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## Section 4. Purchasing Community Housing

All persons interested in purchasing either Income Category or Workforce Market Community Housing must submit the appropriate Application to BCHA and receive as applicable, a Letter of Eligibility or a Letter of Qualification.

### A. Procedures for the Purchase of a Deed Covenant Community Home subject to an Income Category

1. Each Community Home is designated for occupancy by residents within a certain Income Category. Only those Applicants with incomes within the specified Income Category will be eligible. In matching an Applicant to a specific Home, BCHA will employ the system creating an Applicant Pool in accordance with the steps outlined in Section 2(C) of these Guidelines.
2. In all cases, BCHA is the “qualifying agent” charged with providing a qualified list of potential purchasers of Community Housing to the Seller.
3. BCHA will notify each qualifying Applicant within the Applicant Pool to determine their interest in the available Home. The Applicant that responds first when notified by BCHA will receive the first opportunity to purchase the Community Home. At that time, all application information will be updated and verified to the satisfaction of BCHA. Once the selection criteria are met, the Applicant(s) will be given the opportunity to purchase the Home.

4. When an Applicant is matched to a Community Home, the Applicant will be required to sign documents necessary to permit BCHA to obtain a copy of the completed loan application submitted to the lender.
5. If an Applicant fails to secure financing for that Home in the time period allowed (as determined by the purchaser and the lender), that Applicant will be eliminated from consideration for purchase of that particular Community Home, but will not lose any priority in consideration for future available Homes.
6. An Applicant may, but is not required to, engage the services of a licensed Real Estate Broker in the transaction. Any fees charged by the Real Estate Broker shall be the responsibility of the Applicant.
7. Any co-ownership interest other than Joint Tenancy or Tenancy In Common must be approved by BCHA. Co-signers may be approved for ownership of the Community Home but may not jointly occupy the Community Home unless qualified by BCHA. No person may own more than one Community Home either as a sole owner or as a Joint Tenant or Tenant In Common, nor may member of an Applicant's household own another Community Home.
8. Each purchaser is required to sign an acknowledgment and acceptance of the Deed Covenant.

#### B. Reserving a Newly Constructed Community Home

BCHA will use all reasonable efforts to show new Community Housing to Applicants prior to the issuance of the certificate of occupancy. A qualified Applicant who is successfully matched with a Community Home will be given the opportunity to enter into a Reservation Agreement for that Community Home. Upon the filing of the final plat the Reservation Agreement may be converted to a Purchase and Sale Agreement in accordance with the terms of the Reservation Agreement.

#### C. Special Applicant Pool for a Particular Community Housing Development

1. Some Community Homes are constructed by or made available by a government agency or by a private developer for a particular group of employees (e.g. Blaine County School District). In those instances, a Special Applicant Pool will be established for that particular development. When a Community Home in such a development becomes available for sale or re-sale, BCHA will first utilize the Special Applicant Pool for that particular development to find qualified buyers.

2. BCHA will employ the system creating an Applicant Pool in accordance with the steps outlined in Section 2(C) of these Guidelines with special prioritization as may be requested by the developer and approved by BCHA. Special prioritization may include the current employees of an employer, a local employee preference, among other things.
3. In no event may a special prioritization be given on the basis of race, color, religion, sex, familial status, national origin, disability, sexual orientation, gender identity, or veteran status. Unless the Particular Community Housing Development participates in a federal program that prioritizes senior citizens, disabled persons, or veterans in its housing programs.
4. The procedure for qualifying an Applicant from a Special Applicant Pool shall follow the same procedures as outlined in Section 4(A) with the addition of prioritizations, as described in Section 4(C)(2)-(3) (above).
5. Should the Special Applicant Pool for the Community Housing in a Particular Development be exhausted, without a Community Home being sold, it will be offered to a general Applicant Pool as outlined in Section 4(A).

#### D. Ongoing Obligations/Requirements for Community Home Ownership

Once an Applicant successfully purchases a Community Home through BCHA, a copy of the executed Purchase and Sale Agreement and closing documents must be filed with BCHA. The Applicant/Applicant Household must use the Community Home as their Primary Residence, comply with all provisions of the applicable Deed Covenant, and must adhere to the following additional requirements;

1. For continued residence after purchase, the owner must continue to meet the requirements of Section 2(A);
2. The owner must complete and submit to BCHA the annual compliance monitoring form;
3. The owner must cooperate with BCHA on regular review of property condition and maintenance issues to ensure compliance with provisions of the Deed Covenant. Deferred maintenance may result in the inability to realize the maximum sale price allowable by the Deed Covenant;
4. The owner shall not offer any portion of the home as a short-term or vacation rental;
5. The owner may not offer any portion of the home as a long-term rental without the prior approval of BCHA, as outlined in Section 4(E) (below).

## E. Long-Term Rental Options for Owners of Community Housing

1. If an owner of a Community Home desires to rent the Home during an absence, the owner must provide a letter to BCHA requesting permission to rent the home at least thirty (30) days prior to leaving.
2. The leave of absence may be for up to one year and may, at the discretion of BCHA, be extended for additional terms, subject to review by BCHA.
3. The Rental Rate charged shall be approved by BCHA and shall be within the published monthly affordability for the Income Category enumerated on the Deed Covenant and in no event may exceed the published Affordability of Income Category 6.
4. The Community Home shall be rented in accordance with the Guidelines during the authorized period so long as other Deed Covenants covering the Home permit the rental. Any prospective Tenant must be qualified by BCHA **prior** to execution of a lease. A lease shall contain the following provisions:
  - (a) Any lease longer than one (1) year in duration must include a reasonable buy out provision for the Tenant;
  - (b) Should the owner decide to re-occupy the home again as the owner's primary residence, then the owner shall give the Tenant a minimum of ninety (90) days' notice prior to the conclusion of any lease or lease extension, including leases on a "month to month" term;
  - (c) No initial lease term may be for fewer than four (4) months;
  - (d) BCHA shall annually re-certify the Tenant as outlined in Section 3(C)&(D).
5. Prior to BCHA's qualification of a Tenant, the Tenant shall acknowledge as part of the lease that he or she has received, read, and understood the homeowners' association covenants, rules, and regulations for the Community Home and shall abide by them and shall maintain the home as required by the Deed Covenant. Enforcement of the covenants, rules, and regulations shall be the responsibility of the owner and the homeowners' association. A copy of the executed lease shall be furnished by the owner or tenant to BCHA.
6. If an Income Category is not enumerated in the Deed Covenant, the rent shall be established at a rate that is no greater than the "Owner's Cost". "Owner's Cost" shall include the monthly mortgage principal and interest payment, plus condominium/homeowner's association fees, plus utilities

remaining in owner's name, plus property taxes and insurance prorated on a monthly basis, plus \$20 per month.

7. Additionally, an owner may request an in-county leave of absence for one (1) year by Special Review of BCHA with all the above conditions applying.

#### F. Purchasing a Workforce Market Community Home

1. Workforce Market Deed Restricted Homes may be sold to any qualified buyer as defined in the applicable deed covenant. The applicable deed covenant will, among other things, describe the following:
  - (a) The owner's right to rent the home, and under what circumstances;
  - (b) Any Administration Fee to be paid by the owner to BCHA;
  - (c) Any restrictions on resale of the Home;
  - (d) Any limits to appreciation that the owner may realize on resale; and
  - (e) Any recapture provision.
2. The purchaser may engage the services of a licensed Real Estate Broker or may represent himself in a transaction. Any fees charged by the Real Estate Broker will be the responsibility of the purchaser.
3. Any person interested in purchasing Workforce Market Community Housing shall first obtain a Letter of Qualification from BCHA.
4. Each purchaser is required to sign an acknowledgment and acceptance of the Workforce Market Deed Covenant.

#### G. Purchase of Community Housing by Local Employers

A Local Employer may desire to purchase Community Housing for use as rental Housing for employees. Local Employers are exempt from the income and net worth requirements for owning Community Housing. Local Employers (who are not the developers of the Community Housing development) participating in this program must use the Community Housing as rental Housing for a minimum of two (2) years and must comply with the Guidelines with respect to renting to their employees and with the terms set forth in the Deed Covenant. Local Employers who wish to be qualified as purchasers of Community Housing must apply to BCHA prior to the date the Notice of Intent to Sell is executed by BCHA. A Local Employer who is not the developer of the Community Housing development desiring to sell its Community Housing within two (2) years after the date of acquisition must offer the Community Housing for sale in accordance with Section 5 of these Guidelines.

1. Qualifying Local Employer must provide to BCHA the following:

- (a) The Local Employer must have offices and employees who work within Blaine County.
  - (b) The Local Employer must provide evidence that it has employees within Income Categories 1 through 5 and who are qualified to rent Community Housing.
  - (c) If an Income Category is enumerated on the Deed Covenant, the Local Employer must provide a listing of the positions and pay scales of the employees must be provided to BCHA. BCHA will review this list and provide a summary of the employees who would qualify to rent the housing.
2. Purchase Price of Community Housing for Local Employers:  
BCHA shall determine within any given development the maximum prices and Income Categories of the Community Homes available for Local Employer purchase. The prices for the Homes will be the same for Local Employers as for the general public.
3. Limitations on the amount of Community Housing a Local Employer may purchase:
- (a) Subject to the exception set forth below, within any one development (including subdivisions, contiguous developments, condominium/townhome developments and scatter site developments by one developer), Local Employers may purchase a cumulative maximum of thirty percent (30%) of the Community Housing for use as employee rental Housing. Local Employers will be allowed to purchase an additional ten percent (10%) of the Community Homes for a total of forty percent (40%) of the Community Housing, provided that the remaining Community Housing has not been sold to Applicants during a period of ninety (90) days or longer. A developer may provide BCHA a written request to sell an additional ten percent (10%) with documentation that there is little or no interest from Applicants in the Applicant Database. BCHA will evaluate the request by Special Review.
4. Local Employer Use of Community Housing  
Local Employers purchasing Community Housing must rent the Homes in accordance with these Guidelines. While it is assumed that Local Employers have purchased the Community Housing for their employees, they may also rent to the general public where permitted and in accordance with these Guidelines.
5. Compliance with the Guidelines:

(a) To ensure that the Local Employer is in compliance with the Guidelines, they or their managing agents must provide evidence as reasonably requested by BCHA.

(b) For any violation of the Guidelines, BCHA will issue a notice to the Local Employer and the jurisdiction wherein the Employee Housing is located. The Local Employer will have 30 days to correct the violation. If the violation goes uncorrected for more than 30 days, BCHA may force an immediate sale of the Home in question or initiate a plan to sell all of the Community Housing owned by the Local Employer and/or impose fines.

6. Purchase of Local Employer Owned Housing by the Employee:

After a minimum period of two years, a Local Employer who desires to sell its Community Housing may first offer the Housing to the employee renting the Home. If the employee does not wish to purchase or does not qualify for the purchase of the Home, the Home shall be offered to the Applicant Pool in accordance with Section 4(A).

#### H. Local Employer Developments

In those instances where a Local Employer develops “for sale” Community Housing for its employees, a special Applicant Pool will be established for the development pursuant to Section 4(C).