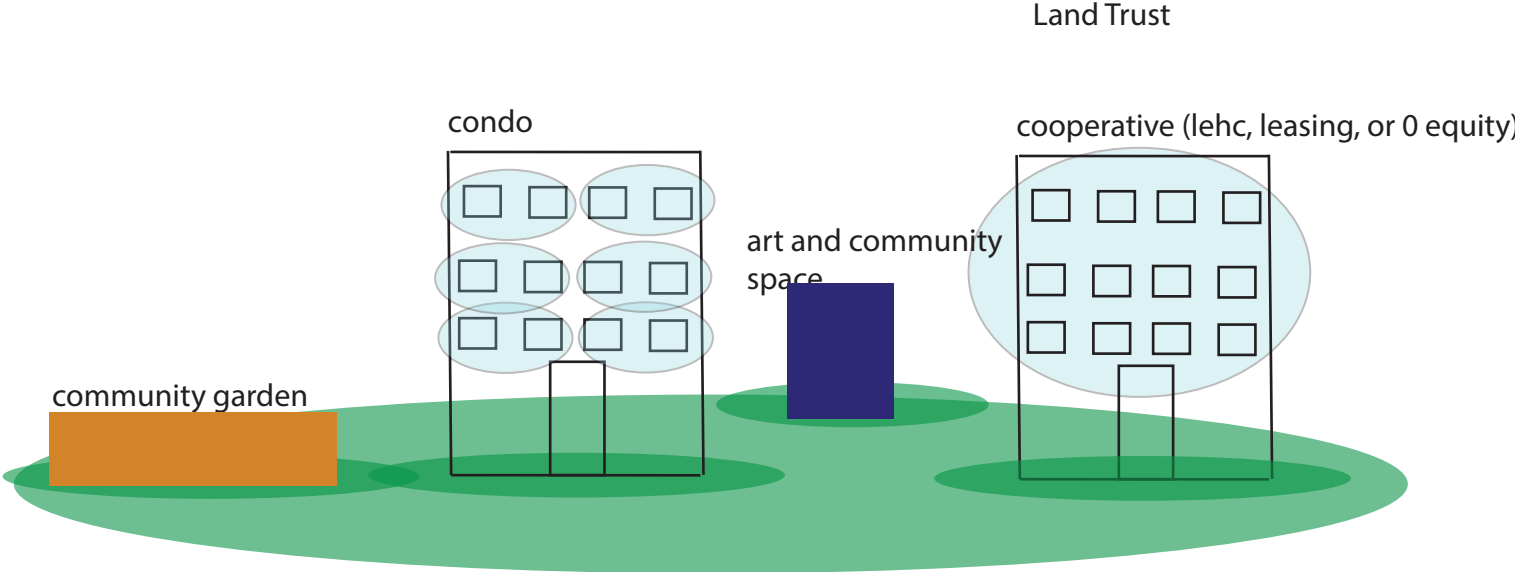
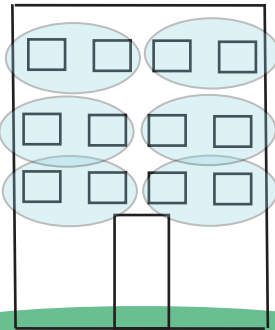


Many Projects can be under the CLT umbrella



Community Land Trust
role is to steward land under MANY projects
guarantee affordability and long term support as needed

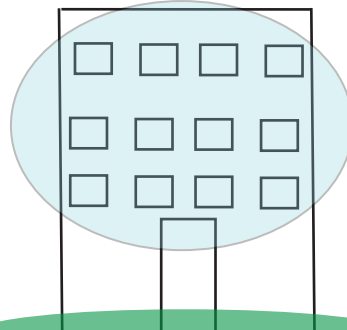
condo



Land Trust

each household owns unit outright
 has own mortgage. succeed or fail alone
 more difficult to create.

cooperative (lehc, leasing, or 0 equity)



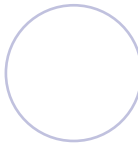
Land Trust

each household owns share of whole
 co-op mortgage. succeed or fail together
 equity & investment limited to 10%.

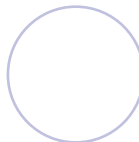
Types of ownership



leasing cooperative
 (resident group master leases building
 and land from CLT). may be LEHC, LLC, member non-profit or other type
 simplest. CLT owns building, gets mortgage. may do prop management



Resident group owns improvements
 (may be LEHC, LLC, limited equity condo, member non-profit)
 CLT may co-sign if needed.

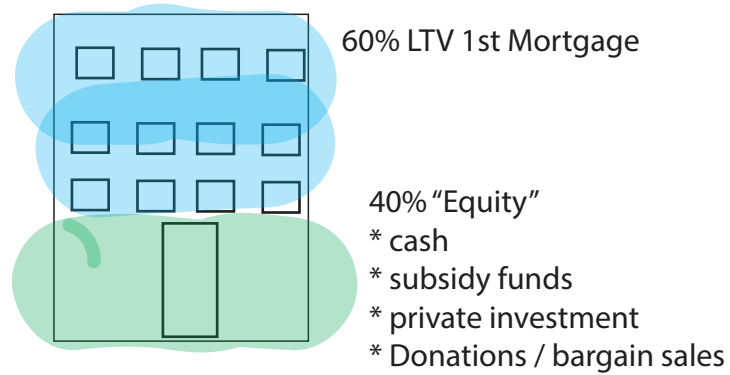


"Development Entity"
 often a site is acquired for conversion to an new ownership model
 by an LLC that is jointly owned by partners (or just the developer)
 it's in business for a few years to absorb the risk of development...

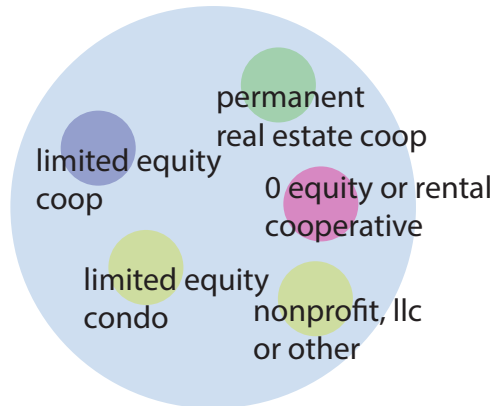
Appraised value =
 1. value of cash flow (rent)
 2. resale value of asset

LTV= Loan to Value

Acquistion Funds



shared ownership models with CLT



finance sources



EXAMPLE SIMPLE PRO-FORMA

INCOME

room1	800
room2	800
room3	800
suite 1	1400
suite 2	1400
<u>TOTAL</u>	<u>5200</u>

EXPENSE

Insurance	300
taxes	400
utilities	400
repairs	400
<u>TOTAL</u>	<u>1700</u>

Net operating income	3500
Debt Service	3000
DSCR	1.16
debt service coverage	

Homework:

Make a simple pro-forma using the template online.

? Describe the project

? how many "units"

? what monthly costs can they pay

? how much cash available

? alternative sources of cash

? how much construction

Project development timeline

PREP: group and partners identified, potential ownership structure, vision, financial resources identified,

- * Social Assessment

- * Financial Assessment / Feasibility - what can the project afford

- * Site Assessment / Feasibility

 - Is the site available? - is there a willing seller?

 - Project Needs Assessment - how much work on the physical structure?

 - Zoning Analysis - can you do what you want to do?

 - Exit strategy - How can all parties exit the project if they have to?

- * Show me the money:

 - The pro-forma : a living document that estimates costs, income etc based on different scenarios.

- * Underwriting and due diligence: prove everything you have assumed.