

**KULSHAN COMMUNITY LAND TRUST
HOMEBUYER PROGRAM APPLICATION**

Please print neatly and respond to all of the questions. Keep a copy of this application for your own records. Please send the original application and all additional verification of income.

Applicant Name(s) _____/_____

This should be your legal name(s). Please include your middle initial.

Social Security #s _____/_____

Address _____ Apt. # _____

City _____ Zip _____

Phone: (home) _____ (work) _____ (cell) _____

Email: _____ Best time and method to reach you _____

Married Unmarried Primary language spoken _____

How did you find out about KulshanCLT? _____

INCOME, EMPLOYMENT AND FAMILY SIZE

Please list all household members, including those with and without income. Household members include borrowing and non-borrowing co-habitants who live with you currently and are planning on living with you in the future. Use another sheet of paper if you need additional space. Be sure to list all sources of income, **and include documentation**, that your family may have **including wages, tips, social security, interest, dividends, alimony, and/or child support**. Please list (all) applicant's current employers' contact information.

- Attach 1 copy of Federal Tax Returns including all schedules & W-2s from each of the past three years.*
- Attach 2 months of all bank account statements.*
- If you have been divorced, you receive alimony or child support, please attach a copy of the divorce decree and/or evidence of award amount.*
- If self-employed, indicate so; list name of business and gross income. Be sure to include the Schedule C with your Tax Return copies.*
- If on a fixed-income, indicate so and provide documentation of that income source. For example, an SSA letter, VA benefits letter, or disability award letter.*

Name	Date of Birth	Gender (M/F or other)	Source(s) of income – include business name and address of where you go to work if employed.	Annual total from each source (before taxes)
Total annual income before taxes:				

OTHER FINANCIAL INFORMATION

Have you been pre-approved for a mortgage? _____ Amount? _____

Name of the bank and contact name _____

****Please remember to attach a copy of your pre-approval letter.**

List each asset and its value (estimate)

Type of Asset	Value	Do you have access to it now?
Savings account		
Checking account		
Stocks and bonds		
IRA or 401(k)		
Other		
Totals:		

Do you have any additional money available to you for a down payment/closing costs (gift or loan from family or friends, etc.)? _____ How much? _____

****Please remember to attach copies of 2 months bank statements and the completed budget worksheet.**

List all household debt. This includes any payments with more than a 9-month repayment period, such as automobile loans, student loans, child support, personal debts, and credit cards. For credit cards, enter the “minimum due” under “monthly amount”.

Debt owed to:	Balance due:	Monthly Amount:
Totals:		

GENERAL INFORMATION

Please answer as best you can. Give reasonable estimates when records of information are not readily available.

Do not leave answers blank. If questions are not applicable to your situation, write “N/A” in the answer space.

How long have you been a resident of Whatcom County? _____ years and _____ months.

How much do you pay for rent? \$_____ If you currently have a lease, when is it up? _____

Are you currently receiving any housing subsidy? (Section 8 or other?) _____

Do you expect any changes in your household size within the next year? Yes _____ No _____

Explanation _____

Does anyone in your household have special needs? (optional)* Yes _____ No _____

If yes, will you require a home that is ADA accessible? Yes _____ No _____ Are you a veteran? _____

* Special needs can include elderly, mentally or physically disabled persons, persons recovering from physical abuse or alcohol or drug abuse, or person with HIV/AIDS.

Do dependents* in your household reside with you full-time? _____ Less than full-time? _____

Please explain:

Do you support (with time or money) any dependents residing outside your household? _____

Please explain, including details of your custodial agreement, if applicable:

The ethnicity of members of your household is:

___ Hispanic or Latino or

___ Not Hispanic or Latino

The race(s) of members of your household is/are:

___ American Indian or Alaska Native

___ Asian

___ Black or African American

___ White

___ Native Hawaiian or Other Pacific Islander

Have you attended a Homebuyer Education class? _____ Date _____

Agency that conducted the class: _____

Have you gone through any credit counseling? (Explain) _____

Have you owned a home within the last three years? (Explain) _____

Have you ever had a bankruptcy? (Circle one) YES NO

If yes, when was it cleared up? _____ (please provide a copy of the discharge papers)

KulshanCLT's vision is:

- A healthy, diverse community,
- A balanced distribution of housing types, sizes and prices,
- A strong local economy,
- Landscapes that are appreciated,
- Rural housing densities that allow for preserved farmland, habitats and open space,
- Urban density creating easy access to jobs, services and transportation choices, and
- People who are involved in its community.

Please articulate your own commitment to this vision and your understanding of the relationship between KulshanCLT and yourself, a potential KulshanCLT homeowner/lease holder.

Please explain why you feel that homeownership is the best choice for your household.

Is there any additional information that you would like us to know about you or your household? (Please use another piece of paper for additional information that does not fit.)

* Dependents are those who meet the IRS definition of a dependent. Generally speaking, they are your relatives who you support, or members of your household who live with you year-round.

SIGNATURE PAGE AND CHECKLIST

I (we) affirm that all of the information given above is correct and made for the purpose of obtaining funding through KulshanCLT's *HomeBuyer Driven Program*. I authorize KulshanCLT to communicate with any person, firm, or corporation necessary to obtain financing for a home, including credit reports, and to obtain any information that KulshanCLT may need concerning the statements made in this application. I authorize the release of this information to city, state and federal funding agencies in order to determine my eligibility for funds. I agree that the application shall remain the property of KulshanCLT whether or not the grant is approved.

Signature(s) of Applicant (s): _____ Date _____

_____ Date _____

Please indicate your preference as to which housing you are applying to (indicate number 1 is your first choice, use numbers for all you are considering):

- _____ Birchwood
- _____ Telegraph Townhomes _____ 2 bdrm home _____ 3 bdrm home
- _____ Resale

Do you have everything to make your application complete?

We will not accept or process incomplete applications! And we will not make copies for you in the office.

- Completed original application, budget worksheet, and counseling agreement and copies of all supporting documents, 2 months bank statements and the income verification form
- KEEP a copy of the application and all supporting documents for your records – most of this information will be requested by the lender as well
- Only sections 1, 7 and 8 of part 1 of the Income Verification Form needs to be filled out by you. Then return it with your application to KulshanCLT BEFORE IT IS FILLED OUT BY YOUR EMPLOYER.
- Check or Money order for \$45.00*
- Membership fee of \$10 (if you're not currently a member)*

*You can write one check for application and membership fees for \$55.00 (or call the office to pay via credit card)

Please send all of the above items to: KulshanCLT
1715 C St, Suite 201
Bellingham, WA 98225

Thank you.

All persons will be treated fairly and equally without regard to race, color, religion, sex, familial status, handicap, age or national origin in compliance with the Fair Housing Act.



~~~~~  
For office use only: RCV \_\_\_\_\_ Date \_\_\_\_\_

**HOMEOWNERSHIP OPPORTUNITIES  
COMPLETE INFORMATION PACKET**

**2023-2024**



**KulshanCLT**  
*a community land trust*

**IN THIS PACKET YOU WILL FIND:**

- **INTRODUCTION TO KULSHANCLT**
- **HOMEOWNERSHIP OPPORTUNITIES**
- **KULSHANCLT RESALES**
- **ELIGIBILITY REQUIREMENTS**
- **APPLICATION AND PURCHASE PROCESS CHECKLIST**
- **FEE SCHEDULE**

---

Kulshan Community Land Trust  
1715 C St, Ste 201, Bellingham, WA 98225  
(360) 671-5600  
[www.KulshanCLT.org](http://www.KulshanCLT.org)

---



---

## INTRODUCTION TO KULSHAN CLT

---

### *What is a Community Land Trust?*

KulshanCLT is one of over 200 community land trusts in the nation today.

A Community Land Trust:

- provides access to land and housing to community members
- increases long-term community control of neighborhood resources,
- empowers residents through involvement and participation in the organization, and,
- Permanently preserves the affordability of housing.

Although the program specifics vary among CLTs, the basic model is the same. The CLT owns the land and leases it for a nominal fee to individuals who own the buildings on the land. This model provides the homeowners with the same permanence and security as a conventional buyer, and they receive a reasonable rate of return on their investment. The community benefits from the stability of affordable owner-occupied homeownership.

### *What is KulshanCLT?*

KulshanCLT is made up of over 350 community members. Our mission is to create healthy communities through stewardship of permanently affordable homes and homeownership opportunities.

---

## HOMEOWNERSHIP OPPORTUNITIES

---

KulshanCLT has successfully assisted over 210 households achieve their homeownership dreams. There are two primary paths to homeownership:

- **KulshanCLT New Construction** – Purchase one of our new affordable townhomes or cottages (as we build) with downpayment assistance from KulshanCLT.
- **KulshanCLT Resale** – Current KulshanCLT homeowners notify us if they decide to sell their homes. Because the homes in KulshanCLT’s portfolio remain affordable upon resale, purchasing a home from a current homeowner may also be an option for you.

---

## KULSHANCLT REALES

---

### *What happens if a KulshanCLT homeowner wants to sell their home?*

KulshanCLT homeowners enter into an agreement with KulshanCLT that states that if they want to sell their home they do in accordance to the resale formula. This formula both provides a financial return to the owner/seller *and* helps to ensure affordability for the next household. Homes already in the trust can only be sold to another qualified KulshanCLT applicant. Check out our website, [www.KulshanCLT.org](http://www.KulshanCLT.org) for affordable resales.

### *More about the Resale Formula*

As outlined in the ground lease when a KulshanCLT homeowner wants to sell their home they can sell it to another income qualified household for a maximum price: their original contribution or “base price” (which in most instances consists of their original contract purchase price minus subsidy) plus 1.5% simple interest, plus the value of credit-eligible improvements minus the value of any deferred maintenance or damage.

Here is an *example* of the resale formula:

- KulshanCLT has **\$65,000** in gap funding available.
- Your household can afford a mortgage of **\$165,000**.
- You have enough cash available to pay the required **1% down payment OR \$2,500, whichever is greater** toward the closing costs of roughly **\$8,000**.
- You shop for a home that costs **\$224,500**.
- The “base price” is **\$159,500**. This is what *you* paid for your home (it does not include the closing costs you paid or KulshanCLT’s gap funding).

- The resale formula increases the maximum value of your home by **1.5%** each year.
- Let's say you own your home for seven years but then you decide to sell it. Your maximum formula resale price would be **\$176,247.50** (\$159,500 + 1.5% simple interest).
- If the interest rate on your mortgage is 4.00%, your equity, at the time of sale would be roughly **\$40,063.50**. This is made up of both the 1.5% formula increase (\$16,747.50) and the amount of your loan that you have paid off (\$23,316.00) over those seven years. Equity amount does not account for your share of closing costs at the time of sale.

---

## ELIGIBILITY REQUIREMENTS

---

**You are eligible for KulshanCLT's assistance if you meet the following five criteria:**

- 1. Income:** Your household income may not exceed 80% of the median income for Whatcom County for your household size. The maximum gross income (before taxes) by family size is shown in the table below. Proof of income is required as part of the application to KulshanCLT. Household size is based on the number of full-time household occupants regardless of age and income. Please note: If your household income is less than 50% AMI, there will be additional qualification requirements.

**Income Table as of May 15, 2023**

| Household size      | 1               | 2               | 3               | 4               | 5               | 6               | 7               | 8+               |
|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| <i>Income Limit</i> | <i>\$53,760</i> | <i>\$61,440</i> | <i>\$69,120</i> | <i>\$76,800</i> | <i>\$82,960</i> | <i>\$89,120</i> | <i>\$95,280</i> | <i>\$101,440</i> |

- 2. Ability to get a mortgage:**

- **Credit Rating:** You must have a good credit rating with no significant delinquencies in the past year and no bankruptcy in the past seven years. You will work with one of KulshanCLT's participating lenders to determine your credit score, and if necessary, create a plan to improve your credit or correct mistakes on your credit.
- **Debt:** At the time you apply for a mortgage, your total monthly debt payments should be roughly no more than 5% of your gross monthly income. Debt includes any long-term obligations (a repayment period of more than six months), such as car payments, child support and student loans, plus the minimum monthly payment for all credit card debts. High debt is usually an obstacle to purchasing a home. Part of the pre-qualifying process with the lender will be to determine if you can get mortgage even though you have debt.
- **Employment and on-going income:** You must show proof of steady employment or income for at least three years. 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 years.

You must have enough income to cover the costs of owning a home, including mortgage payments, taxes, insurance, the ground lease fee and maintenance of the home. Sometimes condominium or homeowner's association dues are required. Once you purchase your home, your total housing payment should not exceed 35% of your monthly gross income.

- 3. Assets:** If you have net assets exceeding **\$10,000** in value, they must be used toward the purchase of your home. Assets include savings, land, mobile homes, recreational vehicles, boats, art collections, or similar items. Assets that are not included are household possessions, cars, tools, IRS-designated retirement accounts, or pensions.
- 4. First Time HomeBuyer:** You must not currently own a home or have owned a home in the past three years. There are exceptions to this rule depending on the sources of funding. KulshanCLT staff can assess your situation when you submit your application.

5. **Capital Requirement:** You must be able to contribute at least \$2,500 for a down payment. Earnest money and appraisal deposits are included in the total contribution requirement. Inspections are not.



---

## **KULSHANCLT APPLICATION AND PURCHASE PROCESS CHECKLIST**

---

**All steps in the Application Process must be completed before an applicant is eligible to buy a home.** Reasonable accommodations for people with disabilities will be provided upon request.

### **THE APPLICATION PROCESS**

- Attend a Homebuyer Education class:** KulshanCLT offers a 6-hour homebuyer education class (see [www.KulshanCLT.org](http://www.KulshanCLT.org) or call (360) 671-5600 ext. 1, for more information). This class will give you the basic tools to move through the home buying process.
- Submit application and review with KulshanCLT staff:** Complete and submit an application and all necessary documentation with a membership fee (if you are not already a member) and an application fee. Applications are reviewed on a first-come, first-serve basis.
- Mortgage pre-approval:** Meet with a participating lender (see the list at [www.kulshanclt.org](http://www.kulshanclt.org)) to get pre-qualified for a mortgage. Then submit a copy of the pre-approval letter from the participating lender.
- Read the HomeBuyer's Manual:** This manual provides details on all of the steps toward homeownership and how the process with KulshanCLT is unique.

### **PURCHASING A HOME**

The steps toward purchasing your home will be unique depending on which of the paths you choose: to buy a KulshanCLT resale or to buy a new KulshanCLT home.

#### **Resale or New Home?**

You can proceed with a purchase contract on any available KulshanCLT resale or new home, facilitated by KulshanCLT staff.

---

## FEE SCHEDULE FOR PROSPECTIVE HOMEOWNERS

---

**KulshanCLT Membership: \$10 per household**

- Due at time of application.
- Good for one year.
- Non-refundable.
- *Supports KulshanCLT's operations.*

**Application fee: \$45 per household**

- Due with application to KulshanCLT.
- Non-refundable.
- *Supports staff time to process your application.*

**Commitment fee: \$100 per household**

- The timing of this fee varies depending on the path to homeownership, whether it's resale or homebuyer driven.
- *Supports project costs.*

**Earnest Money Payment: \$500 - 1000 (roughly - depends on path)**

- Total due when making an offer to buy a home.
- This is part of the purchase and sale contract, which is negotiable.
- *This payment will be credited toward the required \$2,500 downpayment.*

**Home Inspection: \$300 - \$500**

- KulshanCLT requires a full home inspection by an ASHI certified inspector.
- KulshanCLT will provide you with a list of certified home inspectors.
- This amount is *in addition* to your required \$2,500 down payment.

**Mortgage Application Fees: \$450 - \$600**

- To be determined by the mortgage bank.
- *This payment will be credited toward the required \$2,500 downpayment.*

**Closing costs: A range between \$5,000 and \$9,000, depending on a variety of factors**

- Closing cost are made up a combination of two categories of costs:
  - The first category is made up of prepaid housing costs - insurance premiums, principle and interest for the first month and property taxes.
  - The second category is made up of fees - escrow fees, title insurance, recording costs, appraisal fee, any points that you agreed to for a lower interest rate and others.

**Ground Lease Fee or Affordability Covenant: \$45/month once you move into your home**

- Due on a monthly basis (includes KulshanCLT membership).
- Paid to KulshanCLT before the fifth of each month.
- *Helps to defray the cost of administering the program.*

Also, please be aware of the other costs associated with moving in to your own home – the actual cost of moving, changing the locks, new window coverings and other needed items.

**Good luck. We look forward to working with you!**