



Memo

To: Randy Vosburg, Town Manager
From: Tiana Joyner, CDNC Housing Programs Manager
Date: October 29, 2025
Subject: Raleigh Area Land Trust (RALT) Funding Recommendation

What is Requested:

A. **AUTHORIZE** the Town to extend a conditional commitment of \$225,000 (grant) of Town Affordable Housing Funds for the Raleigh Area Land Trust (RALT) project to support the acquisition and permanent affordability of ten townhomes in the Huxley development, subject to any applicable Wake County funding approvals. The proposed development, the unit mix, and the recommended Town funding amount is as follows:

Proposed Development	Population Served	Town Funding Recommendation	Unit AMI Level	
			60%	80%
Huxley	Low to moderate income Homebuyers	\$225,000 (grant)	2	8

B. **AUTHORIZE** the associated budget amendments and transfers of funds of up to \$225,000 for the RALT project from available funding in the Affordable Housing Fund.

Background:

Pulte Homes ("Pulte") committed to provide 12 affordable homes as part of rezoning Case #20CZ14 Hackney PUD. To meet the zoning conditions, Pulte partnered with the Raleigh Area Land Trust (RALT) a nonprofit community land trust. RALT now seeks Town funding to acquire ten homes from Pulte Homes in the Huxley subdivision. These homes will serve households earning between 60–80% of the Area Median Income (AMI) in Wake County, ensuring permanent affordability through RALT's 99-year ground lease community land trust model.

RALT has secured letters of intent from Pulte Homes providing \$1,345,480 of in-kind support, representing discounted home sales prices.

Ten homes in the Huxley development will be sold by Pulte to RALT at a price based on 70% of the average market rate price for comparable homes, or approximately \$310,000 per home, providing a reduction of \$134,548 per home from the estimated market rate price of \$444,548 per home. RALT will assist homebuyers in accessing Down Payment Assistance (DPA) from NCHFA's NC 1st Home Advantage program and Wake County's DPA program. Other project financing consists of NCHFA's Community Partner Loan Program, Wake County's Affordable Housing Development Program, and bridge financing from First Citizens Bank to fill short-term funding gaps, to be repaid upon home sales.

Description of Proposed Project:

The development proposed and the terms of Town investment are outlined below.

RALT will acquire ten townhomes from Pulte in market-rate neighborhoods and sell them to income-eligible buyers, while preserving long-term affordability. The homes will be indistinguishable from surrounding market-rate units and fully integrated into the neighborhoods. Using the 99-year ground lease model, RALT will ensure the homes remain affordable for future generations while fostering lasting affordability and opportunities for intergenerational wealth-building.

Income Targeting and mix:

Income Target	Number of Homes	Target Population	Approx. Affordable Sales Price	Example Eligible Buyer Profile
60% AMI	2	Lower-income working families	~\$270,000–\$290,000	Supports Entry-level workforce households
80% AMI	8	Moderate-income households	~\$300,000–\$320,000	Teachers, first responders, and municipal staff

* This tiered approach supports mixed-income homeownership and a thriving community.

Location: The ten homes proposed for acquisition and permanent affordability are situated within a Pulte Homes Community in Apex, NC:

Huxley Subdivision: Located at 2544 Olive Chapel Road, Apex, NC 27502, Huxley features modern new construction three-story townhomes and two-story single-family homes. The community is ideally situated near the Beaver Creek Shopping Center, offering residents proximity to great schools and short commutes to downtown Apex and Raleigh.

All RALT homes are designed to integrate seamlessly with surrounding market-rate homes, ensuring that the affordable homes blend harmoniously with the neighborhoods' character.

Funding: Funding will come from the Town of Apex Affordable Housing Fund as a grant of \$225,000, leveraging additional support from Wake County, Pulte Homes, and other down payment assistance (DPA) programs such as:

Wake County Affordable Housing Development Program (AHDP)

Wake County's Down Payment Assistance Program

NC Housing Finance Agency's Community Partners Loan Pool (CPLP)

NC 1st Home Advantage Down Payment Program

These combined resources will enable qualified buyers to access affordable financing and close the affordability gap for households within the targeted AMI range.

Funding Source	Description	Estimated Contribution	Type
Town of Apex Affordable Housing Fund	Acquisition support grant	\$225,000	Grant
Pulte Homes	Discounted sales price across 10 homes	\$1,345,480	In-Kind
Wake County	Potential AHDP subsidy	\$234,000	Grant
NC 1st Home Advantage	State down payment program (\$15,000 per buyer)	\$150,000	Loan/Grant
Wake County DPA	Down payment assistance (\$40,000 per eligible buyer)	TBD	Grant
NCHFA Community Partners Loan Pool	Down payment assistance (\$50,000 per eligible buyer)	TBD	Loan/Grant
RALT Bridge Financing	Short-term acquisition support	TBD	Loan

***Estimated; exact allocation depends on homebuyer and funding availability**

Recommendation:

Staff recommends \$225,000 in grant funding to support RALT's acquisition of ten homes in the Huxley development for resale to income-eligible households. These homes will expand homeownership opportunities for households earning between 60% and 80% of AMI and ensure permanent affordability through RALT's community land trust structure.

The project is consistent with Town Council's goal to expand diverse housing options and leverages multiple sources of public and private funding. This initiative will strengthen Apex's commitment to developing mixed-income communities and increase pathways to homeownership for working families.

Staff recommends that Town Council:

- Authorize the Town to extend a conditional commitment of \$225,000 in grant funding to the Raleigh Area Land Trust (RALT) for the acquisition of ten permanently affordable homes in the Huxley development.
- Authorize the associated budget amendments and transfers of funds from the Affordable Housing Fund.