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**Re: 711 Holman - LaRoche and Lee**

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**From** Davide Larochelle <davidlarochelle1@yahoo.com>

**Date** Mon 2/10/2025 6:55 AM

**To** Stacy Lowe <slowe@pinonrealestate.com>; Bill Almquist <bill.almquist@cityofsalida.com>

Hey Bill, here's that history sheet you asked for and I guess at the end of the day I would like to offer the City some money in lieu of and lift the deed restriction if that's possible. Thank you.  
Sent from my iPhone

On Feb 4, 2025, at 4:39 PM, Stacy Lowe <slowe@pinonrealestate.com> wrote:

Hi  
Just resending this so it is handy.  
Thank you,  
Stacy

**From:** Stacy Lowe <[slowe@pinonrealestate.com](mailto:slowe@pinonrealestate.com)>

**Date:** Thursday, December 19, 2024 at 10:36 AM

**To:** [davidlarochelle1@yahoo.com](mailto:davidlarochelle1@yahoo.com) <[davidlarochelle1@yahoo.com](mailto:davidlarochelle1@yahoo.com)>, Mark Lee <[markbuilder@mac.com](mailto:markbuilder@mac.com)>, [bill.almquist@cityofsalida.com](mailto:bill.almquist@cityofsalida.com) <[bill.almquist@cityofsalida.com](mailto:bill.almquist@cityofsalida.com)>

**Subject:** 711 Holman - Inclusionary Housing Unit

Bill,

Here is a summary of the history for the Holman project and the Inclusionary Housing units. The Developers are asking to go back to the original offer to pay \$22/square foot in lieu of instead of trying to sell the unit on the market due to the challenges and events below. They have already sold one AMI unit, 713 Holman.

The Holman project went through the Salida City Ordinance meeting on 3/16/2021. The Developers agreed to providing two Inclusionary Housing units even though at the time the requirement was one Inclusionary Housing unit per 8 units. 14 units were built but the developers offered to do two units instead of paying \$22/square foot in lieu of.

The first phase of the Holman project and first unit was listed 10/13/21. This phase did not include the Inclusionary Housing units.  
During the second phase the Inclusion Housing units were built.

The Certificate of Occupancy was received for 711 Holman on 6/14/23. Both Inclusionary Housing units were listed with Pinon Real Estate effective 5/7/23 and went live on the MLS 5/10/23. These units were listed with the Housing Authority 6/1/2023. During this time the listing agent, Stacy Lowe presented the properties regularly during staff meetings, Stacy also presented the properties to the local MLS group. She shared the details of the Inclusionary Housing program and the process to the other Realtors. The Realtors toured the unit on the tour. These were the very first Inclusionary Housing units on the market in Salida.

In addition, Stacy hosted an open house in coordination with the city for a Ribbon Cutting as well as a press release.

On July 8<sup>th</sup> we received two offers on unit 713 Holman. We proceeded to go under contract for 713 Holman and the second buyer changed their offer to unit 711 Holman.

Unit 713 Holman was purchased with a VA loan without difficulty.

Unit 711 Holman went under contract with an FHA loan. Buyers were preapproved by the City and their lender. The Buyers asked for improvements that totaled around \$10,000. The Sellers agreed to these improvements. At the 11<sup>th</sup> hour the lender and the city was unable to come to terms on some of the deed restriction language and the contract terminated. Sellers not only lost the additional \$10,000 in improvements they added but they also refunded their Earnest Money even though per the terms of the contract the Buyers were in default.

After the contract fell through the Sellers decided to rent the unit to someone who qualified through the city and needed a place to rent. The lease was written 11/10/23. She also intended to try and purchase during the course of her lease. She was unable to proceed with the contract to purchase because she couldn't afford the monthly mortgage payment.

She leased the property for \$1400/mo for 12 months. She moved out 11/30/24.

During her lease the Sellers and listing agent continued to try to find other qualified buyers. Mark was in touch with the Housing Authority during this time. Mike Beck applied through the city and was qualified but decided not to proceed because his payments were not feasible. Another buyer Sasha qualified but didn't like the 2% cap on the deed restriction. Karen Lincott qualifies except that she is one person and these units require a minimum of two people. The City declined to make an exception for her. Another couple Amber and partner are unable to pay a sufficient amount and still afford their mortgage payment. They made offer but it was too low for the Sellers to accept.

They have been trying to sell the unit at \$389,000 for the last 18 months. The current loan is \$435,000 so the Sellers are already taking a loss at this price which is \$46,000 under the loan amount. The current AMI allows the Sellers to sell it as high as \$464,000, the current list price is \$75,000 less than the full AMI. The Developers are taking a \$75,000 loss plus \$3500/mo for interest/loan payments over the past 18 months is \$63,000 and growing. The rent received offsets this expense by \$16,000.

Interest rates were between 3-4% when the first Holman Units were first listed. Shortly after we saw interest rates going up to 7%. This has caused a potential buyers mortgage payment to increase dramatically to a point where it was difficult for them to afford before to making it nearly impossible for someone to qualify under the terms required by the deed restrictions.

In summary, the Developers agreed to build two Inclusionary Housing units even though only one was required. This occurred 3/16/21 and by the time the two IH units were completed on 6/14/2023. There was a period of over 2 years in which the city had the opportunity to prepare for this program but the city wasn't 100% ready to implement the program even at the Ribbon Cutting when it should have been up and running by this time.

The Sellers wish to pay the in lieu of fee \$22/square foot to the City.

We appreciate your consideration.

Sincerely,

Stacy

*Stacy Lowe, Broker Associate/Property Manager*  
[slowe@pinonrealestate.com](mailto:slowe@pinonrealestate.com)  
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**From:** Stacy Lowe <slowe@pinonrealestate.com>  
**Date:** Wednesday, January 15, 2025 at 10:13 AM  
**To:** Suzanne.fontana@salidaelected.com <Suzanne.fontana@salidaelected.com>  
**Subject:** 711 Holman - LaRochelle and Lee

Hi Suzie,

Thank you for taking the time to look into this, we appreciate your consideration. I have attached a copy of the chart we originally sent to Bill Almquist for your reference. I will also forward another email separately that we sent to Bill and then recently to Dan Shore just to be sure you have that.

Please let me know if you have any questions or need anything else from me.

Thanks so much!

Stacy

**From:** Stacy Lowe <slowe@pinonrealestate.com>

**Date:** December 10, 2024 at 6:57:51 AM MST

**To:** davidlarochelle1@yahoo.com

Thanks again, Stacy may have some more information on this she can provide so I added her to this email

- If purchased  $\$464,000 \times 6.844\% = \$3411/\text{mortgage payment}$
- Listed at \$389,000
- Maximum rent is \$1960
- Construction loan \$435,000 at 8.5% interest
- Current mortgage payment is \$3500
- Already paid 18 months on construction loan = \$63,000
- \$435,000 owed creates additional loss if sold \$389,000 would be \$46,000
- Builder would like to go back to original offer to pay \$22/sq foot in lieu of
- $1434 \text{ square feet} \times 22/\text{sq ft} = \$31,548$  to the City of Salida

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