



## Property Purchase Application

Thank you for your interest in obtaining a Richmond Land Bank (RLB) property. The RLB is committed to returning vacant, abandoned, surplus, or tax-delinquent property to productive use that benefits and enriches the community, with a priority placed on the creation of permanently affordable housing. All applications shall be reviewed for (1) relevance and alignment with the Annual Plan and (2) strength of applicant's narrative and qualifications. ***In order for a Property Purchase Application to be considered, the applicant must first be eligible as a Qualified Applicant. For additional information on becoming a Qualified Application please refer to <https://www.richmondlandbank.com/apply>. Before making a final decision regarding an applicant's eligibility, the RLB may request additional documentation or materials.***

### 1. Applicant Information

Name:	Erica Sims, Maggie Walker Community Land Trust
Address:	203 N. Robinson St, Richmond VA 23220
Phone:	804-915-4940
Email:	erica@hdadvisors.net

2. Have you been approved  by  the RLB as a Qualified Applicant? (only Qualified Applicants are eligible to  apply for properties)  YES  NO

### 3. Property Information

List the address(es) of the property(ies) you are interested in purchasing and their intended use.

Address	Building or Lot?	Intended Use	Price
1423 N. 32 <sup>nd</sup> St	lot	50-60% AMI lease to own CLT homeownership – 1 unit	We will sell to homebuyer for \$165,000
3106 Midlothian Tpke	lot	70-80% AMI CLT homeownership – 1 unit	Sell for \$185,000
2501 Dana St.	lot	70 – 80% AMI CLT homeownership – 5 units	Sell for \$180,000

Are you interested in placing your completed home in the **Community Land Trust Program**?

YESX

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NO

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**4. Development/Management Plan***For Buildings - Please Check Box***Redevelopment**

- Renovate/Rehabilitate
- Occupy/Operate As-Is
- Demolish/Deconstruct X
- New Construction

**Management**

X Redevelop and re-sell to an owner occupant  
 Operate this property as a rental  
 Occupy this property with my own business

**Compliance to Building Standards:** Your proposal must comply with current zoning regulations and adhere to Virginia state building codes. To find out about obtaining permits in the City of Richmond visit: <http://www.richmondgov.com/PlanningAndDevelopmentReview/> Additionally, RLB encourages developers to include energy efficiency standards in homes.

**Redevelopment Plan:** Be as specific and detailed as possible with providing information to support your proposal.

*Please attach*

- Plan to contract with qualified individuals to complete the project
- Estimated timeline for completion
- Project budget form (attached), including status of any funding such as:
  - Loan Pre-Qualification Letter
  - Grant Award/Funding Commitment
- Schematics/sketches/drawings of redevelopment plan
- A description of applicant's experience completing similar projects, their qualifications or training to complete the project
- Documentation, if available, of ongoing or past work in the surrounding neighborhood
  - Provide demographics of past project residents, including, but not limited to AMI level, race, gender, household size, age
- Reasons for interest in the property (i.e. type of structure, neighborhood/location, price, personal connection). Please provide at least a 3-5 sentence description.
- How does your project address community inequities?
  - Please address the community need that you are serving with statistics about the neighborhood.
  - Provide demographic targets for future project residents, including, but not limited to, AMI level, race, gender, household size, age.
  - Provide the target purchase price or rent
- Letters of support (community leaders, neighboring residents, neighborhood associations, etc.)

**Rental Management Plan:** If you plan to manage the property as a rental, please demonstrate your capacity to manage and maintain the property either as an established landlord or as a

new one.

- Completed copy of Management Income Expense Budget (attached)
- Narrative description of your marketing plan
- Narrative description of management procedures
- Standard lease agreement
- Anticipated market served
  - Will accept Housing Choice Vouchers:  YES  NO

**Maintenance Plan:**

If you plan to use a local property manager, list their contact information below:

Name/Phone Number:	
Company	

If you are working with a real estate agent, list their contact information below:

Name/Phone Number:	Jenn Cox Realty 804-715-7937
Company	Clocktower Realty

**5. Statements of Understanding:** Please initial beside the following statements to demonstrate full understanding of RLB terms.

*CEL* I understand that the RLB may receive multiple bids or offers to purchase properties and that it is at the sole discretion of the RLB to accept or reject any and all bids or offers. RLB may choose to withhold the transfer of this property if no applicant meets desired requirements.

*CEL* I understand that there is no binding agreement with the RLB until the signing of the Purchase & Sales agreement.

*CEL* I understand that I will be responsible for ensuring this property is not in violation of city codes and that it meets all regulations as soon as it comes into my ownership.

*CEL* I understand that I will be given six (6) months to obtain all necessary permits and eighteen (18) months to complete proposed work. I acknowledge that my failure to meet these requirements will invoke the reversion clause in the development agreement, returning the property to the RLB's stewardship.

*CEL* I understand that all property is sold as is and any potential hazards are not

the responsibility of the RLB upon transfer.

MWCLT is interested in developing the three of the four lots currently available through the Land Bank as affordable homeownership opportunities. MWCLT will seek to serve as low an affordability level as possible, given available financial resources. Where possible, MWCLT is also proposing deep affordability coupled with the rent-to-own program pilot it has developed.

**1423 N. 32<sup>nd</sup> St - \$165,000 home for 50-60% AMI**

For the lot at 1423 N. 32<sup>nd</sup> St, MWCLT is able to use existing funding it has received to create a deeply affordable home through its “Homeownership Bridge” program. This program allows a 50-60% AMI household who currently does not have sufficient resources in the form of downpayment or credit score to rent the home for a year while they work with our organization to become mortgage-ready. At the end of this renting period, MWCLT would provide the buyer with a large portion of their paid rent as a downpayment grant (\$6,000 or \$500 per month) and would sell the home to the buyer for \$165,000. MWCLT would build a 3BR, 2.5 BA home.

**3106 Midlothian Turnpike - \$185,000 for 70 - 80% AMI**

MWCLT would build a 3BR, 2.5 BA home.

**2501 Dana St – 5 homes at an average of \$180,000 each for 70 – 80% AMI**

Due to the size of this lot, up to 5 attached homes could be built on this site. The City of Richmond would have to review and approve a special use permit to allow more than one home to built on the site. Prior to performing any work at this site, MWCLT intends to meet with the two area civic associations near this site and also some of the surrounding anchor institutions and neighbors. MWCLT’s goal with these meetings would be to understand needs and goals from the community before finalizing plans for the site. MWCLT would incorporate feedback from this process into its final plans for the site. MWCLT recognizes that community input may significantly change the final plans for the site, including the number of units built.

**Budget**

	1423 N 32nd St	3106 Midlothian Turnpike	2501 Dana St
Total Units	1	1	5
Borrower Sale Price	\$165,000	\$185,000	\$180,000
Acquisition Cost	\$6,000	\$6,000	\$6,000
Architect	\$500	\$500	\$2,000
SUP			\$1,000
Construction	\$210,000	\$210,000	\$950,000
Infrastructure	\$10,000	\$10,000	\$50,000
Contingency	\$11,000	\$11,000	\$50,000
Insurance	\$1,500	\$1,500	\$4,500
Utilities	\$400	\$400	\$400

Closing Costs	\$10,900	\$12,100	\$11,800
Lease-to-Own Expenses	<u>\$15,000</u>	<u>\$0</u>	<u>\$0</u>
	\$265,300	\$251,500	\$1,075,700
Subsidy	\$100,300	\$66,500	\$895,700

**Plan to contract with qualified individuals to complete the project**

To complete the project, MWCLT will contract with an architect and general contractor. MWCLT prioritizes the use of minority and/or women-owned architect’s and general contractors in its hiring process. To date MWCLT has completed over 20 homes with qualified architects and contractors. Estimated timeline for completion

It is anticipated that 1423 N. 32<sup>nd</sup> St and 3160 Midlothian Turnpike would be completed within 12 months. If a special use permit is required to complete the project at 2501 Dana Street, that project would take 18 months to complete.

**Estimated budget**

MWCLT has grant funds in hand to support the development of these homes. MWCLT received \$1M from Altria to complete work in South Richmond and \$242,000 from the City of Richmond to create lease to own opportunities in Church Hill.

**Schematics**

Attached are plans for a home recently completed at 511 N. 30<sup>th</sup> Street which we would use for 1423 N. 32<sup>nd</sup> St. The attached plans for 2011 Greenwood we would use for 3160 Midlothian Turnpike. New plans would be design for 2501 Dana Street for a as set of attached homes.

**Applicant Experience**

MWCLT has successfully completed the construction on over 20 homes and has sold over 55 homes to qualified homebuyers. MWCLT has experience completing very similar projects to those proposed in this application and can provide evidence of that experience over the last three years. Of specific relevance is MWCLT’s work in Church Hill including the recent construction of 418 N. 23<sup>rd</sup> St, 511 N. 30<sup>th</sup> St and 918 N. 25<sup>th</sup> St.

**Ongoing Work in the surrounding Neighborhood**

Of the 55 homes MWCLT has sold:

The average income is 50% of area median income

45% of buyers are buyers of color

30 households of 1 person, 9 households of 2 people, 3 households of 4 people, 2 households of 5 people, 1 household of 6 people

Church Hill: MWCLT has completed 7 homes in Church Hill with an additional 7 homes in the pipeline. Swansboro: MWCLT has 1 home it hopes to begin construction on in Swansboro in 2021. To date, MWCLT has not completed any homes in Swansboro.



Blackwell: MWCLT has been working to begin construction on 6 lots in Blackwell it has under negotiation with the Richmond Redevelopment Housing Authority. To date, MWCLT has not completed any homes in Blackwell.

South Richmond: To date, MWCLT has not completed any homes in South Richmond. 2510 Dana St would be MWCLT's first project in South Richmond.

**Reasons for Interest in the Property and Ways Project Address Inequities**

MWCLT is focused on neighborhoods, including the 3 represented in this application, that have a significant need for more affordable housing and more affordable homeownership opportunities. Church Hill and Blackwell are two neighborhoods that MWCLT has had an existing focus on and Swansboro and South Richmond are also neighborhoods MWCLT hopes to work with as well. MWCLT's model of permanent affordability can create permanent, affordable homeownership opportunities in these communities. MWCLT commits to engaging with the community more specifically about its plans for these sites, should it be awarded the development, to ensure that community input is received and incorporated into the CLT's plans for the sites. Working with the neighborhood to craft a project that meets genuine community needs and goals is a priority for MWCLT.