



## Applicant Selection Criteria

When an MACLT home becomes available for purchase and MACLT has the ability and right to choose the buyer, we follow the guidelines below to decide who will be given the (first) option to purchase that home:

1. We try to make the availability of the home widely known by posting on our website (<http://www.maclt.org>), mailing notification of its availability to our list of interested parties, and by advertising the home publicly.
2. When possible, we provide a window of time (typically at least a week) to show the home. This may not be possible for homes under construction.
3. We set a specific date by which potential buyers must provide us with a statement of interest in purchasing the home, a mortgage pre-approval letter for (at least) the price of the home from an MACLT-partnered lender, and an up-to-date MACLT Pre-Application.
4. If there is more than one eligible applicant interested in the home by the date set, MACLT has developed a **Point Preference System** to determine who will be given the first option to purchase the home (and to rank the other applicants in case the home is for whatever reason not sold to the person given the first option to purchase). MACLT will contact all applicants to let them know the results.
5. The eligible party selected (that is, the party with the most points under the Point Preference System) will be expected to sign an offer to purchase for the home and submit a full MACLT Application within 7 days of notification of their selection.
6. If there are no interested and eligible homebuyers at the end of the initial application period, the property will be offered on a first-come, first-served basis to the first applicant submitting a pre-application that demonstrates eligibility to purchase.
7. Every MACLT buyer must prove they meet all **eligibility to purchase criteria** by the time of closing.



## POINT PREFERENCE SYSTEM

**1. Lowest percentage of Area Median Income: 1 point**

The household that has the lowest percentage of Area Median Income based on household size will receive one point. To qualify for this point, the household must have a ratio of monthly housing costs to gross income of 35% or lower.

**2. Household size matches or exceeds the number of bedrooms: ½ to 1 point**

If the size of the household exceeds the number of bedrooms in the home, the applicant will receive one point. If the household size is the same as the number of bedrooms, the applicant will receive ½ point. This assumes (at least) 1 person per bedroom.

**3. The applicant has a permanent disability: 1 point**

If at least one member of the household has a documented permanent disability, the household will receive one point. Documentation from a practicing, licensed physician or an official disability determination from the Social Security Administration must be provided.

**4. The applicant has accessibility needs that require the features of the home and/or property: 2 points**

If at least one member of the household has a permanent disability with associated accessibility needs that require the physical features of the home or property (for example, a 1st floor flat or a ramp for a person with a mobility impairment), the household will receive 2 points. A referral or recommendation from a medical professional or licensed clinician will be used to determine eligibility for these points.

**5. Current Dane County and/or MACLT resident: 1 to 2 points**

All current Dane County residents will receive one point. MACLT residents in good standing will receive one additional point.

**6. First-time Homebuyer: ½ to 1 point**

Applicants where no member of the household has ever owned a home will receive 1 point. Applicants where no household members have owned a home\* for the previous 3 years will receive ½ point. [\*To qualify, they must not have had ownership interest in a residential property. This point is verified by personal attestation.]



**7. First-generation Homebuyer: 1 point**

Applicants will receive 1 point if:

- The applicants' parent(s) or childhood legal guardian(s) do not currently have any present ownership interest in a residential home AND no member of the household has owned a home in the previous 3 years;
- OR: the applicant has at some point been placed in foster care.

This point is verified by personal attestation.

**8. Risk of displacement: 1 point**

Applicants will receive 1 point if they are at risk of displacement through no fault of their own, through condemnation or sale of property, divorce or domestic abuse, or other unfortunate external circumstance. This point is verified by personal attestation.

**9. Actively seeking MACLT home for at least six months: ½, 1, or 1½ points**

Any household that has been actively seeking to purchase an MACLT home will receive ½ point for each six-month period (cap of 1½ points) from the time their pre-application was initially submitted.

The household with the highest number of total points will be selected as the party offered the first option to purchase the home. In the event of a tie, the property will be offered to the household with the lowest area median income based on household size.

### **ELIGIBILITY CRITERIA FOR MACLT HOMEOWNERSHIP**

To be eligible to purchase an MACLT home, a household must meet each of the following criteria:

- Household income must be below 80% Dane County area median income (AMI)
- The household must:
  - Submit a pre-application to MACLT, provide any relevant required documentation, and provide updated information to MACLT if information changes after submission.



- Attend an MACLT Orientation
- Demonstrate that they are pre-approved for a mortgage with a partnered MACLT lender at the value of the home available (with all the required down-payment or down-payment assistance)
- Demonstrate that they have completed a HUD-certified Homebuyer Education Course (completion certificate valid for 18 months)
- Submit a full MACLT Application including all relevant income and asset documents, and provide updated information to MACLT if income changes after submission
- Meet with an attorney to review the MACLT ground lease and other relevant legal documents
- Meet all funder guidelines for eligibility, including any additional income guidelines

**Pre-applications should be submitted as soon as possible. All other eligibility criteria must be met before a prospective buyer can close on a CLT home.**

### **EQUAL HOUSING OPPORTUNITY**

Madison Area Community Land Trust applies Fair Housing standards to all our programs and services and is committed to providing equal access to our housing.

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