

THE FLORIDA COMMUNITY LAND



BY JAIMIE ROSS

The Florida Community Land Trust Institute has been working on the issue of financing for CLT homebuyers since May 2012 when we first met with HUD in Washington DC to address the problem caused by having FHA as the only practicable home loan product for low income homebuyers. Prior to the housing recession, community land trust homebuyers were using Fannie Mae, with the CLT lease rider to obtain loans that were saleable on the secondary market. That progress for the community land trust movement was put in reverse when Fannie Mae's lending guidelines removed it as a reasonable option for first time homebuyers. And while FHA provides a saleable product for first time homebuyers, it does not have a lease rider for community land trust properties and an FHA mortgage letter ruling contains vague and confusing language regarding deed restrictions, making FHA financing unworkable for lenders looking to sell the CLT loans on the secondary market. The result is that community land trust homebuyers need to find lenders willing to portfolio the CLT homebuyer loans.



In June, 2013, Florida Community Land Trust Institute members, including the South Florida CLT, the Hous-

ing Leadership Council of Palm Beach, Adopt-A-Family, Delray Beach CLT, and the Palm Beach County CLT held a lender forum to educate and rally support. The event, dubbed Community Land Trusts: Partners You Can Bank On, had over 60 people in attendance, including representatives from 12 financial institutions.

With testimonials like those of former banker, Marcia Barry-Smith, who took the microphone to say, "I was entirely against community land trusts when I first heard about the idea. But then I learned about CLTs and now I can't think of a better way to provide affordable homeownership" and from CLT homebuyers brought to the forum by Palm Beach County CLT executive director, Cindee LaCourse Blum, kept from CLT homeownership "only because of the lack of lending", hearts and minds were opened.

Right now, South Florida (especially Palm Beach County) is a hotbed of community land trust activity. Indeed, but for the lending problem outlined above, the Florida CLT Institute estimates that more than 250 homes would have been put into permanent affordable stewardship.

Mandy Bartle, executive director of the South Florida CLT deserves a great deal of credit for pulling the lender forum together. It drove home to local lenders that investment in community land trusts is the safest community reinvestment

Earlier this Summer, the South Florida Community Land Trust, along with the National CLT Network, Florida CLT Institute, the South Florida CLT Network and other CLT's hosted a forum for lenders to learn about the benefits of community land trusts to prospective homeowners as well as lenders. Over 60 people attended the event including representatives from 12 financial institutions, local leaders, and CLTs. The event was covered by network news outlets and in Tallahassee on the Capital Soup Blog.



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lending that a financial institution can make. And to that end, we honor Nancy Merolla, of Florida Community Bank, the first one to step up at the forum.



NANCY MEROLLA

“We are excited to be the first lender in South Florida to engage in CLT related transactions. With the real estate market on the rebound, it is more important than ever that local banks are able to offer worthwhile homeownership solutions to every resident. This is just one important example of FCBs profound commitment to the communities we serve.”

- FCB VP, CRA Officer, Nancy L. Merolla



Florida Housing Coalition President and founder of the Florida CLT Institute, Jaimie Ross, among those interviewed for televised coverage of the Forum.

FLORIDA COMMUNITY BANK Stepping Up in South Florida



In a sustained effort to continuously identify unique and innovative ways to evoke positive change in the community and foster economic development, Florida Community Bank (FCB) is leading the way by becoming the first Bank in South Florida to participate as a lender in Community Land Trust (CLT) transactions. CLT's provide individuals and families with access to affordable land and housing whom otherwise due to financial circumstance would not have this opportunity.

FCB, the 5th largest independent Bank in Florida with over \$3.2 billion in assets, has built a model in which constructive, impactful Community Involvement and Development activities are incorporated into every aspect of its business. FCB is relentless in its quest to continuously pinpoint critical areas of need within each of the communities it operates and determine the most effective methods to act upon them. Throughout its history, FCB has exhibited an equal commitment to strengthening the economic health and improving the lives of its communities the Bank serves, as it has to providing valuable personal and business banking solutions to its clients.



“As a testament to the lender forum’s success, on October 30, 2013, the Community Land Trust of Palm Beach County’s first homebuyer closed on a beautiful home in Oakland Park, Florida. Florida Community Bank provided the mortgage.”

- Cindee La Course Blum,
Executive Director Palm Beach County CLT



COMMUNITY LAND TRUST SESSION HELD AT THE AFFORDABLE HOUSING CONFERENCE IN SEPTEMBER



THE FLORIDA COMMUNITY LAND TRUST INSTITUTE IS A COLLABORATION BETWEEN TWO STATEWIDE NONPROFIT ORGANIZATIONS, 1000 FRIENDS OF FLORIDA AND THE FLORIDA HOUSING COALITION. IT WAS ESTABLISHED IN JANUARY 2000 AND HAS BEEN PROVIDING EDUCATION, TRAINING, TECHNICAL ASSISTANCE, AND LEGISLATIVE ADVOCACY ON BEHALF OF CLTS IN FLORIDA SINCE THAT TIME.

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