Homeownership Development Program Workshop

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HOUSING SERVICES GOAL

Increase and preserve the stock of affordable housing

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HOUSING SERVICES MISSION

- To provide households with extremely low, very low, and low income with assistance to improve living conditions
- To ensure the health, safety, accessibility, and insurability of homes in Leon County

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HOUSING SERVICES PROGRAMS

- Increase the stock of affordable housing
  - Down Payment Assistance
  - Homeownership Development
  - Rental Development

- Preserve the stock of affordable housing
  - Disaster Recovery
  - Home Rehabilitation
    - Home Rehabilitation
    - Home Replacement
    - Emergency Home Repair

Homeownership Development (HOD) Program

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HOD PROGRAM

- Awards SHIP funds to nonprofit and for-profit organizations
  - Up to $100,000 per unit
  - Deferred Forgivable Loan

- Subsidizes development and reduces cost to low-income first-time homebuyers (80% or below AMI)

- Long-term affordability requirements recorded on property

- Preferences for CLT projects and units located in targeted areas that historically experienced poverty and racial inequities (Neighborhood First Program)

- Program funded the development of 18 units since 2023
  - $1.2 million in County SHIP funding awarded to small businesses and non-profit partners
  - 11 units sold to income eligible buyers
  - 10 CLT units funded
  - 13 units funded Neighborhood First areas
  - Six units currently under construction

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GENERAL DEVELOPER ELIGIBILITY REQUIREMENTS

- Must be able to leverage funds from other sources or be able to show sufficient liquid assets to construct new affordable homes
- Must not be in default for any other local government housing/construction loans
- Nonprofit organizations must be dedicated to provision of affordable housing and have tax-exempt ruling from IRS
- Must have experience performing housing activities

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DEVELOPER SELECTION CRITERIA

Criteria to select for-profit or nonprofit agencies may include:

- Financial strength of the potential developer
- Ability to complete project by County-established deadlines
- Quantity and quality of experience in affordable housing development
- Preference given to potential developers that already have a potential homebuyer ready to close
- Preference given to members of the Florida Housing Finance Corporation's Homeownership Pool Program
- Preference given to organizations that employ individuals from the State of Florida’s Welfare Transition Program
- Preference given to developers with site control for a parcel in an area designated as part of the City of Tallahassee’s Neighborhood First Plan

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ADDITIONAL PROJECT REQUIREMENTS

- Must be in Leon County
- Must be site-built; mobile homes are not eligible
- May not be developed in a 100-year floodplain or on properties that a first mortgage lender would require to have flood insurance
- If funds are granted to an organization that is not a community land trust, affordability restrictions must be recorded

DEVELOPER LOAN TERMS: DEFERRED FORGIVABLE LOAN

- Funds awarded to developers as a deferred loan secured by a recorded mortgage and note
- Loan period: Up to 18 Months (maximum time for construction and sale)
- 0% Interest
- Forgiven if in good standing upon sale of the property to an eligible homebuyer with affordability restrictions/covenants to ensure home remains affordable for at least 30 years
- Must be paid back if defaulted during the loan period:
    - The developer defaults on the loan if they fail to construct and sell unit with affordability restrictions and/or covenants to eligible homebuyer within six (6) months after the final certificate of occupancy is issued within the contract term.

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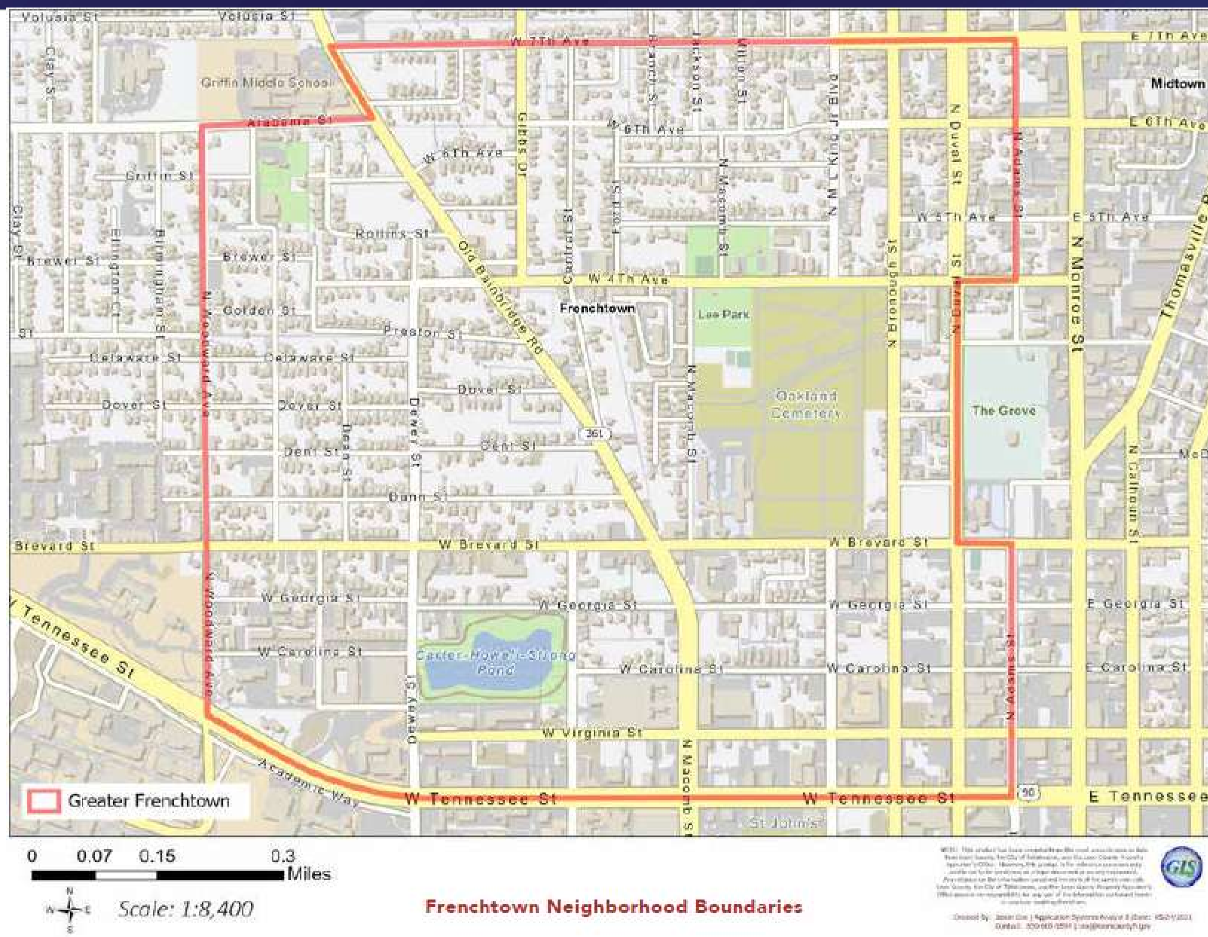
Neighborhood First Preference - Frenchtown



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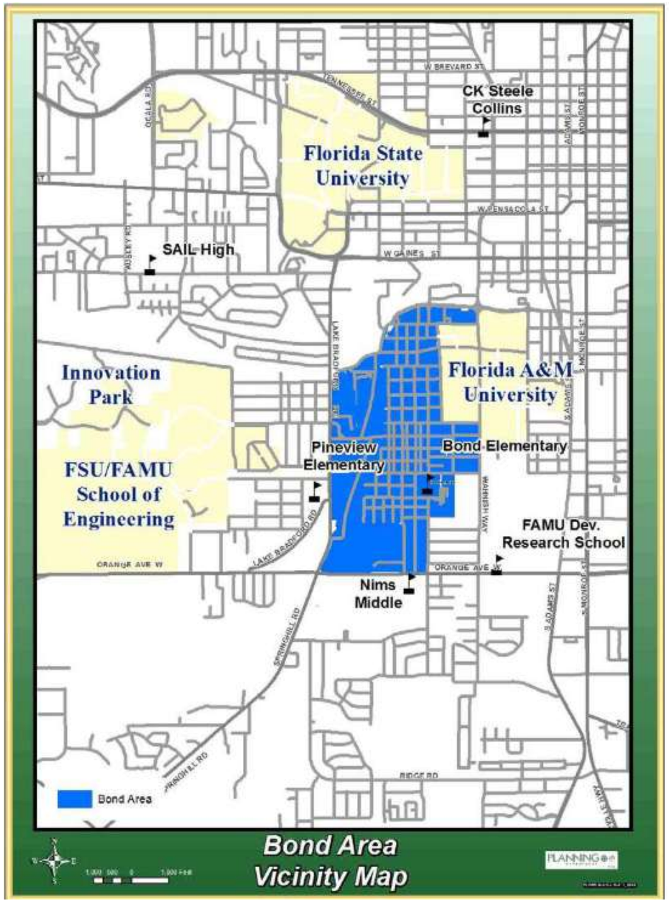
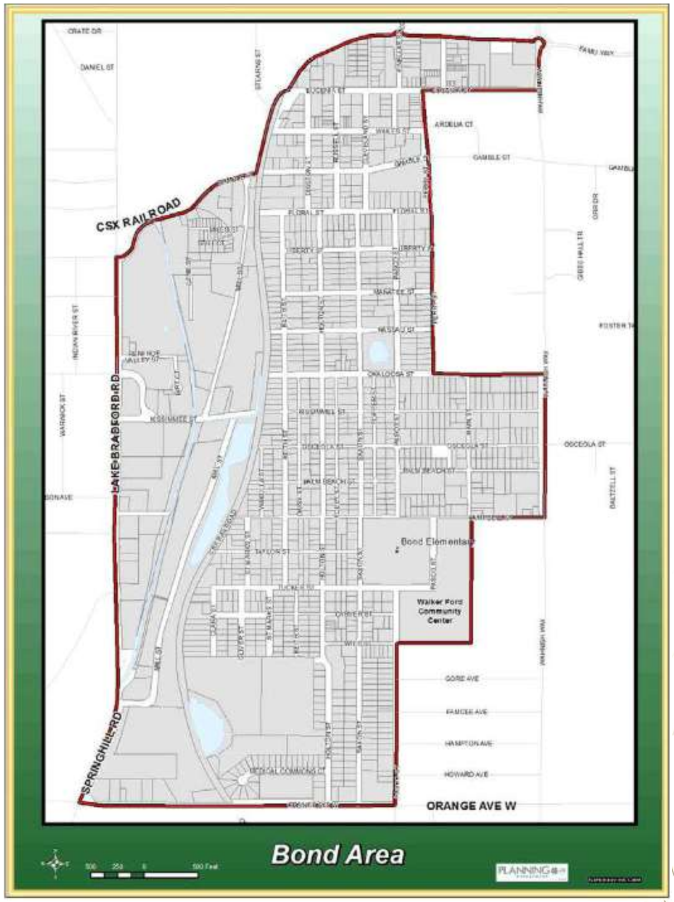
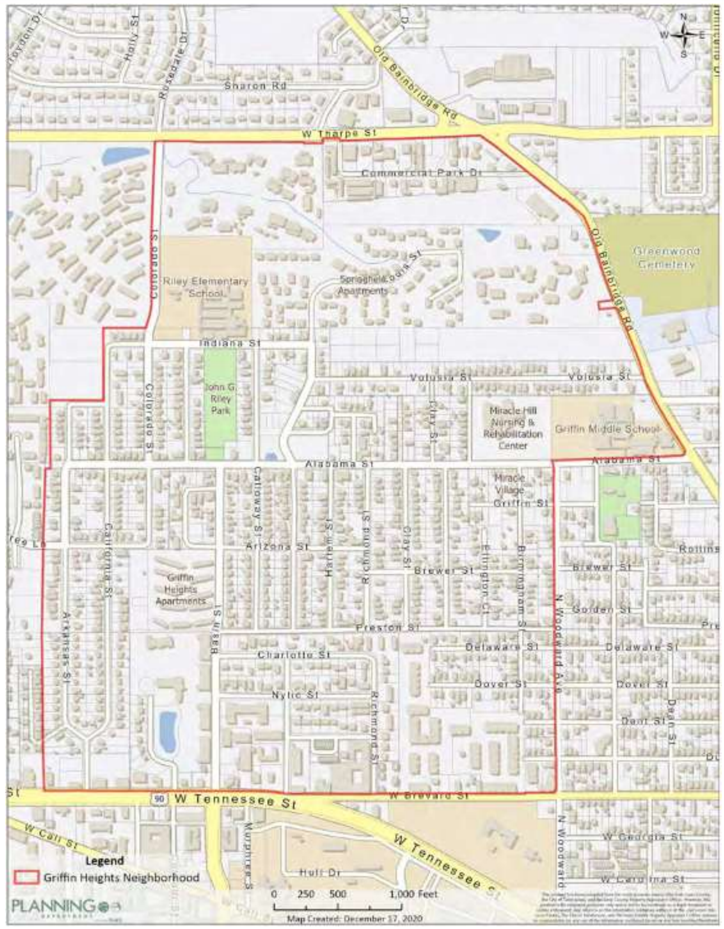
Neighborhood First Preference - Greater Bond Area





Neighborhood First Preference- Griffin Heights



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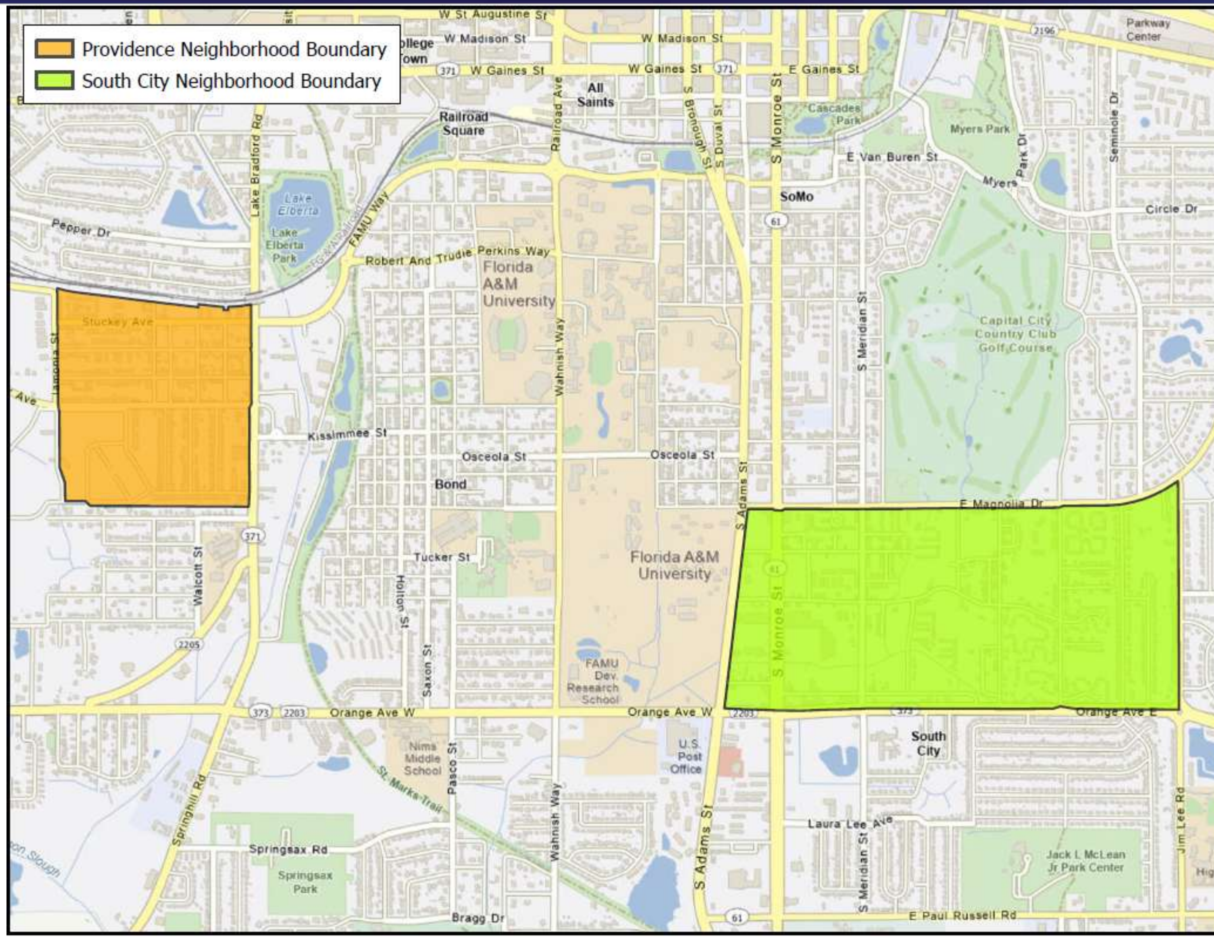
Neighborhood First Preference- Providence & South City



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RECENT HOD PROJECTS

- Awarded Word Homes $140,000 in 2025 to build two single-family units in the Providence neighborhood
  - Both sold to income-eligible buyers in August 2025

- Awarded TLC $168,000 in 2024 to build four CLT units on parcels donated by Leon County
  - Located in targeted “Neighborhood First Program” community (Griffin Heights)
  - All four units sold to income-eligible buyers in October 2025

- Awarded TLC $530,000 in 2025 to build six Community Land Trust units on parcels donated by the City of Tallahassee
  - Located in targeted “Neighborhood First Program” community (South City)
  - Anticipated completion in 2026

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Homebuyer Eligibility

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GENERAL HOMEBUYER ELIGIBILITY REQUIREMENTS

- Must meet IRS definition of "first-time homebuyer" (can't have owned AND occupied primary residence for the last three years)
- Homebuyer may not be a family or household member of the developer or any principal member of the developer's organization.
  - "Family or household member" includes spouses, former spouses, non-cohabitating partners, persons related by blood or marriage, persons who are presently residing together as if a family or who have resided together in the past as if a family, and persons who have a child in common regardless of whether they have been married or have resided together at any time.
- Must secure a first mortgage by a financial lender
- Total liquid assets must not exceed $30,000*
- Must complete an approved homebuyer education course
- Household income:
  - Very low (50% or below the Area Median Income)
  - Low (80% or below the Area Median Income)

*Asset limitation suspended during recovery from a disaster declared by the President or Governor

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2025 INCOME LIMITS

Household Size	1	2	3	4	5	6	7	8
80% AMI (Low Income)	$51,700	$59,100	$66,500	$73,850	$79,800	$85,700	$91,600	$97,500

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AFFORDABILITY RESTRICTIONS

- Units sold to income-eligible buyers with long-term affordability restrictions recorded on property (at least 30 years)
- Privately-owned parcels have County Land Use Restriction Agreement (LURA)
- Affordability period on CLT enforced by TLC ground lease instead of LURA
- Homebuyer must use the property as primary residence
  - Sale of property during affordability period must be to County-approved buyer.
- Limits how much profit can be made on sale of subsidized units during affordability period

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AFFORDABILITY RESTRICTIONS

County Land Use Restriction Agreement

- 30-year affordability period

TLC Ground Lease

- 99-year affordability period (County SHIP loan period only covers first 30 years)
- Homebuyer owns the home and leases the land
- Land remains in collective ownership per CLT

Sale Process

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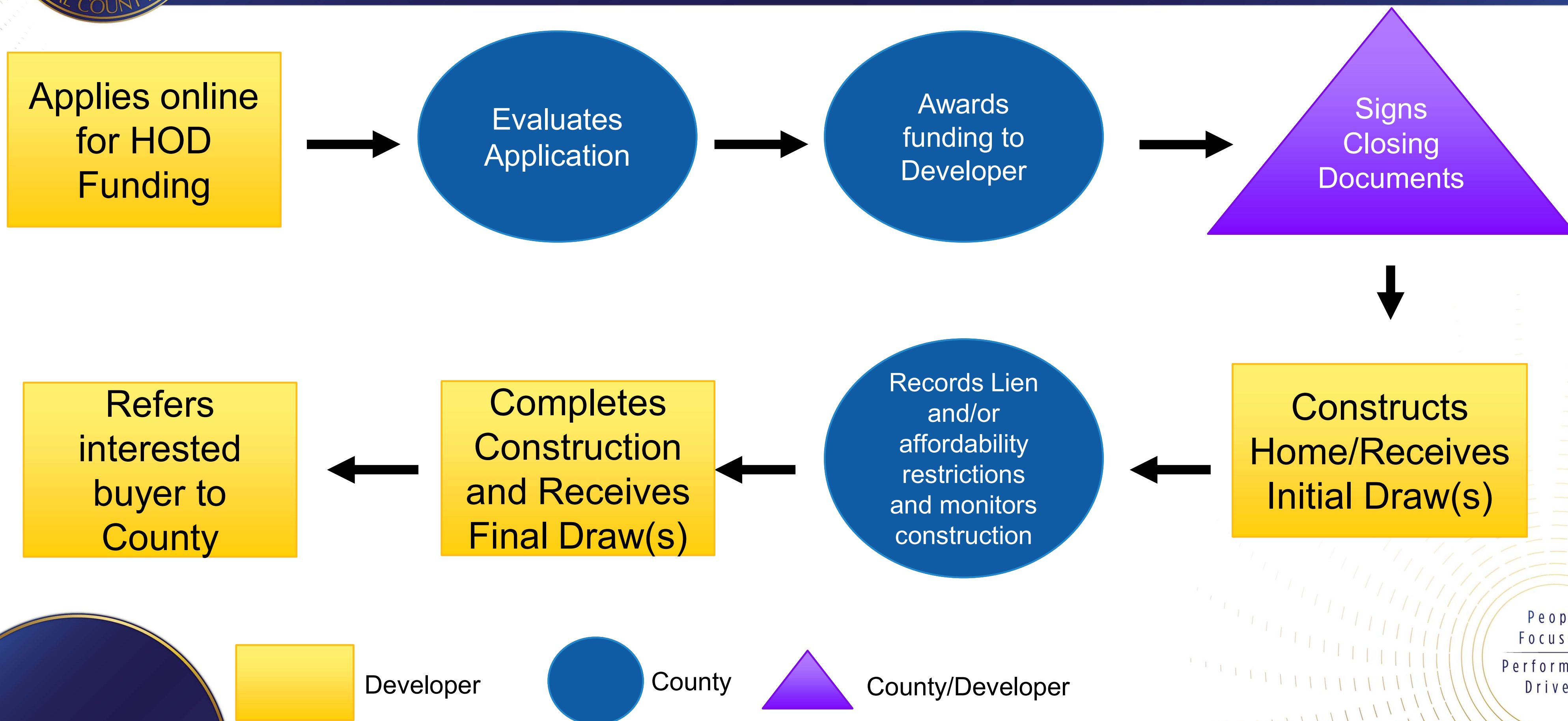
HOD Program
Process Flow Chart



HOD Program
Process Flow Chart (Part II)

Submits HOD Program online application to the County → Determines Homebuyer Eligibility/Sends Eligibility Letter → Works with closing agents to schedule sale of home to eligible buyer → Signs closing documents to purchase home

HOMEOWNERSHIP DEVELOPMENT!!!

Developer | County | Contractor | Homebuyer

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DEFERRED FORGIVABLE LOAN (HOMEBUYER)

- Funds awarded as a deferred loan secured by a recorded mortgage and note
- Loan period: 30 years
- 0% Interest
- Loan is forgiven when the loan period ends <u>and</u> there have been no defaults
- Must be paid back if default during the loan period
  - Typical defaults (but not limited to):
    - Homeowner no longer uses property as primary residence
      - Sale of property during affordability period must be to County-approved buyer.
    - Homeowner passes away
    - Homeowner fails to maintain homeowner's and/or flood insurance

HOD Program Examples

$282,000	(Price the market will bear)	$282,000	(Sales Price)
- $217,000	(Development cost)	-$65,000	(HOD Award Amount)
$65,000	(Funding gap)	$217,000	(Sales Price Minus HOD Subsidy)

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HOD Program Examples

- **Location:** Yons Lakeside Estates
- **Size:** 3 Bed/2 Bath, 1,985 Squ. Ft.
- **Sales Price:** $282,000
- **HOD Subsidy Amount:** $65,000
- **Sold:** February 2024

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HOD Program Examples

Location: Providence Neighborhood
Size: 3 Bed/2 Bath, 1,295 Squ. Ft.
Sales Price: $270,000
HOD Subsidy Amount: $70,000
Sold: August 2025

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HOD Program Examples

Location: Griffin Heights Neighborhood
Size: 3 Bed/2 Bath, 1,141 Squ. Ft. (Per unit)
Sales Price: $157,000 (Per unit)
HOD Subsidy Amount: $42,000 (Per unit)
Sold: October 2025

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HOD Program Examples

Closing Disclosure

Closing Information

Date Issued	01/31/2025
Closing Date	01/31/2025
Disbursement Date	01/31/2025
Settlement Agent	Hayward Title Group
File #	24-503
Property	10088 Green Fountain Road Tallahassee, FL 32305
Sale Price	$282,000

Transaction Information

Borrower [redacted]

Seller [redacted]

Summaries of Transactions

SELLER'S TRANSACTION

M. Due to Seller at Closing		**$282,000.00**
01 Sale Price of Property		$282,000.00
02 Sale Price of Any Personal Property Included in Sale		
03		
04		
05		
06		
07		
08		
Adjustments for Items Paid by Seller in Advance		
09 City/Town Taxes		
10 County Taxes		
11 Assessments		
12		
13		
14		
15		
16		
N. Due from Seller at Closing		**$278,883.45**
01 Excess Deposit		
02 Closing Costs Paid at Closing (J)		$12,544.75
03 Existing Loan(s) Assumed or Taken Subject to		$65,000.00
04 Payoff to Capital City Bank	70000293285	$201,303.16
05 Payoff of Second Mortgage Loan		
06		
07		
08 Seller Paid Closing Costs		
09		
10		
11		
12		
13		
Adjustments for Items Unpaid by Seller		
14 City/Town Taxes		
15 County Taxes	01/01/25 to 01/31/25	$35.54
16 Assessments		
17		
18		
19		
CALCULATION		
Total Due to Seller at Closing (M)		$282,000.00
Total Due from Seller at Closing (N)		-$278,883.45
Cash ☐ From ☒ To Seller		**$3,116.55**

Contact Information

REAL ESTATE BROKER (B)	
Name	Superior Realty Group LLC
Address	1358 Thomaswood Drive Tallahassee, FL 32308
FL License ID	CQ1054963
Contact	Pamela Jordan Williams
Contact FL License ID	SL3351057
Email	pamela@thewwtgroup.com
Phone	
REAL ESTATE BROKER (S)	
Name	Cobb Realty and Investment Company
Address	2901 E Park Avenue Tallahassee, FL 32301
FL License ID	CQ1030535
Contact	Wallisa Cobb
Contact FL License ID	BK3130847
Email	wallisasellshomes@embarqmail.com
Phone	(850)321-1008
SETTLEMENT AGENT	
Name	Hayward Title Group
Address	2121 Killarney Way Suite G Tallahassee, FL 32309
FL License ID	W142384
Contact	Stephanie Kern
Contact FL License ID	n/a
Email	stephanie@haywardtitlegroup.com
Phone	850-386-4400

Confirm Receipt

Chief Cornerstone Construction Company, Inc.

BY: Lillie S. Thomas

Lillie S. Thomas

President

1/31/25

Date

CLOSING DISCLOSURE

PAGE 1 OF 2

Summaries of Transactions Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION

K. Due from Borrower at Closing		**$300,080.50**
01 Sale Price of Property		$282,000.00
02 Sale Price of Any Personal Property Included in Sale		
03 Closing Costs Paid at Closing (J)		$18,080.50
04		
Adjustments		
05		
06		
07		
Adjustments for Items Paid by Seller in Advance		
08 City/Town Taxes	to	
09 County Taxes	to	
10 Assessments	to	
11		
12		
13		
14		
15		
L. Paid Already by or on Behalf of Borrower at Closing		**$298,594.73**
01 Deposit		$1,000.00
02 Loan Amount		$208,700.00
03 Existing Loan(s) Assumed or Taken Subject to		
04		
05 Seller Credit		
Other Credits		
06		
07		
Adjustments		
08 Florida HOP Funds ($25,000)		$23,859.19
09 Leon County HOD Funds		$65,000.00
10		
11		
Adjustments for Items Unpaid by Seller		
12 City/Town Taxes	to	
13 County Taxes	01/01/25 to 01/31/25	$35.54
14 Assessments	to	
15		
16		

SELLER'S TRANSACTION

M. Due to Seller at Closing		**$282,000.00**
01 Sale Price of Property		$282,000.00
02 Sale Price of Any Personal Property Included in Sale		
03		
04		
05		
06		
07		
08		
Adjustments for Items Paid by Seller in Advance		
09 City/Town Taxes	to	
10 County Taxes	to	
11 Assessments	to	
12		
13		
14		
15		
16		
N. Due from Seller at Closing		
01 Excess Deposit		
02 Closing Costs Paid at Closing (J)		
03 Existing Loan(s) Assumed or Taken Subject to		
04 Payoff of First Mortgage Loan		
05 Payoff of Second Mortgage Loan		
06		
07		
08 Seller Credit		
09		
10		
11		
12		
13		
Adjustments for Items Unpaid by Seller		
14 City/Town Taxes	to	
15 County Taxes	to	
16 Assessments	to	
17		
18		

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Developer Application Process

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APPLYING ONLINE (DEVELOPERS)

- Must have and use an email address
- Must create a Neighborly Software Account
- Potential homebuyers will also need to apply in Neighborly to verify income eligibility and First Time Homebuyer Status (contact Division of Housing Services).

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REQUIRED DOCUMENTS/INFORMATION

- Two most recent tax documents
- Detailed project budget (including revenue sources, cost estimates for project components and the proposed developer fee, if any)
- Anticipated sales price of home
- Permit-ready site plan and layout of structure
- Verification of site control (letter of Intent to Sell, Option Agreement, Unexpired Purchase Contract, Construction Contract; if applicable)
- Proof of ownership of lot and/or units (if applicable)
- DPBR-issued contractor's license for general contractor identified
- Existing liens on proposed property (if applicable)

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HOUSING SERVICES TEAM

NAME	POSITION
Jelani Marks	Housing Services Manager
Chelisa Kirkland	Affordable Housing Coordinator
Tamia McSwain	Housing Services Specialist
Wayne Salls	Housing Rehabilitation Specialist

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PROGRAM CONTACT INFORMATION

PHONE: (850) 606-1900

EMAIL: HSCP-HousingServices@leoncountyfl.gov

OFFICE LOCATION: 615 E Paul Russell Rd. Tallahassee, FL 32301

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