



Diamond State Community Land Trust

363 Saulsbury Rd., Dover DE 19904
800-282-0477



Homeownership Application

Applicant Information

Name of applicant: Gender (Male/Female): Marital Status:	Name of co-applicant: Gender (Male/Female): Marital Status:
Social Security Number: Date of Birth: Race:	Social Security Number: Date of Birth: Race:
Street Address: Mailing Address:	Street Address: Mailing Address:
Home Phone: Cell Phone: E-mail:	Home Phone: Cell Phone: E-mail:
Names of all other household members: 1. 2. 3. 4. 5.	Dates of birth: Gender 1. 2. 3. 4. 5.

Race & Ethnicity - indicate the number of each in the household.

Hispanic or Latin	Not Hispanic or Latino
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American Indian or Alaska Native _____	American Indian and White _____
Asian _____	Asian and White _____
Black or African American _____	Black/African American and White _____
Native Hawaiian or Pacific Islander _____	American Indian and Black _____
White _____	Other multiple race _____

Employer's Name and Phone Number _____
Address of Employer _____
Position/Title _____ Date of Hire _____

Background Information

Have you owned a home in the past 3 years?

Do you have a year-round lease? Are you at risk of being displaced? Please explain:

How much do you pay each month in rent:

Please rank your preferred housing location:

____ Kent County _____ New Castle County _____ Sussex County

____ Other (please specify _____)

Do you have a disability of long term duration? Please describe

How did you first hear about Diamond State Community Land Trust?

Eligibility Information

List your total income from last year and your total projected income for this year. Include total gross income (before taxes) such as wages, tips, social security, interest, alimony, child support, disability, unemployment, etc. **Self-employment income should reflect line 12 of your 1040 - income after business related deductions.**

	Income source/employer:	Last tax year	Current year (Projected)
Applicant:			
Co-applicant:			
Totals:		\$	\$

Please include with this application a copy of your two most recent Federal tax returns, one month of paystubs, other income documentation, and two months of bank statements for all assets.

AUTHORIZATION TO RELEASE INFORMATION

The Diamond State Community Land Trust (Diamond State) is a Delaware non-profit corporation. My signature below authorizes Diamond State to share information relating to my credit history, employment history, income, bank and/or similar accounts and copies of tax returns. In addition I am authorizing Diamond State to share information with third parties such as: investment funders of the Diamond State, mortgage lenders, and/or housing counselors.

Diamond State will use this information to evaluate my eligibility for the Diamond State Homeownership program. All information collected will be treated with confidentiality.

I agree to hold Diamond State free and harmless from any claims, damages, liabilities and legal action.

Applicant Signature _____ Date _____

Co Applicant Signature _____ Date _____



DIAMOND STATE COMMUNITY LAND TRUST, INC.

363 Saulsbury Road, Dover, DE 19904

Telephone 800-282-0477 www.diamondstateclt.org

Steps to Homeownership

- **Contact Diamond State Community Land Trust for Information Session**

This is a free one-hour session where staff provide the details of how the Land Trust operates and how you can become a Land Trust homeowner. **Information sessions** may be scheduled in group or individual meetings

- **Fill out a Diamond State Housing Application**

Filling out the application does not obligate you to work with our program, but it provides more details about your financial situation. This allows us to work with you more effectively in reaching your goal of owning a home. Return the application to our office, 363 Saulsbury Rd., Dover, DE 19904.

- **Attend a Homebuyer Education Workshop**

Diamond State partners with HUD approved homeownership counseling agencies for their First Time Homebuyer Workshops. Learn about the many stages of becoming a homeowner, from determining how much you can afford to the closing process, from people who know. Housing experts including realtors and loan officers, lead these sessions. The Workshop is for anyone thinking about buying a home, not just for Diamond State homebuyers. These three certified homeownership counseling agencies are our primary training partners:

NCALL Research Inc. – 302-678-9400 – www.ncall.org

Interfaith Community Housing of Delaware – 302-652-3991 – www.ichde.org

First State Community Action Agency – 302-856-7761 – www.firststatecaa.org

- **Schedule time with Diamond State staff to review your application and make a plan**

Everyone's situation is different. This is a chance for us to help you review your mortgage eligibility and make a home buying plan. Banks want to see that you have a solid financial record for mortgage approval. Do not worry if your credit is not perfect, though, because there are steps you can take to help clean up your credit report. In addition, you will have to save for an earnest money deposit, down payment and closing costs, and other home purchase expenses.

- **Meet with a loan officer to get pre-approved for a mortgage**

There are specific banks that have created partnerships with Diamond State to provide mortgages to our homebuyers. A list of approved lenders is available from Diamond State staff. Although it may be tempting to meet with other lenders, it might mean that you would have to do this step twice. We are always willing to work with new lenders, but it can take as long as a year for them to approve the program. We want the process to be as smooth as possible for you.

- **Obtain approval from the Diamond State Selection Committee**

Diamond State staff will provide an overview of your application and financial situation to the Selection Committee at its regular monthly meeting. The Diamond State Selection Committee will review your application and decide to approve it or make recommendations for future approval. Staff will notify you of their decision.

- **Review the Diamond State Land Lease with an Attorney**

You must meet with an attorney to review the Land Lease. This is to ensure you understand the Land Lease, particularly the resale formula. We can provide you with the names of some attorneys who are willing to work with you at a reduced cost.

- **Sign a Purchase and Sale Agreement**

In some instances, there may be an opportunity to reserve a home with Diamond State through a "pre-sale". A pre-sale consists of choosing a home, signing a Purchase & Sale Agreement with Diamond State and making a \$1,000 deposit to an escrow account with a title company. Diamond State will assist you with the purchase process, including the required paperwork. If there are no current properties available, you will remain on the "ready to buy" list.

- **Successfully purchase your own home!**



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FREQUENTLY ASKED QUESTIONS

What is the Diamond State Community Land Trust (Diamond State)?

Diamond State is a nonprofit, membership-based organization with the mission to create homeownership opportunities that are permanently affordable to low and moderate-income people now and for generations to come. The membership is made up of homeowners, people working toward homeownership and others from around Delaware who support the work of Diamond State. Each year, the members gather at the annual meeting to discuss housing issues and elect the board of directors. This structure ensures that Diamond State homeowners and community members have input into the organization. Diamond State promotes responsible stewardship and community control by retaining ownership of land designated for affordable homeownership. By holding the land in trust, Diamond State ensures that a supply of homes remains affordable for future generations. This approach is designed to help working families achieve the dream of owning a home, now and in years to come.

How does the Land Lease work?

The Land Lease Agreement is a legal document that is designed to protect the rights and interests of all parties involved in the purchase of the house.* Some of the key points are:

- A resale formula that keeps the house affordable for future buyers
- Provision for full rights to use the land
- Payment of a land lease fee of \$40 per month
- Owner must occupy the home as their primary residence

*Before purchasing a Diamond State home, you are required to review the Land Lease with a lawyer.

What is Permanently Affordable Housing?

The term "permanently affordable housing" means housing that is affordable to each buyer in the future, not just the first buyer. It is important to maintain affordable housing in all communities. In Delaware, house and land costs are rising much more rapidly than wages. Homeownership is out of reach for many working people. Diamond State is working to bridge the gap between wages and home prices. It takes significant public resources to create affordable housing, so it makes sense to ensure that the community's investment is protected over the long term. Diamond State maintains permanent affordability through the land trust model of homeownership. Diamond State holds the land in "trust", or community ownership. This permanently removes the cost of the land from all future transactions involving that property. The land is then leased through a renewable 99-year lease that provides them with the right to full use of the land.

Revised June 2011

Who Can Buy a Diamond State Home?

Anyone who is income-qualified, able to get a mortgage loan and wants to live in Delaware can purchase a Diamond State home. Diamond State staff will work with you to establish a homeownership plan. The plan is based on each individual's income, credit history and saving ability.

The chart below shows the maximum qualifying income (before taxes) based on family size.

Household Size	Maximum Allowed Income (2011)		
	Kent County	New Castle County	Sussex County
1	\$34,750	\$44,950	\$34,300
2	\$39,700	\$51,400	\$39,200
3	\$44,650	\$57,800	\$44,100
4	\$49,600	\$64,200	\$49,000
5	\$53,600	\$69,350	\$52,950
6	\$57,550	\$74,500	\$56,850
7	\$61,550	\$79,650	\$60,800
8	\$65,500	\$84,750	\$64,700

Where Are These Homes?

Diamond State is a statewide organization that partners with many community development organizations as well as private developers. Our homes available for sale are ever changing. Visit our website www.diamondstateclt.org for the most recent inventory. Completing the steps to homeownership will ensure you are ready when the right home for you becomes available. Also, we may have opportunities through our buyer initiated homeownership program.

Benefits of Owning Your Own Home

People who live in Diamond State homes have full rights to the use of the land and receive the traditional benefits of homeownership, including:

- Tax deductions
 - Control over you own housing
 - Stability of housing costs
 - The opportunity to build up equity
 - A legacy that you can pass on to your family and future generations
- Lower affordable monthly mortgage payment – no private mortgage insurance