FY27 AHSP Application Staff Summary: Asheville-Buncombe Community Land Trust (ABCLT) Homeownership Downpayment Assistance Loan (DPA)

10	$30,000	$1.00:$12.33	≤80%	0%
Households Assisted	AHSP Request Per Household	Leverage Ratio AHSP $: Other $	AMI Target	% Admin Cost

Project Description: Asheville-Buncombe Community Land Trust (ABCLT) submitted a **Downpayment Assistance Loan** (DPA) application in the amount of **$300,000.00** to support ten (10) income eligible homebuyers with downpayment assistance.

AHSP Goal: Increase the supply of Affordable Housing for homeownership, especially for BIPOC households

AHSP Objective: 400 ownership units for households at ≤80% AMI

Summary: ABCLT's request ($300,000) is intended to help ten (10) income eligible homebuyers (≤80% AMI) bridge the gap between the home price and the homebuyers' available capital. According to the application ABCLT's homes are priced below market value and often sell at prices such as $180,000. Home prices are set at 30% of the buyer's gross income. To achieve the below market purchase price, ABCLT takes the total development cost and reduces it by received grants and donations. Total cost of ABCLT units can vary, but many of ABCLT's homes originally appraise at close to $400,000.

AHSP program requirements limit the maximum DPA loan amount to 10% of the cost per affordable unit. As DPA is intended to help homebuyers with the cost of a home, funding should go toward the purchase price of that home for that homebuyer. The County is treating this differently than the amount that would be used by ABCLT to offset the cost of the home in perpetuity. To ensure permanent affordability, ABCLT retains ownership of the land while homebuyers purchase the dwellings. ABCLT limits future home sales to income eligible homebuyers. ABCLT will partner with OnTrack Financial Education & Counseling for homebuyer education for all ABCLT homebuyers. This request will help support an overall budget of $4,000,000, which includes home purchases, homebuyer mortgages, rehabilitation of units and downpayment assistance.

County Funding Source Options: Buncombe County General Fund and AHSP Program Income.

Finance Department Assessment of Audits and Financial Position: ABCLT provided a timely audit free of qualifications and findings. As of December 31, 2023, ABCLT's financials show a reasonably healthy financial position.

Recommendation: Community Development Division staff reviewed the project and found that the initial request of $300,000 and $30,000 per unit may not meet the intent of AHSP DPA program requirements of a maximum of 10% per cost of unit. If approved, the AHSP contract could require that DPA not exceed the 10% of the purchase price of a home for that homebuyer. A partial

award could be considered, not to exceed $180,000 ($18,000 per unit for 10 units) to account for AHSP requirements. The project appears ready for implementation on July 1, 2026.

PROJECT SUMMARY SHEET	Y/N
Project Description/Narrative	
Clearly affordable housing focused	Y
Aligns with all components of the application	Y
Aligns with all guidelines of the AHSP program	N
Aligns with the selected strategic goal	Y
Aims to impact at least one Social Determinate of Health	Y
Designed to Serve Households with AMI	
<80%	Y
<50%	Y
<30%	N
Designed to Serve	
General populous eligible for the program	Y
Individuals who are age 55 or older	Y
Individuals with a disability	N
Individuals who are homeless	N
Individuals who are BIPOC	Y
Individuals who are justice involved	N
Individuals who have vouchers	Y
Individuals who have been referred by the Continuum of Care	N
Individuals who have been affected by Helene	N
Project Expenses	
Complete	Y
Reasonable	Y
Project Sources	
Complete	Y
Reasonable	Y
Includes leveraging additional investment (non-AHSP funds)	Y
Project Team	
Relevant experience and qualifications to complete the project	Y
Project History	
Indicates success in completing projects in the program category	Y
Applicant	
Has timely audits free of qualifications and findings which would adversely indicate ability to manage an AHSP allocation	Y
Shows a healthy financial position	Y
Is a non-profit applicant	Y