About the townhomes
Phase 1 will be ready for occupancy summer 2020, part of a two-phase development for 24 townhomes located on Sartain Street and Hoover Way near Baxter Square Park in Northwest Bozeman, MT. The townhomes are a short walk to the Blueline Retail Streamline bus route, a 10-minute drive to downtown Bozeman and located within 2 miles of four grocery stores. There will be ten two-bedroom and fourteen three-bedroom homes total. Phase one will include four buildings with three homes in a 3-2-3 bedroom configuration. In partnership with the City, Willow Springs received funding from the City of Bozeman Affordable Housing Fund at $20,000 per unit in order to ensure affordability in perpetuity through the Community Land Trust model.

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School districts: Emily Dickinson Elementary, Chief Joseph Middle School, and Gallatin High School

2 bedroom 1.5 bathroom townhomes
  Anticipated Sales price: $217,322 (per City of Bozeman Affordable Housing Ordinance)
  1198 square feet
  HOA $50 Monthly and ground lease $50 monthly
  1 car garage

3 bedroom 1.5 bathroom townhome
  Sales price: $243,227 (per City of Bozeman Affordable Housing Ordinance)
  1409 square feet
  HOA $50 Monthly and ground lease $50 monthly
  1 car garage

How are the townhomes priced?
Priced affordable to households earning 70% of the Area Median Income based on the City of Bozeman Affordable Housing Ordinance pricing schedule using HUD 2019 incomes. HUD defines affordability as housing costs not to exceed 33% of the household's gross income.

When will the townhomes be complete?
Phase 1, which will be the first 12 townhomes, is currently on schedule for completion by June 2020. Phase 2 is scheduled to be completed by February 2021.

What is a Community Land Trust (CLT)?
A community land trust (CLT) is a community-based organization established to serve as the long-term steward of the land and to protect long-term affordability and access to housing for the community. HRDC’s CLT program provides affordable homeownership by selling the home at an affordable price to an eligible, qualified homebuyer household but retains ownership of the land parcel on which the home sits, leasing the parcel to the homeowner through a 75-year, inheritable, renewable ground lease. In exchange for the opportunity to purchase a home they would not have otherwise been able to afford, CLT homeowners agree to limit the amount of equity they will keep through the sale of their home, thereby allowing incoming limited-income homebuyer households the same opportunity and affordable price initially made available to them. The Willow Springs homes will have an annual appreciation cap of 2% a year. For additional information on the Willow Springs CLT terms please review the ground lease agreement. For more information on the Community Land Trust model

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Who would I purchase from?
HRDC is the nonprofit developer and manager of the CLT. The ground lease will be between HRDC and the owner of the townhome.

What are the eligibility requirements?
Based on [HUD](https://www.hud.gov) Neighborhood Stabilization Program effective June 28, 2019, at 120% Area Median Income for Gallatin County. Households include all residents. Through the use of down payment assistance, the homes could be affordable to households earning below 50% AMI or around $25,000 annually.

Household maximum limits:
- 1 person = $73,100
- 2 persons = $83,500
- 3 persons = $104,400
- 4 persons = $112,750
- 5 persons = $129,450

The Purchaser must be a first-time homebuyer or meet one of the following criteria:
- a. Applicant has not owned a home in the past 3 years prior to closing.
- b. An applicant who previously owned a home, but has been displaced due to recent divorce or death.
- c. The applicant owns a dwelling unit which is not in compliance with state or local building codes and cannot be brought into compliance with such codes for less than the cost of constructing or purchasing a complying structure.
- d. The applicant owns a mobile home that is not affixed to a permanent foundation in accordance with applicable regulations.
- e. The home is occupied by a disabled adult or child and the unit cannot be readily adapted to their specific needs for less than the cost of constructing or purchasing a suitable structure.

Additional restrictions apply for down payment assistance programs.

I fit the criteria, what do I do now?
The waitlist for Willow Springs will be managed and ranked through the qualified pool of applicants on the City of Bozeman affordable housing waitlist. Priority for Willow Springs will depend on when an applicant has been placed on the City of Bozeman waitlist by meeting the criteria of 1) completion of a HUD-certified Homeownership Education course 2) met with a HUD-certified housing counselor. 3) letter of pre-qualification from a bank that the buyer can qualify for a minimum of $150K

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Communication with the waitlist will occur via email, applicants must stay engaged in the process and not miss deadlines. The Willow Springs waitlist will be open for Phase 2 in October 2020 at this time households will be offered the opportunity to purchase based on their date placed on the waitlist. Applicants must submit their interest in Willow Springs specifically within the week-long open window for priority.

All units in phase 1 are currently under contract to be purchased.

How do I finance my home?
As part of your homebuyer’s education and counseling, you will learn more about financing options for your home, including an exploration of your monthly budget, credit, and how that impacts your ability to finance a home. All homes purchased through the program must utilize a conventional or government-insured fixed-rate first-mortgage with a term of 15 to 30 years.

What kind of Down Payment Assistance (DPA) could I be eligible for?
DPA lowers the amount of the loan resulting in a lower monthly payment. DPA is provided in the form of a “silent second” mortgage, meaning that no payments are made on the second mortgage until resale or the home is no longer your primary residence. Applicants are encouraged to seek other opportunities for DPA and will share any knowledge of existing programs.

Currently, MontanaLift is offering eligible homebuyers $10,000 in down payment assistance on qualified properties ($12,500 for veterans and service members, teachers, paraprofessionals, law enforcement officers, firefighters, and emergency medical technicians). For more information on the MontanaLift program and eligibility requirements please visit their website [https://www.montanalift.org/](https://www.montanalift.org/).

Households may be eligible for the federal HOME down payment assistance program offered through HRDC. This program serves households earning less than 80% of the Area Median Income up to $30,000. For more information on DPA through HRDC please visit our website [https://thehrdc.org/how-we-help/housing/down-payment-assistance/](https://thehrdc.org/how-we-help/housing/down-payment-assistance/).

In partnership with the City, Willow Springs received funding from the City of Bozeman Affordable Housing Fund at $20,000 per unit in order to ensure affordability in perpetuity through the CLT model.

What happens if my income changes from when I purchase to when I sell?
Eligibility is assessed at the time of purchase, there are no restrictions to future income.

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Do I work with a realtor?
Working with a buyers’ realtor is not required to purchase, if an interested buyer is currently working with a realtor they may participate in the process.

HRDC has hired Aspire Realty which may facilitate both sides of the transaction.

Are there occupancy requirements?
Yes. The homeowner must occupy the home for at least 10 months of each year unless otherwise agreed by the CLT. Occupancy by homeowner’s child, spouse or other persons approved by CLT shall be considered occupancy by the homeowner. Neither compliance with the occupancy requirement nor CLT’s permission for an extended period of non-occupancy constitutes permission to sublease the Leased Land and Home.

What happens when I sell my home?
As the terms of the CLT outline, the homeowner must sell to an income-qualified buyer for a predetermined price based on a limited annual appreciation of 2% annually. HRDC will notice the City of Bozeman affordable homeownership waitlist for a weeklong interest period, qualified buyers will be given the option to purchase based on their date added to the waitlist. If a qualified buyer is not identified through this process the reasonability to find a qualified buyer is on the homeowner.

More information on the Community Land Trust model
https://www.frameworkhomeownership.org/blog/community-land-trusts-how-they-work

For additional information
Please email the HRDC community development department at affordablehousing@thehrdc.org or visit https://thehrdc.org/news-info/willow-springs/

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