



HOUSTON LAND BANK
TRADITIONAL HOMEBUYER PROGRAM GUIDELINES
Last Revised and Reviewed by Board of Directors April 2025

I. INTRODUCTION AND AUTHORITY

The objective of the Houston Land Bank Traditional Homebuyer Program (Program) is to support the City of Houston's goal of making quality affordable homes available to low and moderate-income homebuyers. The Houston Land Bank (HLB) accomplishes this by transforming vacant land to new homes as quickly as possible and providing lots for Homebuilders at below market prices to develop affordable housing; in exchange the Houston Land Bank requires Homebuilders to sell the newly constructed homes at or below a capped price to income-eligible homebuyers.

These guidelines will govern the implementation of this program. The staff of the HLB will administer the program in accordance with its customary policies and procedures set by the Board of Directors of HLB, and City of Houston Code of Ordinances. The President and CEO (President) or a Designee will have approval authority for administrative matters related to the Houston Land Bank Traditional Homebuyer Program and may delegate said authority by authorization of the Board of Directors.

II. DEFINITIONS

"Approved Homebuilders": A homebuilder that has successfully qualified through the annual Houston Land Bank Builder Request for Qualifications in at least one of the builder categories outlined in the guidelines.

"Committee": Houston Land Bank Real Estate and Development Committee (READ Committee).

"Commercial Lots": Lots used or designated as land with commercial purposes, such as, but not limited to industrial, office or retail designations.

"Consolidated Lots": a minimum of two lots adjacent or replated lots that will be grouped and sold together

"Contract": HLB contract with Approved Homebuilder for the development of Affordable Housing on a lot purchased through the Program.

"Established Homebuilder": an experienced builder who has successfully completed at least 10 "ground up" single-family residential construction projects. These builders will be eligible to purchase twelve (12) lots in each round but can have no more than twenty-four (24) total at one time.

“Fair market value”: the market value of a lot as determined by an appraisal.

“Fortified Home”: a voluntary construction and re-roofing Program designed to strengthen homes and commercial buildings against specific types of severe weather such as high winds, hail, hurricanes and even tornadoes.

“Guidelines”: the Houston Land Bank Traditional Homebuyer Program Guidelines (Guidelines).

“Income Eligible Homebuyers”: a homebuyer whose income has been certified by the Housing and Community Development Department at or below 120% of the Area Median Income as determined by HUD (AMI).

“Hold Lot”: each Approved Homebuilder may have up to one additional lot put on hold once they reach their maximum number of lots if an application has been submitted for a lot during lot sales and they are the successful bidder. The Approved Homebuilder may not close on their Hold Lot until one of their current lots reaches 80% of the construction phase.

“Lot”: HLB lot made available for sale to an Approved Homebuilder through the Program. Please note that each HCAD is considered an HLB lot for purposes of submitting proposals to purchase, and only one home can be built on each HLB Lot unless multiple are approved during the lot sale process.

“Lot Designation”: classification of the lots based on its intended use, and it determines who can purchase and develop it.

“Small Lot”: Scattered lots below 4,999 sqft

“Minimum Standards”: minimum quality standards, construction timelines and financial requirements as outlined in Section II Aiii.

“Standard Lot”: None contiguous that are between 5,000 sqft – 7,000 sqft

“Master Community Builder”: A procured builder/developer with the capacity to develop multi-lot or large –scale residential projects in any given geographical location with a proven track record of completed clusters of single-family homes. Experience of more than seven years with the applying company and at least one (1) completed mid to large-scale “ground up” residential project (25+ units or a combination of residential/commercial/infrastructure development)

“Maximum Sales Price”: means the maximum amount for which an Approved Builder is authorized to sell their home to an Income Eligible Homebuyer under the Guidelines.

“Neighborhood Commercial or Community Facility Builder”: means the Capacity to build smaller-scale commercial development or community facilities and be responsive to community needs and plans. Builder can bid on 4 commercial or consolidated lots per round, awarded 2 per round, and cannot own more than 6 at a time.

“Non- Traditional Builder”: means the Capacity and demonstrated experience building with alternative building methods that differ from mainstream residential or commercial construction. Including but not limited to using natural building materials, environmental sustainability designs, modular building techniques, or construction of manufactured or “tiny homes.” Builder can bid on 8 per round, awarded 4 per round, and cannot own more than 6

at a time.

“Rehab/Reconstruction”: services-means Capacity and demonstrated experience in rehabbing/reconstructing single-family and multi-family homes. Builder can bid on 8 per round, awarded 4 per round, and cannot own more than 6 at a time.

“Start-Up Builder”: means start-up builders who have proven and/or documented construction experience but little or no experience with selling their products to “income qualified” buyers. Assumptions are these builders can effectively oversee and manage the entire construction process from design, permit, and daily construction operations through the issuance of Certificate of Compliance from the City of Houston with some guidance/coaching but may need assistance and guidance in navigating the various components of sales processes necessary to sell to income-eligible homebuyers. Start Up Builder’s applying entity will be required to demonstrate experience of at least (3) three “ground up” single family residential construction projects or of comparable size and scope. If “Start-Up Builder” is a new entity or partnership one of the managing partners, responsible for construction operations, will be required to clearly demonstrate the same required experience. These builders will be eligible to purchase up to four (4) lots in each round but can have no more than eight (8) total at one time.

III. LOT SALES

Approved Homebuilders will be eligible to purchase lots through the Program subject to restrictions as outlined in the Guidelines.

A. Lot Designations

- i. Standard Lots- Excludes Rehab/Reconstruction Builders
- ii. Consolidated Lots- Limited to Master Community Builders Must align with HLB development guidelines. Excluded from Holds
- iii. Commercial Lots-Limited to Neighborhood Commercial or Community Facility Builder
- iv. Small Lots- Excludes Rehab/Reconstruction Builders. Must utilize HLB Finding Home Fortified Home Plans or equivalent.

B. Lot Prices

Lots for purchase through the Program will be made available to Approved Homebuilders at a minimum bid price of the lot’s Fair Market Value (FMV). The minimum bid price of each lot will be based on comparable neighborhood or submarket FMVs, its construction readiness, and marketability for proposed single-family residential use.

C. Builder Lot Selection

To purchase a lot through the Program, Approved Homebuilders will be required to submit a proposal for the lot they would like to purchase; the proposal will be submitted online along with backup material which includes:

- i. Construction Financing Commitment
- ii. Proof of Ownership and Officers of Corporation, Corporate Entity

Documents

- iii. Proposed floorplan
 - Builder/Developer floorplan of each level with dimensions and accessibility radius where applicable
 - Finding Home/HLB Floorplan; name of selected floorplan to be utilized. All floorplans must meet fortified home building/ builder requirements as indicated in Finding Home catalog.
- iv. Exterior Elevations, w/ named exterior finishes
- v. Minimum Building Standards Checklist (submitted on template form)
- vi. Construction Proforma with proposed maximum home sales price to the income-qualified homebuyer and proposed maximum lot bid price
- vii. Acknowledged commitment to commence and complete build-out within the required HLB construction timelines.

D. Lot Selections

Approved Builders will be able to submit a proposal for each lot available for sale but will be limited to a total number of lots that they may be awarded in each round based on the builder category.

- i. Master Community Builder
 - Bid on 4 consolidated lots at a time
 - Only awarded 2 consolidated lots per round
- ii. Established Builder
 - Bid on 16 lots
 - Awarded max of 12 lots
 - Can have no more than 24 at a time
- iii. Start-Up Builder
 - Bid on 8 lots at a time
 - Awarded Max of 4 Lots
 - Can have no more than 8 lots at a time
- iv. Non- Traditional Builder
 - Bid on 8 lots at a time
 - Awarded Max of 4 Lots
 - Can have no more than 6 lots at a time
- v. Rehab/Reconstruction services
 - Bid on 8 lots at a time
 - Awarded Max of 4 Lots
 - Can have no more than 6 lots at a time
- vi. Neighborhood Commercial or Community Facility Builder
 - Bid on 4 commercial lots at a time
 - Only awarded 2 commercial lots per round

E. Hold Lot

Approved Homebuilders may be issued a Hold Lot from a previous round of lot sales if they were the successful bidder and have reached their maximum amount of lots. The Approved Builder may not close on their Hold Lot until at least one of their current lots under construction have reached 80% completion of construction. Upon notification that the Approved Builder has been awarded a Hold Lot, the Approved Builder must close on the Hold Lot before purchasing another lot.

F. Required Acknowledgements

Approved Homebuilders will submit each proposal with a signed acknowledgment of having read the Houston Land Bank Traditional Homebuyer Program and Contract Terms and Conditions.

G. Unexpected Development Delays

There may be certain circumstances where an Approved Homebuilder runs into a significant development delay that is beyond their control, such as something that is demonstrable and related to the condition of the lot that was unknown at the time of purchase from HLB, which may cause an unexpected interruption in the construction timeline of the home. HLB and the READ Committee will evaluate each circumstance on a case-by-case basis and provide a timeline extension. In addition, READ may determine if the Approved Homebuilder may be allowed to purchase an additional lot to help prevent any homebuyer losses currently under contract, or substantial revenue deficiencies. The authorization to purchase the additional lot will supersede any current caps on the maximum amount of lots allowed to the Approved Homebuilder in each category and will be based on their experience and capacity to develop the additional lot.

However, delays not subject to extenuating and/or unforeseen circumstances beyond an Approved Builders control will be subject to HLB acting on their Repurchase Rights outlined in Article 3.05 of the Lot Agreement. The Deed provides for various repurchase options in favor of HLB if Approved Builder (i) fails to commence construction of a Residence prior to the Construction Commencement Date, (ii) fails to complete construction of a Residence within 7 days after the Construction Completion Date, or (iii) attempts to sell or convey the Lot prior to commencement of construction of a Residence. The repurchase price under items (i) and (iii) is the Lot Purchase Price paid for such Lot less any unpaid taxes and assessed Monetary Damages. The repurchase price under item (ii) is the Lot Purchase Price paid for the Lot plus certain construction costs as verified and approved by HLB in writing, less any unpaid taxes and assessed Monetary Damages.

H. Approved Homebuilder Proposal Scoring and Selection Process

The top three proposals submitted by Approved Homebuilders (meeting minimum standards outlined in these Guidelines) will be determined by the lowest proposed sales price per square foot of living space of the home. HLB staff will evaluate proposals to ensure they meet minimum standards of the Program (as outlined in these Guidelines). The top three proposals of the lowest sales price per square foot meeting minimum standards will be reviewed by the HLB Staff and assigned a maximum of 100 points based on:

- i. Neighborhood Design Appropriateness (Whether design fits with neighborhood); 20 points
- ii. Home Design in addition to the Minimum Standards (Features that increase quality of life, home efficiency, and lower long term maintenance cost for the homebuyer); 50 points
- iii. Builder Bid Price. 25 points

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- iv. Track Record (Demonstrated ability to advance the sale of a home to a qualified homebuyer in this Program). 5 points

The top scorer will be recommended to the Houston Land Bank Board's READ Committee for approval. Once approved by the READ Committee, the recommendation will be sent to the HLB Board of Directors for consideration. Upon approval by the HLB Board of Directors, the Approved Homebuilder will be notified that they are eligible to purchase the lot from the HLB and will:

- i. Sign a contract for purchase and development of the lot.
- ii. Pay earnest money for the purchase of the lot; and
- iii. At closing, record a Deed of Trust to Secure Performance in favor of the Houston Land Bank, which is forgiven at the satisfactory closing to an income qualified homebuyer. HLB otherwise will be able to recover damages if the Approved Homebuilder fails to perform according to the Houston Land Bank Traditional Homebuyer Program Guidelines and Contract Terms and Conditions.

II. BUILDER REQUIREMENTS & RESTRICTIONS

A. Minimum Standards and Plan Specifications

Approved Homebuilders participating in this program will be required to meet minimum standards for quality, construction timelines, and construction financing as outlined in the Guidelines and approved by the READ Committee:

- i. Meet or Exceed the HLB Construction Standards for residential construction for the applicable Tier as outlined in the attached "Exhibit A."
- ii. Meet or Exceed Construction timelines as outlined in the Contract Term sheet.
- iii. Meet Construction Financing Requirements as outlined below:
 - a. Construction Financing letter of commitment from a lender in the amount of the total cost of construction or a bank account statement evidencing said amount.
 - b. In lieu of a Commitment Letter, a Builder may secure a performance bond in the amount of the total cost of construction.

Plans and specifications and any modifications for each home after the initial award must be approved by the READ Committee.

Digital copies Final City of Houston Permitted Plans along with related COH Project Numbers will be submitted immediately upon receipt. to HLB as record of final 'Approved' plans and specifications for that contract per COH Final Approval. Failure to submit these documents in a timely manner and/or upon HLB request may result in penalties per Sect.VI

B. Minimum ADA Compliance Requirements:

The Houston Land believes in providing housing options to allow our residents to age in place. The main requirement for an ADA-compliant bathroom and kitchen/common area is accessibility for those who might encounter difficulty moving around. The Americans with Disabilities Act is a civil rights law that protects the equal rights of persons with disability to accessible features.

The main entrance door, at least one bathroom, and the common area/kitchen must be ADA compliant for single-family homes.

C. Construction Site and Contractor Standards

Approved Homebuilders and their subcontractors participating in the Program will be required to maintain adequate insurance as outlined in the Contract Terms throughout the entire term of construction.

Approved Homebuilders and their subcontractors participating in the Program will be required to maintain a construction site that does not adversely affect neighbors and exhibits HLB's good neighbor values.

D. Construction Deadlines

Approved Homebuilders selected to purchase a lot will be required to adhere to the proposed construction timeline or be subject to penalties which may include liquidated damages as determined by the READ Committee. An Approved Homebuilder unable to meet the proposed construction timeline must submit a request for adjustments to the proposed timeline detailing:

- i. Barriers preventing the adherence to the construction timeline (must be beyond the Approved Homebuilder's ability to control); and
- ii. Proposed new timeline (must be limited to a window of time that is necessary to resolve the expressed barrier).

The Houston Land Bank READ Committee will review staff recommendations and requests, then note an adjustment to the construction timeline for the Approved Homebuilder in their file.

E. HLB Neighborhood Advisory Committee, and Marketing

The Houston Land Bank neighborhood advisory committee will consult, advise, and score a maximum of 20 points for all builder submissions. The committee shall advise on:

- i. Scale, Façade, floor plan, and materials (0-10 pts)
- ii. Equitable Housing Practices (0-5 pts)
- iii. Neighborhood Characteristic (0-5 pts)

Approved Homebuilders participating in the Program will be required to provide notice to property owners on the street block where new home construction is being proposed via site signage.

One notification sign is required facing the street by which the home's front door is facing.

- i. include builder's name, contact information (*e.g. monitored website, email address and phone number*)
- ii. indicate Houston Land Bank as a partner with HLB's logo and website
- iii. be a minimum size of 60x30 with lettering legible from the street
stay erected no less than 21 days prior to home closing (*please inquire with HLB if an example of a sign is needed*)

F. Construction Progress Reports and Audits

Approved Homebuilders will be required to submit monthly online updates into HLB's property management system reporting the progress of construction of a new home on the lot purchased through the Program. This requirement must be completed on or before the first business day of each month. If there is no progress from the previous month or are no updates, Approved Homebuilders will be required to report a "No Change in Status" report. Construction progress reports submitted by Approved Homebuilders will be subject to monthly review and HLB staff reserves the right to perform more detailed Quality Assurance/Quality Control (QA/QC) inspections on any and all homes built under the Program. If there are discrepancies with the Construction Progress Reports submitted by Homebuilders and the HLB QA/QC inspections, Homebuilders may be required to submit clarification to the READ Committee. Multiple and/or consecutive "No Change in Status" reports or multiple and/or consecutive discrepancies in Homebuilder provided reports and QA/QC inspections may be subject to penalties as outlined in Section VI(b) of the Guidelines. Approved Homebuilders failing to submit the required construction progress reports will be subject to penalties as outlined in Section VI(b) of the Guidelines.

G. Homebuyer Eligibility

Approved Homebuilders must sell homes developed on lots purchased through the Program to homebuyers whose incomes are at or below 120% of the Area Median Income, unless otherwise stated in the Lot Sale advertisement/listing and assure that the homebuyer has taken a homebuyer education class of at least 8 hours (and received a certificate) and has a valid mortgage pre approval letter.

Eligible homebuyers must be income certified by the City of Houston Housing and Community Development Department. As of July 2021: This process begins by emailing info@houstonlandbank.org with the subject line: HLB Traditional Program Income Certification Request so that a Homebuyer Assistance Program (HAP) number can be requested. Once a HAP number is provided for the homebuyer, they may submit all required documentation via an online portal on the City of Houston Housing and Community Development Department (HCDD) website.

Approved Homebuilders must submit a copy of the homebuyer's Income

Certification and Homebuyer Education Certificate to HLB before closing with the homebuyer in order to be approved for closing. Approved Homebuilders failing to do so will be subject to penalties as outlined in Section VI of the Guidelines. *HLB may make updates to this process as those processes are revised by HCDD. Homebuilders are required to comply with any changes.*

Eligible Homebuyers, if applicable, may use any means to close on the home including Community Land Trust (CLT) programs and/or any other Homebuyer Down Payment Assistance benefits as a method for qualifying for the purchase of these homes.

H. Approved Homebuilder Eligibility Requirements

Approved Homebuilders must successfully be qualified through the annual Houston Land Bank Request for Qualifications in the builder categories outline in the guidelines. To maintain eligibility Approved Homebuilders must:

- i. Be current on all property taxes owed to taxing jurisdictions in Harris County and Federal Business or Personal Income Taxes;
- ii. Be in compliance with existing contracts with the HLB and its predecessor agency name Land Assemblage Redevelopment Authority; and
- iii. Not be currently assessed a P4 Violation-Program Suspension.

I. Program Prohibitions and Restrictions

Approved Homebuilders participating in the Program shall be prohibited from reselling a lot purchased from the HLB to anyone not approved by the READ Committee.

Approved Homebuilders participating in the Program shall be prohibited from reassigning ownership of a lot purchased from HLB to anyone not approved by the READ Committee.

Approved Homebuilders participating in the Program shall be prohibited from deviating from the sales contract with regard to the City of Houston Approved constructions plans, modifying the final sales price to homebuyer, or re-plating or subdividing lot(s) purchased from HLB without the written approval and/or consent from the READ Committee, or the HLB Board of Directors, or both.

Violations of this subsection could result in the assessment of penalties outlined in Section VI of these guidelines.

IV. Home Sales Price Framework

The current HLB Board of Directors approved New Homes Sales Price Framework is as follows:

- i. Traditional Scattered Lots-
 - 1. Three Approved Price Categories – LOW, MED, HI
 - a. Tier I Construction Standards/LOW Price Category = \$145,000 - \$195,000
 - b. Tier II Construction Standards/MED Price Category = \$195,000 - \$255,000-
 - c. Tier III Construction Standards/HI Price Category= \$255,000 - \$315,000
- ii. Consolidated Lots (No HOA)-
 - 1. Minimum Tier II Construction Standards
 - a. Max \$315,000
 - 2. Small Lots
 - a. Max \$270,000

Each home built by an Approved Homebuilder shall be sold at the individually contracted sales price based on the submitted plans and proforma during the lot sale process, unless a price increase request is approved.

V. Contract Amendments

Price Increase Requests

Approved Builders currently under contract may request a Sales Price increase from their contractually obligated Sales Price. ALL requests for Sales Price Increases must submit the following supporting information to be considered for review:

- i. Builder Request Form
- ii. Old Proforma
- iii. New Proforma – with statement as to where costs have increased and why?
- iv. Invoices/Quotes to evidence additional or increased cost
- v. Summary of request including amount of increase requested, reasons for the request, and other remedies or potential resolutions the Builder has exhausted

Plan/Specification Requests

Each Approved Builder currently under contract who wishes to request approval for a significant construction plan and/or construction specification change must submit

the following supporting information to be considered for review:

- i. Builder Request Form – summarizing the change, reasons for the change, and any impact on construction timeline or Sales Price.
- ii. Old Plans
- iii. New Plans
- iv. Site Plan

Once submitted, the plans/specifications change request will be reviewed by the READ Committee and if approved, will be communicated to the Approved Builder. The new plans/specs will be noted and saved within the Approved Builder's file.

VI. DEFAULT AND REMEDIES

Generally

Failure of an Approved Homebuilder to meet the terms and conditions of the Contract and or any provision of the Guidelines will subject such Approved Homebuilder to penalties and possible recapture action.

Penalties may be assessed to an Approved Homebuilder by HLB staff with approval of the READ Committee.

- i. Specific Violations
 - 1. Failure to notify community
 - 2. Failure to submit timely reports
 - 3. Failure to maintain proper construction site standards
 - 4. Failure to adhere to construction timeline
 - 5. Failure to build to approved plans and specifications
 - 6. Multiple citations
 - 7. Unauthorized assignment of ownership
 - 8. Failure to complete construction.

Penalties

- a. P1: Point Deductions (Affects future lot selection)
- b. P2: Monetary Damages (Secured by Deed of Trust to Secure Performance)
- c. P3: Lot Revocation (Approved Homebuilder may forfeit lot for violation of certain Program Guidelines and Contract Terms and Conditions)
- d. P4: Program Suspension (Approved Homebuilder barred from future participation in HLB Home Development Program for a period of one year)

VII. COMPLAINTS AND APPEALS PROCESS

HLB has developed a complaint and appeals process, for both homebuyers and Approved Homebuilders.

Homebuyers seeking to file a complaint against an Approved Homebuilder may submit the complaint in writing and send to: or mail to:

Houston Land Bank
P.O. Box 2549
Houston, TX 77252

Homebuyer complaints will be reviewed by HLB staff to determine what actions, if necessary, are to be taken. Approved Homebuilders found to be in violation of the terms of the contract and or the guidelines will be notified within three business days of such determination and shall be given three business days to respond with a plan to remedy the violation. Approved Homebuilders failing to remedy the violation shall be subject to penalties outlined in Section VI of the Guidelines. Approved Homebuilders seeking to file a complaint shall do so in accordance with the terms and conditions of the contract.

III. REGULATORY CONSIDERATIONS

Fair Housing Act

The federal Fair Housing Act prohibits discrimination in all housing transactions based on race, color, national origin, sex, religion, handicap, or familial status (having children under the age of 18). Homebuyers that feel they have been discriminated against can contact:

U.S. Department of Housing & Urban Development – Fair Housing & Equal Opportunity

Discrimination inquiries and/or complaints
800-669-9777 (Voice)
1-800-927-9275 (TTY)
HUD Local 713-718-3199
(Ask for a FHEO) www.hud.gov/offices/fheo

OR

Texas Workforce Commission

Civil Rights Division
1-888-452-4778 (Voice)
1-800-735-2989 (TTY)

EXHIBIT A

HLB CONSTRUCTION STANDARDS AND HLB TRADITIONAL HOME PROGRAM CONSTRUCTION TIER COMPARISON



Updated & Amended October 1, 2025

HLB CONSTRUCTION STANDARDS

Note: In all cases where these standards differ from the City of Houston building, energy, electrical, mechanical, plumbing, or accessibility codes, the more stringent requirement shall apply. Similarly, when a Finding Home (FH) plan is used, all specifications contained within the FH plan set must be followed and shall take precedence over any conflicting standards herein.

1. Sitework Standards

All sitework must comply with current City of Houston (COH) Code Enforcement, Planning, Stormwater, and Permitting requirements, as well as all applicable civil and structural engineering specifications. In all cases of conflict, the more stringent standard between COH code, sealed engineering plans, or Finding Home plan requirements shall govern.

1.1 Site Clearing

Builders must perform complete site clearing to prepare the lot for construction. This includes removing and hauling away all trees, vegetation, structures, debris, and obstructions within three (3) linear feet of the building footprint. Site clearing must comply with COH, utility, and environmental requirements.

1.2 Site Drainage and Grading Requirements

Final site grading shall ensure positive drainage at all times in accordance with minimum COH Code Enforcement standards.

The following drainage outcomes are mandatory:

- No ponding or standing water within two (2) linear feet of any slab-on-grade foundation after a 24-hour rain event.
- No ponding or standing water beneath the home or within any crawl space for pier-and-beam foundations after a 24-hour rain event.
- No ponding or standing water on or around any walk, sidewalk, or pathway leading to the front or back entrances after a 24-hour rain event.
- Drainage must comply with grading plan, COH Stormwater and Floodplain Management requirements, and any subdivision standards applicable to the site.

1.3 Drainage, Culverts, and Sidewalks

All drainage infrastructure, including culverts, sidewalk systems, and related concrete or grading features, must be designed and installed in accordance with COH permitting standards.

Compliance must follow all applicable Structural Engineer and/or Civil Engineer sealed plans, notes, and details.

These items may require separate COH permits, and engineer-designed stormwater solutions shall supersede prescriptive HLB minimum requirements.

1.4 Driveways

Driveways must be constructed in accordance with COH permitting requirements, COH-approved site plans, and all Structural Engineer sealed specifications.

1.5 Landscaping Requirements

Landscaping must comply with all relevant COH ordinances and the site-specific COH permitting requirements. Minimum HLB landscape requirements include:

a. Sod Installation

- The entire yard must be covered with St. Augustine sod or a comparable turf species
- Sod must be healthy, fully rooted, and cover all disturbed areas.

b. Decorative Landscape Package (Front Yard)

The decorative package must include at a minimum:

- All COH-required trees, including required caliper sizes.
- Decorative shrubs, bushes, and/or flowering plants.
- New mulch around all newly planted trees and in all defined flower beds.
- Compliance with the COH Landscape Analysis Form (when applicable).

1.6 Fencing Requirements

To ensure homeowner privacy and site security, each home must include:

- A minimum 6-foot-tall privacy fence enclosing the entire backyard, constructed using treated or cedar wood pickets.
- Concrete-set fence posts to ensure durability and longevity.
- At least one (1) access gate with a functional lock mechanism.
- Builders must provide a padlock and keys to the homeowner at closing.

Where COH or HOA requirements for fencing are more restrictive, those requirements prevail.

2. Foundation Standards

All foundation systems must comply with the most current City of Houston (COH) building, structural, and wind design code requirements, as well as the Finding Home (FH) plan specifications, where applicable. In all cases, the more stringent requirement between COH code and FH plan shall govern. Builders must follow sealed engineered drawings, site-specific geotechnical recommendations, and all COH permitting requirements when constructing any foundation system.

2.1 Geotechnical and Soils Report Requirements

A site-specific geotechnical and/or soils report must comply with all relevant COH ordinances.

2.2 Structural Engineering Requirements

All foundation and structural components must comply with all COH permitting requirements and approvals. Any relevant engineering details, including soil bearing capacity, beam sizing, reinforcement, and wind resistance design, shall override any prescriptive minimums outlined in these standards.

2.3 Building Pad Preparation

Building pad preparation must comply with the requirements established in the geotechnical report and with any COH inspection and compaction verification standards.

2.4 Allowed Foundation Types

The following foundation types are permitted under the program:

- a. Slab-on-Grade Foundations
- b. Pier-and-Beam Foundations
- c. Other Foundation Types

Alternative foundation systems, such as post-and-pier, hybrid slabs, or elevated systems, may only be used with prior review and approval by HLB and must include all related sealed structural and geotechnical engineering drawings and reports.

2.5 Walls, Structural Framing, and Windstorm Design Requirements

All wall framing, structural components, and windstorm design features must comply with COH code requirements and with sealed engineering specifications when applicable. This includes but is not limited to framing member sizing, load paths, shear walls, uplift resistance, tie-downs, and connections. Engineering plans and COH wind design criteria supersede any conflicting HLB minimums.

2.6 Off-Site Built, Pre-Manufactured, or Modular Structural Components

The use of off-site fabricated components, including modular sections, pre-manufactured wall systems, or roof trusses, must comply with all applicable COH building codes and any noted engineering plan requirements where appropriate. Builders must ensure that any off-site construction meets the same standards, inspections, and structural performance requirements as traditionally built homes.

3. Exterior Construction Standards

All exterior construction must meet current COH building and energy codes. Acceptable exterior siding materials for the HLB traditional home program include Hardi products, cedar, pine, brick, or stone, each of which must be installed, sealed, and painted to provide adequate weather protection. Builders must install continuous soffit venting using materials compatible with the siding and must provide aluminum or comparable gutters and downspouts to direct water away from the structure.

HLB traditional home program required exterior features include two exterior-grade outlets, two hose bibs, and three exterior light fixtures, one located at the front entry, one at the rear entry, and one at the garage or driveway area.

Roofing systems must meet current COH building and energy codes.

HLB traditional home program requires that all exterior doors be solid (not hollow-core) and equipped with thumb-lock deadbolts. All window installations must comply with the COH energy code or the FH plan specifications.

4. Interior Construction Standards

All interior construction must be completed in accordance with the City of Houston (COH) building, electrical, mechanical, and plumbing codes, as well as the specifications contained in the Finding Home (FH) plan sets where applicable. In the event of any conflict, the more

stringent requirement between COH code, FH plans, and the HLB construction matrix shall apply, and all work must reflect durable, consistent, and code-compliant craftsmanship.

4.1 Interior Finishes

Interior finishes must provide a clean, durable, and uniform appearance throughout the home. All interior walls must be textured with an orange peel, knockdown, or comparable finish and painted according to the approved color scheme. Wet area flooring—including kitchens, bathrooms, utility rooms, and entryways—must be constructed of water-resistant materials such as ceramic tile, laminate, or a comparable product capable of meeting COH safety standards. Wet area walls must also be finished with water-resistant materials such as ceramic tile or an equivalent product and must utilize non-sanded grout when applicable to ensure proper sealing and finish.

4.2 Wood Trim and Interior Millwork

Interior trim must meet minimum dimensional requirements and be constructed of durable materials suited for residential use. Baseboards must measure no less than 9/16 inch by 3¼ inches and may be constructed of wood, MDF, or comparable materials. Door casing and trim must measure no less than 1 1/16 inch by 2¼ inches and may be made of wood, MDF, PVC, or comparable alternatives. All trim must be finished according to the home's approved interior scheme and installed per industry standards and applicable COH requirements.

4.3 Cabinets and Countertops

Kitchen and bathroom cabinetry must consist of prefabricated units such as Hampton Bay or a comparable product line and may be either stained or painted. Countertops must be constructed of materials that meet the water-resistance requirements outlined in the HLB tier matrix. When porous countertop materials are used, builders must apply the appropriate sealant to achieve full water resistance.

The following materials are **not acceptable in any tier** and will not be recognized as comparable: basic laminate (without premium specifications), ceramic tile countertops, painted MDF or melamine surfaces, and unsealed or natural wood.

4.4 Electrical Systems

Electrical systems must fully comply with COH Electrical Code requirements and all HLB traditional home program standards. Each interior room must contain a properly installed light fixture with a corresponding wall switch. Bathrooms and utility rooms must include exhaust fans in accordance with COH inspection standards. All installed light fixtures must use energy-efficient bulbs, such as EcoSmart 60-watt equivalents or comparable products. Ceiling fans are required in all bedrooms and in the primary living or family room. Electrical receptacle placement must meet or exceed COH standards but shall include at minimum one duplex outlet on each wall, spaced no more than twelve linear feet apart and installed approximately twelve inches above finished floor unless COH requirements dictate otherwise. Homes must be pre-wired for a security alarm system, include one phone jack in a common area, and provide cable wiring in each bedroom and in the family room. Smoke detectors and carbon monoxide

detectors must be installed in strict accordance with COH permitting requirements, including placement, power supply, and interconnection standards.

4.4 Electrical Systems

Electrical systems must fully comply with COH Electrical Code requirements and all HLB program standards. Each interior room must contain a properly installed light fixture with a corresponding wall switch. Bathrooms and utility rooms must include exhaust fans in accordance with COH inspection standards. All installed light fixtures must use energy-efficient bulbs, such as EcoSmart 60-watt equivalents or comparable products. Ceiling fans are required in all bedrooms and in the primary living or family room. Electrical receptacle placement must meet or exceed COH standards but shall include at minimum one duplex outlet on each wall, spaced no more than twelve linear feet apart and installed approximately twelve inches above finished floor unless COH requirements dictate otherwise. Homes must be pre-wired for a security alarm system, include one phone jack in a common area, and provide cable wiring in each bedroom and in the family room. Smoke detectors and carbon monoxide detectors must be installed in strict accordance with COH permitting requirements, including placement, power supply, and interconnection standards.

Receptacle placement must also meet additional minimum standards. In kitchens, all receptacles must be GFCI-protected, except those on dedicated circuits such as the refrigerator outlet, and must be positioned no closer than twenty-four inches from any sink. In bathrooms, receptacles must be GFCI-protected and installed at least three feet from any tub or shower. Garage receptacles must be installed at least eighteen inches above the finished floor unless COH standards specify otherwise. Light switch boxes must be mounted with the bottom of the switch box at approximately forty-eight inches above finished floor height and positioned on the strike side of the door when feasible.

5 Plumbing Systems

Plumbing installations must comply with COH Plumbing Code requirements and industry standards for residential water supply and sanitary systems. Water supply piping shall be installed using copper, PVC, or another COH-approved material. Wastewater and sanitary lines must use PVC or comparable COH-approved material and must meet all slope, venting, and cleanout requirements. Washer and dryer connections must be provided in each home and must accommodate either side-by-side or stackable configurations as indicated in the approved plans. Builders must install gas and electric connections as required for kitchen and laundry appliances and must provide an ice-maker waterline hookup. Water heaters must have a capacity of at least fifty to seventy gallons or another size that meets COH requirements and FH plan specifications. All plumbing fixtures must be American Standard or a comparable brand listed in the HLB Construction Standards Matrix.

6 Equipment and Appliances

Each home must include, at a minimum, a gas or electric range or cooktop and oven, a built-in or over-the-range microwave, a code-compliant kitchen exhaust or ventilation system, a dishwasher, and a garbage disposal. Additional appliance requirements, including refrigerators

and washer/dryer units, are governed by the HLB Tier Matrix and by FH plan specifications. Where FH plan requirements exceed tier-based minimums, the FH plan specifications control.

7 Accessibility Standards

All homes must comply with applicable accessibility standards under COH building code, the Fair Housing Act, and the Texas Accessibility Standards, with the most stringent requirement taking precedence where applicable.

HLB traditional home program requires at least one accessible means of egress must be provided, with a main entrance door offering a minimum clear width of thirty-six inches and appropriate strike-side clearance. Hallways must be sized to accommodate wheelchair passage. At least one bathroom must include a minimum sixty-inch turning radius, a sink installed no higher than thirty-four inches above the finished floor, and a toilet positioned sixteen to eighteen inches from the side wall with a seat height of seventeen to nineteen inches. The toilet flush lever must be located on the accessible side of the fixture. Kitchens and common areas must also allow a full sixty-inch turning radius between cabinets, appliances, or other obstructions.

7. Energy Efficiency Standards

Energy efficiency requirements must reflect or exceed current COH energy codes, FH plan specifications, and HLB program standards. Each home must include a programmable thermostat, foam sealant at all foundation sill plates, window and door penetrations, and electrical junction boxes, as well as caulking at all trim and joint locations to ensure proper air sealing. Energy Star appliances are required for all installed appliances in Tier I, Tier II, and Tier III homes. FH plans may require additional or enhanced energy performance features, and when such requirements exceed COH or HLB standards, the FH plan requirements shall govern.

8. HVAC Standards

All HVAC equipment must comply with current COH mechanical and energy code requirements or FH plan mechanical specifications, whichever is more stringent. If noted, FH plan requirements always supersede standard equipment sizing, efficiency ratings, or installation practices. Builders must install a lockable security cage around all exterior HVAC condenser units. COH IECC requirements for equipment sizing, duct sealing, mechanical ventilation, and efficiency shall take precedence over prescriptive HLB minimums.

9. Appliance Standards

The standard required appliance package for all tiers consists of a stove, a built-in microwave, a garbage disposal, and a dishwasher. Refrigerators are required in Tier III homes and in all FH homes, unless the FH plan explicitly states otherwise. Washer and dryer appliances are not required in any tier; however, proper hookups must be installed. When included, appliances must comply with Energy Star requirements and COH electrical code.

10. City of Houston Model Home Program & Permitting Responsibilities

10.1 Model Home Program Participation

Houston Land Bank (HLB) will participate in the City of Houston's New Residence Model Home Program for the Finding Home (FH) catalog plans and any other HLB-approved model plans. The City of Houston's Model Home Program is designed for developers who construct ten (10) or more units of the same model home within a twelve (12) month period, and provides a streamlined process for subsequent "repeat" units using an approved model. HLB will submit and register selected model home plans with the City of Houston under this program, ensuring that the approved plan sets comply with all current City of Houston building, energy, mechanical, plumbing, electrical, and accessibility codes, as well as all applicable Finding Home plan requirements. In all instances, the more stringent standard between City of Houston code and the approved FH plan shall apply.

10.2 Registration and Use of Model Plans

Once a model home plan is approved and registered under the City of Houston Model Home Program, it becomes the basis for expedited permitting of repeat homes. HLB, as the program administrator and plan holder, will be responsible for submitting the model plan packages (including architectural, structural, energy compliance, and any other required design documents) for initial review and approval. Builders participating in the Traditional Home Program or the Finding Home Program may not alter or amend these model plan sets independently. Any proposed modifications must be coordinated through HLB and the design professional of record and, where required, resubmitted to the City of Houston for approval prior to use.

10.3 Site-by-Site Model Home Repeat Applications (Builder Role)

For each individual homesite using an HLB-approved model plan, the Builder shall be responsible for submitting a site-specific permit application under the City of Houston's New Residential Model Home Repeat process. This includes:

- Selecting the appropriate HLB-registered model home plan within the iPermits system,
- Providing a complete site plan that complies with Chapter 42 and other applicable City ordinances,
- Submitting a Grading and Fill Worksheet (Form CE-1094),
- Submitting a Landscape Analysis Form and any other site-related documentation required by City of Houston departments (Planning, Floodplain, Traffic, Storm Water, etc.), and
- Coordinating any additional project-specific information required by City reviewers for that lot.

The Builder must ensure that all site layouts, setbacks, utility connections, driveways, sidewalks, and drainage improvements meet City of Houston requirements. Where there is a conflict between HLB minimum standards and City of Houston requirements, City of Houston standards shall prevail, and where FH plan specifications are more stringent than either, the FH plan requirements shall govern.

10.4 Permitting Costs and Trade Permits

The Builder is responsible for all costs associated with permitting and construction on a site-by-site basis. This includes, but is not limited to:

- Building permit fees for each homesite (Model Home Repeat permits),
- Plan review fees not covered under HLB's initial model submission,
- All trade permits (electrical, mechanical, plumbing, sidewalk/driveway/culvert, storm connections, and any other specialty permits),
- Impact fees, tap and meter fees, and any other City-imposed fees related to the development or connection of utilities.

HLB's role in the Model Home Program is limited to submitting and maintaining the approved model plan sets, as well as coordinating program-level design and compliance. The Builder remains the party responsible for obtaining all site-specific permits, scheduling inspections, responding to plan review comments for their applications, and ensuring that inspections are completed and passed in accordance with City of Houston requirements.

10.5 Compliance and Use Limitations

Builders must use the HLB-registered model plans strictly in accordance with the City of Houston Model Home Program rules and HLB program requirements. Use of the plans is limited to approved HLB lots and may only occur through the Model Home Repeat process described above. Builders are prohibited from copying, modifying, or reusing these model plans on non-HLB projects, and any such misuse will be considered a violation of program requirements and of HLB's intellectual property protections. Failure to obtain proper site-specific permits, trade permits, or inspections—or failure to follow the FH plan and City of Houston requirements—may result in enforcement actions, including permit holds, denial of future lot awards, and removal from HLB builder pools.

HLB Traditional Home Program Construction Tier Comparison

Category	Tier I	Tier II	Tier III	Finding Home Catalog(FH)
Bedrooms / Bathrooms	Min 1 / 1	Min 2 / 1	Min 3 / 2	As drawn
Parking Requirement	None required	1-car garage or carport	2-car garage	Min: Driveway
HVAC Standards	Align with current COH code	Align with current COH code	Align with current COH code	Align with current COH code
Insulation Standards	Align with current COH code	Align with current COH code	Align with current COH code	As drawn; often exceeds code
Window Standards	Align with current COH code	Align with current COH code	Align with current COH code	As drawn; often exceeds code
Countertops (Required)	Water-resistant material	Granite or comparable	Granite or comparable	FH-specified durable solid surface
Countertops (Not Comparable – ALL TIERS)	Basic laminate; tile countertops; painted MDF; unsealed or natural wood	Basic laminate; tile countertops; painted MDF; unsealed or natural wood	Basic laminate; tile countertops; painted MDF; unsealed or natural wood	Basic laminate; tile countertops; painted MDF; unsealed or natural wood
Appliance Package	Stove, microwave, disposal, dishwasher (Energy Star rated)	Stove, microwave, disposal, dishwasher (Energy Star rated)	Stove, microwave, disposal, dishwasher, refrigerator (Energy Star rated)	Stove, microwave, disposal, dishwasher, refrigerator (Energy Star rated)
Warranty Requirements	1-year workmanship, 2-year systems, 10-year structural	1-year workmanship, 2-year systems, 10-year structural	1-year workmanship, 2-year systems, 10-year structural	1-year workmanship, 2-year systems, 10-year structural
ADA Requirements	Accessible entry, common areas, and one ADA-compliant bathroom	Accessible entry, common areas, and one ADA-compliant bathroom	Accessible entry, common areas, and one ADA-compliant bathroom	As drawn
Energy Requirements	Energy Star appliances	Energy Star appliances	Energy Star appliances	As drawn; often exceeds code
FORTIFIED Requirement	Not required	Not required	Not required	As drawn: Fortified certification required upon construction completion
Home Sale Price	\$195,000 Max	\$255,000 Max- Scattered Lots \$315,000 Max- Consolidated Lots with no HOA requirement	\$315,000 Max	\$270,000 Max
Home Design	Must meet HLB Minimum Standards	Must meet HLB Minimum Standards	Must meet HLB Minimum Standards	As drawn, any deviations must be approved by HLB READ committed