



How Do I Purchase a Houston CLT Home?

A Step-by-Step Guide to Purchasing a New Home Development Program (NHDP) Home through the Houston Community Land Trust (CLT)

HOW DO I FIND OUT IF I AM ELIGIBLE TO PURCHASE A HOME THROUGH THE HOUSTON CLT?

- ❑ **Check your credit report AND your credit score for free** at www.creditwise.com or another service of your choice. Understanding your credit, debt, income and other key aspects of your personal finances is an important first step toward any home purchase. You will be asked for key information about your credit and finances when applying to purchase a CLT home, so get prepared by gathering that information up front.
- ❑ **Consider financial counseling or credit coaching, as needed.** Preparing to own a home is a process! Financial preparation—including saving towards closing costs, minimizing your consumer debt, and clearing up negative credit history—is a key component. Fortunately, there are many great organizations around Houston that are here to help. Ask Houston CLT staff for a list of local homebuyer education and counseling agencies that provide these services.
- ❑ **Fill out the Full Houston CLT Application** on our website at www.houstonclt.org/programs. The online application lets Houston CLT staff know that you are interested in our program and gives a snapshot of your eligibility to purchase a home with the Houston CLT. Houston CLT staff will reach out to you after you complete the application to review your eligibility and discuss your next steps.
- ❑ **Attend a one-on-one consultation with Houston CLT staff** to review your application. Gather your income documentation to bring to the meeting. Houston CLT staff will provide a list of required documents, or you can view the list at www.houstonclt.org/resources.

WHAT DO I NEED TO DO BEFORE I CAN MAKE AN OFFER ON AN NHDP HOME?

- ❑ **Attend an 8-hour Homebuyer Education Class** through a HUD-approved homebuyer education agency and obtain a Certificate of Completion. Ask CLT staff for a list of HUD-approved agencies offering the Certificate. You must present your Certificate of Completion when making an offer on a home. Take this step as early as possible—in fact, it’s a great idea to take a class before you fill out your CLT Application! Certificates are typically valid for one year after course completion.
- ❑ **Get your Income Certification Letter** from the Houston CLT. You must meet with Houston CLT staff to submit all required documents and verify that your income is below the maximum limit in order to receive an Income Certification Letter. You must present your Income Certification Letter when making an offer on a home. Letters are valid for 90 days.
- ❑ **Get a mortgage pre-approval letter** from a participating lender. CLT mortgage loans are available only through participating mortgage lenders in the Houston area. Houston CLT staff can provide a list of participating lenders. You must present your mortgage pre-approval letter when making an offer on a home.
- ❑ **Attend a CLT Orientation Class**, which is a detailed 4-hour class on CLT homeownership. *You must have already attended a one-on-one consultation with CLT staff and the 8-hour Homebuyer Education Class before attending a CLT Orientation Class.*



HOW CAN I PREPARE FOR MY HOME PURCHASE?

- Identify available closing cost and down payment assistance programs** for which you may be eligible. Your realtor, your lender, a homebuyer education agency, or Houston CLT staff can all assist you with this step. Remember, the CLT requires homebuyers to bring at least \$350 of personal funds to the closing table, and to maintain at least \$1,000 in personal funds after closing.
- Select an available NHDP home** of your choice. Contact your realtor or the listing broker for more information or visit www.houstonclt.org/programs for current home listings.
- Enter into contract** on the available NHDP home of your choice.
- Conduct an in-depth review** of the terms of your ground lease with an independent attorney. Houston CLT staff can refer you to free legal counsel to complete this step.
- Complete closing, sign your ground lease and move into your new home!**