

Affordable New Single-Family Housing Initiative Application

Increasing the supply of affordable, owner-occupied housing is critical to supporting workforce development and maintaining a healthy, growing community. Recognizing the financial challenges associated with new residential development, the City of Nevada is committed to partnering with builders and developers to encourage the construction of homes that are attainable for low- and moderate-income households.

Modeled after successful programs implemented in Boone in 2020 and Slater in 2025, the City of Nevada's Affordable Housing Forgivable Loan Program is designed to reduce the cost of new home construction by providing financial assistance equal to ten percent (10%) of the lot purchase price, up to a maximum of \$30,000 per home. Assistance is available only for newly constructed homes that are projected to be listed for sale at or below the maximum affordable sales price established by the program, currently \$299,999, which is considered affordable for a household of four earning 80 percent or less of the Story County Area Median Income (AMI).

To participate in the program, the builder or developer must certify that the home will be marketed and offered for sale at or below the established affordability threshold. Upon receipt of the certification and approval by the Nevada Economic Development Council (NEDC), program funds will be advanced to the builder or developer to assist with reducing the cost of the lot. Following the sale of the home, the builder or developer must submit a final certification verifying the actual sales price. If the home is sold at or below the originally certified affordable sales price, the loan will be forgiven and the Nevada Economic Development Council will submit reimbursement documentation to the City of Nevada for payment through available Low- and Moderate-Income (LMI) housing funds.

If the home is sold for more than the certified affordable sales price, the financial assistance shall no longer qualify for forgiveness. In such cases, the builder or developer shall be required to repay the full amount of assistance received, together with any applicable interest, in accordance with the terms of the Forgivable Loan Agreement.

To promote long-term housing affordability and owner occupancy, each assisted property shall be subject to a five-year deed restriction recorded against the property at the time of closing. The forgivable loan shall be forgiven at a rate of twenty percent (20%) annually on each anniversary of the homebuyer's closing date, with the loan fully forgiven after five consecutive years of owner occupancy. Should the property be sold, transferred, or cease to be the owner's primary residence prior to the completion of the five-year affordability period, the homeowner shall be required to repay the unforgiven balance of the loan in accordance with the recorded loan documents and deed restriction.

The program is intended to operate as a two-year pilot initiative with a goal of assisting up to five (5) new homes annually. By leveraging local housing resources and partnering with private developers, the program seeks to expand the inventory of affordable housing, encourage quality residential development, and provide sustainable homeownership opportunities for families within the City of Nevada.

1. Applicant Information

Builder/Developer Name: _____

Business Address: _____

Contact Person: _____

Phone Number: _____

Email Address: _____

Business License Number: _____

Years of Experience in Residential Construction: _____

2. Project Overview

Project Name (if applicable): _____

Property Address / APN: _____

Number of Homes to be Constructed: _____

Proposed Construction Start Date: _____

Estimated Completion Date: _____

Project Description: (Include type of home, square footage, and target buyer)

3. Lot Acquisition Details

Date of Lot Acquisition: _____

Purchase Price of Lot: \$ _____

Requested Assistance (max 10% or \$30,000): \$ _____

Required Attachments:

- Proof of purchase (deed or agreement)
- Settlement statement

4. Certification Statements

I/We certify that:

- ☐ Title to the lot has been acquired
- ☐ A new single-family home will be constructed
- ☐ The home will be marketed at or below \$299,999
- ☐ All information provided is accurate

Signature: _____

Name & Title: _____

Date: _____

(Verification of the above documents are required)

5. Development Plan

Provide:

- Construction timeline
- Key milestones
- Contractors/team
- Materials and build quality summary

6. Marketing Plan

Describe:

- Sales strategy
- Target buyers
- Pricing compliance approach

7. Financial Overview

Estimated Construction Cost: \$ _____

Total Development Cost: \$ _____

Expected Sales Price ($\leq$ \$299,999): \$ _____

8. Acknowledgment of Funding Terms

I/We acknowledge:

- ☐ Funds are issued as a forgivable loan
- ☐ Repayment is required if sale price exceeds certified amount
- ☐ Final sales price must be certified

(Verification of the above documents are required)

9. Attachments Checklist

- ☐ Proof of lot ownership
- ☐ Purchase documentation
- ☐ Site plan or design
- ☐ Construction budget
- ☐ Business license

(Verification of the above documents are required)

Final Certification Statement

I hereby certify that all information provided in this application and all supporting documentation is true, complete, and accurate to the best of my knowledge and belief. I understand that any false, misleading, or incomplete information may result in denial of assistance, repayment of funds, or other actions as permitted by program guidelines.

I further certify that I will comply with all requirements of the Affordable New Single-Family Housing Initiative and agree to the terms outlined in this application.

Applicant Signature: _____

Printed Name: _____

Title (if applicable): _____

Date: _____

Applicant Acknowledgment and Agreement

By signing below, I (we) acknowledge that I (we) have read, understand, and agree to comply with all terms, conditions, and requirements of the City of Nevada Affordable Housing Forgivable Loan Program. I (we) understand that the financial assistance provided through this program is subject to the provisions of the Forgivable Loan Agreement, Promissory Note, Mortgage, Deed Restriction, and any other documents required by the City of Nevada and the Nevada Economic Development Council (NEDC).

I (we) certify that all information provided in connection with this application is true and accurate to the best of my (our) knowledge. I (we) further understand that failure to comply with the program requirements, including the five-year owner-occupancy requirement and deed restriction, may result in repayment of all or a portion of the assistance received in accordance with the terms of the program.

Applicant Name: _____

Applicant Signature: _____ Date: _____

Co-Applicant Name (if applicable): _____

Co-Applicant Signature: _____ Date: _____

Property Address: _____

City of Nevada Representative: _____ Date: _____

Nevada Economic Development Council Representative: _____

NEDC Representative Signature: _____ Date: _____

NEDC Office Use Only

Date Received: _____

Application Complete

☐ Yes

☐ No

Eligible

☐ Yes

☐ No

Recommended Award Amount

\$ _____

Approved

☐ Yes

☐ No

NEDC Representative:

Date: _____