  Deed to Secure Debt

### Affordability Requirements & Preferences

<b>Affordable Dwellings</b>	<b>Affordable Dwellings</b> are those that are rented to households with incomes and rents that are at or below LBA established limits.	
<b>Affordable Dwelling Requirement:</b> Includes single property or group of properties in the same neighborhood	<ul style="list-style-type: none"> <li>• A Single House must be an <b>Affordable Dwelling</b>.</li> <li>• At least 50% of dwellings in a property or properties must be <b>Affordable Dwellings</b>.</li> <li>• Violation of this requirement may result in the LBA seeking Court ordered relief.</li> </ul>	Deed Restriction
<b>Renter Income Requirement</b>	<ul style="list-style-type: none"> <li>• <b>Affordable Dwellings</b> must be initially rented to households with annual incomes at or below 80% HUD AMI or LBA approved alternative.</li> <li>• Developer must provide LBA evidence initial renter income meets requirement.</li> <li>• Violation of this requirement may result in the LBA seeking Court ordered relief.</li> </ul>	Deed Restriction
<b>Rent Restriction Requirement</b>	<ul style="list-style-type: none"> <li>• Developer will be required to rent <b>Affordable Dwellings</b> at or below HUD published Fair Market Rents for 10 years.</li> <li>• Developer to provide the LBA with copies of leases upon request to confirm compliance.</li> <li>• Violation of this requirement may result in the LBA seeking Court ordered relief.</li> </ul>	Deed Restriction
<b>Affordability Period Requirement</b>	<ul style="list-style-type: none"> <li>• Affordability Period shall be 10 years.</li> <li>• Equity sharing may apply if the property is sold, transferred or refinanced with cash out, during Affordability Period.</li> </ul>	Deed Restriction
<b>Proposal Preferences Include</b>	<ul style="list-style-type: none"> <li>• Number of <b>Affordable Dwellings</b> are greater than 60% of dwellings.</li> <li>• Rents that are 10% or more below FMRs.</li> <li>• Renters with incomes at or below 60% AMI.</li> <li>• Affordability Periods of 15 years or more.</li> <li>• LIHTC or similar affordable rental housing.</li> <li>• Non-Profit Developer.</li> </ul>	