

EVENTS CALENDAR

may		june	
5/8	SAT 10:30am-4:00pm New Americans Fair Housing and Homebuyer Fair New Holly Community Center	6/3	THU 6pm-7:30pm Membership Skill Share: Denise Zachariah CREDIT REPORT LITERACY (see inside for details)
5/12	WED 6:30pm-8:30pm Board Meeting 2017 E Spruce Street, Seattle	6/9	WED 6:30pm-8:30pm Board Meeting 2017 E Spruce Street
5/15	SAT 11am-1pm Homebuyer Information Session 2017 E Spruce Street (RSVP req'd.)	6/12	WED 6pm-8pm Homebuyer Information Session Delridge Branch Library 5423 Delridge Way SW (RSVP req'd.)
5/22	SAT Homestead CLT Strategic Planning location and time TBD	6/24	THU 6pm-7:30pm Membership Skill Share: Michele Thomas TENANTS' RIGHTS
5/26	WED 6pm-8pm Homebuyer Information Session Delridge Branch Library 5423 Delridge Way SW (RSVP req'd.)	6/29	TUE 6pm-7:30pm Membership Skill Share: Darla Fox PERSONAL FINANCES



Homestead Community Land Trust
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Land Trust News
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Homestead Community Land Trust,
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non-profit creating permanently
affordable homeownership in Seattle.

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a tip for homeowners

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Events Calendar

Director's Report

It's been an exciting spring. The phones are ringing with people calling about our **Delridge Affordable Homebuyer Initiative (DAHI)**. Maybe it's the spring weather, the press our project has recently received, or all the outreach we are doing, but one way or another, people are getting excited and want to know how they can participate. Potential homebuyers are finding out more about the initiative by enrolling in our Info Sessions. Volunteers are staffing outreach tables, assisting with presentations, creating displays and translating materials into Spanish. It won't be long before we have our first applicants actively shopping to buy their first homes. And with our **recent Fannie Mae approval**, our applicants can secure a **30-year fixed**

see Report, p.3

Extra! Extra! Make One Extra Mortgage Payment Shorten your 30-year mortgage and save \$\$

Interest is a very interesting thing. Small changes to the principal can make big changes to the amount of interest paid. This works on all interest, whether credit card or mortgage interest. of nearly \$28,000.

We looked at a 30-year mortgage of \$100,000 with an interest rate of 6.5%. If you make the regular payments for 30 years, you will pay **\$127,544** in interest. If you make **one additional payment each year** equal to the principal and interest amount, you will pay off the loan in **24 years** and pay only **\$97,360** in interest. That is a savings of over \$30,000!

You can achieve the same effect by making a smaller extra payment each month. Using the same \$100,000 loan as above, an **extra \$50 payment each month** will result in a payoff in about **24 ½ years** and paying about **\$99,570** in interest. This is a significant savings

Something to remember about making an extra payment, whether one payment annually or a payment each month, is that it should be mailed separately from your regular payment. Wait at least a week to mail after mailing your regular payment before mailing your extra payment.

In the memo section of your check, be sure to note that the money should be applied to the principal only and include your loan number.

-Loretta Walker, Clackamas Community Land Trust

Calculate your own savings on the internet!

To see how this works on your specific mortgage, go to www.bankrate.com and click on "mortgage calculators."

MEMBERSHIP SKILL SHARES

Our members (141-strong, to date!) have a wealth of talents and skills. Introducing Membership Skill Shares, a series of informal sessions hosted by members for members, on topics proposed by the host. Just call (206) 323-1227 or email info@homesteadclt.org to let us know you'd like to attend. Members Skill Shares are open to and free for Homestead CLT members. Feel free to invite guests who will pledge memberships*! The following sessions will be held at our offices, at 2017 E Spruce St.

Thursday, June 3, 2004
6:00pm - 7:30pm
CREDIT REPORT LITERACY
Denise Zachariah

Want to know more about Credit Reports and Credit Scores? We will explore the basics of reading (and comprehending!) your credit report and what those credit scores really mean. We'll also discuss how to improve your credit history through the wise use of credit and the right way to go about getting inaccurate information removed from your reports.

Denise Zachariah is on the board of Homestead CLT and has worked with several nonprofits (in Illinois, Oregon and California) on issues around housing, including credit & loan counseling, workshops for first-time homebuyers and early delinquency intervention counseling. Denise earned a Masters Degree from University of Illinois in Urban and Regional Planning.

Thursday June 24, 2004
6:00pm - 7:30pm
TENANTS' RIGHTS
Michele Thomas/Tenants Union

The goal of the workshop is to give tenants a solid overview of the laws that protect us, while also answering questions that participants have about their current housing situation. Topics such as deposits, evictions and fair housing will be covered.

The Tenants Union is a membership based, grassroots organization that helps tenants to organize for justice and helps to educate tenants on our rights and responsibilities.

Tenants Union membership and staff believe that everyone has the right to live in good housing that is safe and healthy and that everyone has the right to be treated with dignity and respect.

For questions about the workshop, please call Michele at the Tenants Union at 206-722-6848, ext. 114. If you have a question about your rights as a tenant that you need answered before June 24th, please contact the Tenants Union's education services by calling 206-723-0500.

Tuesday, June 29, 2004
6:00pm - 7:30pm
PERSONAL FINANCES
Darla Fox/Fox & Associates

Get on top of your personal finances; most people don't plan to fail, they fail to plan. Get some insights and learn some secrets to financial success in this session, on:

- Taking control of debt
- Saving for a home purchase
- Creating an emergency fund
- Saving for retirement
- Saving for college
- Getting the most for your insurance dollar
- And more...

Darla Fox is a personal finance analyst.

**Membership is open to all Seattle area residents who agree with our mission, participate in our work in some way, and pay \$10 yearly dues (more if you can, less if you can't).*

Report, cont'd

rate House Key loan at 4.85% interest through Washington Mutual, People's Bank and Homestreet Bank. Stay tuned for announcements of our first home improvement work parties within the next few months.

As exciting as our DAHI program is, we are also looking forward and planning for the future. How can HCLT ramp up to holding enough property so that we can keep Seattle's neighborhoods diverse and strong? What approaches will be most effective? We will tackle these and other questions during our **strategic planning process beginning May 22**. We recently received a **\$2,400 grant from the Nonprofit Assistance Center** to help us pay for planning assistance and facilitation is this process. If you are interested in participating, please give me a call.

This spring we are also launching our new **Members Skill Shares Series** where members share knowledge, skills, and passions they have with other members in an informal environment. Members of our board are kicking things off with topics related to **reading credit reports, tenants' rights, and personal finances** scheduled over the next few months. These events are free and open to members. If you are not yet a member, you can join at the event. We hope these events will help **build our sense of community and spread the existing knowledge within our membership**. If you want to present on a topic of interest to you, please give us a call.

Take care,
Sheldon Cooper

To reach Sheldon, email sheldon@homesteadclt.org, or call (206) 323-1227.

Delridge Affordable Homebuyer Initiative FAQs

Couldn't find the right words when someone asked you about the Delridge Affordable Homebuyer Initiative (DAHI), Homestead CLT's permanently affordable homeownership program for 2004? We here at Homestead CLT wanted to provide you with a handy "cheat sheet" with answers to some of our most frequently asked questions, so that you can help us do some word of mouth outreach. Be sure to clip this out and use as a handy reference!

>> What is DAHI?

The Delridge Affordable Homebuyer Initiative is Homestead CLT's buyer-driven program that will provide 10 households with up to \$62,000 each in purchase assistance to buy a house in Delridge.

>> Is the \$62,000 a loan that I have to pay back?

No, the purchase assistance you get from Homestead CLT is a grant that you don't have to pay back. In exchange for the purchase assistance, Homestead CLT owns the land under your home. When you decide to sell the house, you agree to sell at a restricted resale price, one that will give you a fair share of equity and another low- to moderate-income family a chance to become homeowners.

>> Can I ever buy back the land?

No, Homestead CLT intends to hold the land forever so that we can keep homes on our land permanently affordable. However, if in the unlikely circumstance, HCLT decides to sell land, the homeowner would have the first right to buy it.

>> What does "buyer-driven" mean?

A buyer-driven program means that you'll work with a realtor to choose a single-family house in Delridge that's on the market, a house that fits your budget and is to your liking. We will no longer be marketing specific houses through the DAHI.

>> Will Homestead CLT have specific homes for sale in the future?

It's possible that Homestead CLT will have specific homes for sale in the future. Homestead CLT might sell homes directly in a couple of possible scenarios: if a seller wants to sell through our organization specifically, or if a Homestead CLT leasee wants to sell their home on land trust land. In those cases, the price of the house would be less than it would be if those houses were being sold on the traditional market (and can be thought of as having the purchase assistance already built in).

>> At what point do I get the grant from Homestead CLT?

DAHI is "first-ready, first served." Readiness is determined by a number of factors, including having completed an application, attended some classes and meetings, as well as having saved a downpayment and getting pre-approved for a mortgage. But don't let not having all the pieces in place deter you from getting your application started! Come to an information session to find out what you need to do to become ready. We also give out DAHI applications at the information session. Call (206) 323-1227 or email info@homesteadclt.org to find times and to reserve your seats at the information sessions.