



Thresholds Newsletter

Laconia Area Community Land Trust

Meredith Update: Pinecrest Apartments Now Leasing!

Our workforce housing development in Meredith is nearing completion. Applications for October 1 occupancy are being accepted by our property management company, The Hodges Companies of Concord (1-800-742-4686).

A ribbon cutting ceremony is scheduled for Friday, October 9th, at noon for Pinecrest Apartments and Frances Court Manufactured Housing Park. Following the noon ceremony, a light lunch and tours will be provided. We hope you will mark your calendar, and plan to join us.

Located just one mile north of downtown Meredith off Boynton Road, Pinecrest features 32 permanently affordable rental units ranging in size from 1-3 bedrooms. Units will be rented to low to moderate income families at below market rents. These apartments will be affordable to local families earning up to \$28,860 for a single, \$33,000 for a couple, and \$41,220 for a family of four. Frances Court is a 13-unit manufactured housing park with a mix of rental and homeownership units.

Our initial marketing is being targeted to those already living and working in Meredith. Ads have appeared in the *Meredith News*, and 800 brochures have been delivered to Meredith businesses who agreed to distribute the brochures to their employees.

[Continued on Page 2](#)

Another Home Saved From Foreclosure!



Pictured Above: Homeowners Ty and Christine Yale

The Land Trust was recently successful in obtaining a mortgage modification for the the Yale family, which saved their home from foreclosure.

In October of last year, homeowners Ty and Christine Yale found themselves struggling to make their monthly mortgage payments. Like many people, they were victims of predatory lending practices of a national mortgage company. The Yales were coaxed into purchasing a home with

[Continued on Page 3](#)



Pictured Above: One of Four Buildings at Pinecrest Apartments

Meredith Update Continued From Page 1

This has been a three-phase project. Phase 1 was the road work. The sewer and water were brought down Boynton Road, sidewalks were installed, and the road was paved. Phase I was completed by Ambrose Bros., Inc.

Phase 2 was the relocation and upgrade of the former Crestview Manufactured housing park to make room for the new construction. Phase II work was completed by Hiltz Construction and Innovative Homes. The residents of Frances Court have formed a co-operative and are exploring the potential purchase of the park. Until such time as the park residents decide to purchase the park, it will be owned and operated by the Land Trust.

Phase 3, construction of the 32-unit Pinecrest Apartment Complex, is being handled by Gary Chicoine Construction.

The total project cost, including road work, bringing the sewer and water down Boynton Road, adding sidewalks, the relocation and upgrade of the manufactured housing park, and the new construction is approximately \$8 million. Project financing was provided by NH Housing Finance Authority Low-Income Housing Tax Credits, Home Funds, Community Development Block Grant Funds, Federal Home Loan Bank Affordable Housing Program Funds, USDA Rural Development Funds, NeighborWorks® America, Rural LISC, and LACLT. Meredith Village Savings Bank provided construction loan financing.

WE ARE PROUD TO REPORT THAT OUR MEREDITH PROJECT CREATED JOBS FOR 132 LOCAL CONSTRUCTION WORKERS IN THESE DIFFICULT ECONOMIC TIMES!

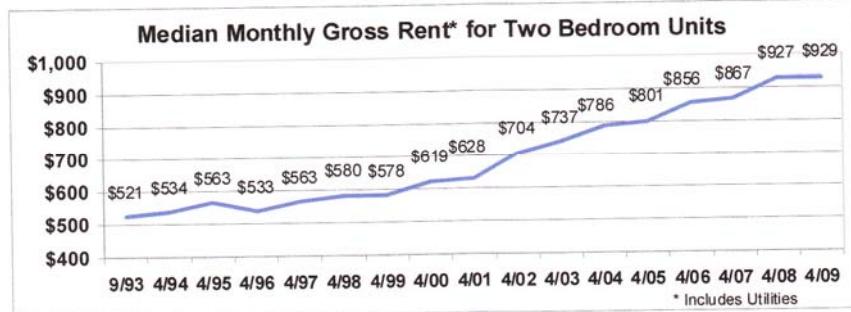


In Frances Court (formerly Crestview) older manufactured homes like the one pictured above have been replaced with new homes like the one pictured below.



Belknap County Rents

According to NH Housing Finance Authority's annual rent survey, the 2009 median rent for a 2-bedroom apartment in Belknap County was \$929 per month. In order to afford this apartment, a tenant must earn at least \$17.83 per hour.



Home Saved Continued From Page 1

a mortgage product they could not afford known as an 80/20 split. They financed 100% of the purchase price with a variable rate first mortgage for 80% of the home's value which would adjust annually and a second mortgage for the remaining 20% at a high fixed interest rate of 14%. This common practice has resulted in many foreclosures and families being upside down in their mortgages.

The Yales were assured by their Realtor® and mortgage broker that the mortgage would be affordable for them. However, the mortgage company failed to include property taxes in that affordability calculation and did not escrow taxes as part of the monthly mortgage payment.

In the first year, the Yales struggled to make their monthly payments and had to make many sacrifices in order to do so. In the second year, when their mortgage payment increased by \$200 per month, they found themselves losing sleep worrying about how they would make their mortgage payment and purchase school supplies and clothes for their children. They drastically reduced their food budget. The final straw came when their car broke down and required substantial repairs. This is when they missed their first payment, and late fees and interest on late fees began to accumulate rapidly.

The Yales went to a local bank in an attempt to refinance, but they had no equity in their home. The bank referred them to the Land Trust. Fortunately, the Yales came to us early enough that we were able to help them save their home. Unfortunately, many families wait until it is too late, and there is nothing we can do to help.

Homeownership Director Gail Engle spent months working with the Yales to get their mortgage modified. Unfortunately, the first two modification requests were erroneously denied by the mortgage company. The reviewer mistakenly thought the Yales only had one income as they both work at J Jill. The bank saw one employer and denied the modification request.

Thanks to Gail's persistence, a third request was made, and the mortgage was successfully modified in accord with the new "Making Home Affordable" program. The Yale's mortgage interest rates have been modified to an adjustable 2% rate on their first

mortgage with a cap at 5% and an adjustable 3% rate on their second with a cap at 5%. The Yales now pay a combined total of \$1,129 less per month on their first and second mortgages and are escrowing their property taxes. The Yales are now able to sleep at night without worrying about providing their family with a roof over their heads and the necessities of daily life, and they have even begun to put money away in a savings account.

The Yales are extremely grateful to Gail for her months of hard work and perseverance on their behalf. The Yales call Gail their "savior" and said she "went above and beyond to help us save our home!"

Ty and Christine Yale live in Gilford, have been married for 17 years. They have 2 children ages 8 and 16. They are both employed at J Jill in Tilton for 8 and 12 years, respectively.

Foreclosure Update

According to the NH Housing Finance Authority, foreclosure auction notices reached another record high in July of 2009 at 870. Notices in July were about 20% above July of 2008, demonstrating that growing numbers of NH households are struggling with their mortgage payments.

The number of recorded foreclosure deeds in July of 2009 (289) was only about 2% below the number for July of 2008.

In the first 8 months of 2009, the Land Trust's Homeownership Director Gail Engle has conducted 113 foreclosure counseling sessions for 39 households resulting in 12 homes being saved from foreclosure.

Foreclosure counseling is provided free of charge thanks to support from our members and funders.

We are proud to report that our local banks are experiencing very few delinquencies and foreclosures because they did not make loans which the borrowers could not afford.

Resident Profile: Nieves Tabera

For Nieves Tabera, affordable housing has done more than help him achieve financial balance, in his words, the Land Trust “saved my family” from being separated and forced apart.

Mr. Tabera became a Land Trust resident almost a year ago and is representative of the type of tenant for whom we seek to provide housing and support.

Mr. Tabera has worked at Lowe's in Gilford and has been employed by Lowe's for 8 years. Until separating from his wife 2 years ago, he had been able to afford a 3-bedroom apartment with the 2 incomes the family had at the time. After his divorce, Mr. Tabera found himself living in a single room occupancy (SRO) in Franklin. Due to his inability to provide a separate bedroom for his daughters, now ages 6 and 8, he was prevented by the Court from having any overnight visitation with his children, to whom he is singularly committed.

Upon speaking with Mr. Tabera recently, it was clear that providing him with an affordable 2-bedroom apartment has, indeed, saved his family. Mr. Tabera is able to see his children almost daily. They go to school here in Laconia and come to their “second home” sometimes just for dinner and homework; but, because they have their own room, they are able to spend several nights a week with their father.

The Tabera family is thriving, and we are proud to have them as tenants



FIRST-TIME HOMEBUYER SEMINARS:

Sept. 26, 2009 (Sat.) 8AM-4PM in Laconia
(sponsored by Laconia Savings Bank)

Oct. 24, 2009 (Sat.) 8AM-4PM (sponsored by Franklin Savings Bank; location to be determined)

To register, contact Gail at 524-0747 or gngle@lact.org.

1343 people have participated in our First-Time Homebuyer Seminars and Financial Management Workshops. 146 (known) families who took our Homebuyer Seminar have purchased homes having a combined value of \$23.2 million!

Tilton Next in Our Development Pipeline

The next project in our affordable housing pipeline will be developed in Tilton. A site has been selected on Route 3 between Laconia and Exit 20 for the construction of 28 units of permanently affordable rental housing. Zoning and permitting is complete, and we have entered into a purchase and sale agreement.

We have applied for and received low income housing tax credit funding. The tax credit round was extremely competitive. We are happy to report that our application scored highest among a field of 16 applications, 6 of which were funded.

We also applied for and received permanent financing and subsidy from USDA Rural Development.

Construction on this \$6.5 million dollar project will begin in February of 2010 and will be completed in the Fall of 2010.

In accord with our Strategic Plan, we continue to seek to expand our work throughout our service area (the Greater Lakes Region). Our pipeline consists of projects in Sandwich, Wolfeboro, Tamworth, and potential projects in Alton, Plymouth, and Gilford.

Seeking Land Trust Residents to Serve on Land Trust Board

Did you know one-third of our Board is made up of Land Trust resident members? The Board is responsible for governing the organization. Some of the Board's duties are to determine policies, set goals, approve the annual budget, plan for the organization's future (both short-term and long-term), ensure that good financial management and control systems are in place and operating properly, and ensure that the organization's programs and services address community and client needs. Meetings are held monthly on the third Wednesday of the month at 6:30 p.m.

If you would like to learn more about serving as a resident representative on our Board, please contact Resident Services Coordinator Leigh Campbell at 524-0747.

This Land Trust Home to Be Sold for \$68,000!



A buyer has been selected to purchase the Land Trust home at 15 Noyes Road in Tilton. Three applications were accepted and scored. The top scoring candidate, a single woman, employed as a receptionist for a local doctor, was selected to purchase the home. A closing date will be scheduled in the near future.

The home will be sold using the community land trust model. This means that the buyer will purchase the buildings only. The land will be retained by the Land Trust and leased to the buyer under a 99-year, renewable lease. In exchange for the price reduction, the buyer agrees to conditions that ensure the home remains affordable for future low to moderate income buyers.

The Land Trust acquired this home through Chase Bank and invested tens of thousands of dollars in repairs and replacements. The exterior of the house was power washed and stained. The yard was re-graded. The interior walls, ceilings and kitchen cabinets were freshly painted. The carpeting and vinyl flooring were replaced. A new tub surround was installed. Plumbing and electrical systems were upgraded. A new forced hot air furnace, water heater, water tank, and dual sump pumps with battery back up were installed, making this home ideal for a first-time, low-income homebuyer. As part of the sale agreement, the buyer is required to attend our First-Time Homebuyer Seminar.

How Can You Help The Land Trust?

1. Become a member and make an annual membership donation.
2. Remember the Land Trust in your will, and become a member of our Legacy Society.
3. Participate in the Shaw's Community Rewards Program. Sign up on the Shaw's web site, and select the Land Trust as your charity of choice. If you need help, contact Nancy McCurry at the Land Trust at 524-0747.
4. Join us for a night of comedy at Patrick's Pub and Eatery in Gilford on Thursday, January 14th. Watch for details coming soon. 100% of the proceeds will benefit the Land Trust.
5. Volunteer to help with mailings, painting, landscaping, photography, other?
6. Support affordable housing development in your home town.

NeighborWorks® Plants!



On June 6th, 38 of the Land Trust's 108 resident families participated in our NeighborWorks® Plants Event. Residents gathered together and planted container gardens to bring home to adorn their yards, entryways, and porches. Volunteers also planted container gardens for Land Trust residents who are housebound and Adopt-A-Spot barrels on Main Street in Laconia. The event was sponsored by NeighborWorks® America and the Land Trust's Property Management Company, The Hodges Companies.

During National NeighborWorks® Week, the Land Trust and NeighborWorks® organizations across the country mobilized tens of thousands of business people, residents and government officials in a week of neighborhood change and awareness. They planted and landscaped, repaired and painted homes, and conducted neighborhood tours.

PLEASE CONTACT EILEEN AT 524-0747, OR EMAIL HER AT ethaler@lacti.org.
IF YOU WOULD PREFER TO RECEIVE OUR NEWSLETTER BY EMAIL,

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Land Trust's Linda Harvey Brainstorms with Citizens Bank President



One of the many benefits we received for being named Champion in Action for affordable housing development (for the 2nd time!) by Citizens Bank and WMUR TV-9 on April 10th was the opportunity for Linda Harvey to brainstorm with Cathleen Schmidt, President of Citizens Bank. Citizens Bank and WMUR also provided the Land Trust with \$25,000 from Citizens Bank Foundation, media coverage from WMUR TV, and public relations and volunteer support from Citizens and WMUR. We would like to extend our heartfelt thanks to Citizens and WMUR!

Our Mission: To assist low and moderate income households achieve economic self-sufficiency through the development of permanently affordable housing opportunities and associated support programs.