

Summary of the Locals Only Deed Covenant – 3% or CPI Cap on Appreciation

- Qualifications:
 - There is no income limit, must meet other qualifying criteria for Community Housing in program policies.
 - Household net worth is limited
 - see BCHA table www.bcoha.org/income--asset-limits-and-monthly-housing-costs.html
 - You must have an approved BCHA Purchase application and a prequalification letter from a lender: <https://www.bcoha.org/apply-for-community-housing.html>
 - You must complete the Finally Home Homebuyer class online prior to close. www.idahohousing.com/homebuyers/homebuyer-education
- Requirements:
 - Primary Residence: The owner must occupy the condo 9 out of 12 months, or as determined by program policies (BCHA Guidelines).
 - No short-term renting is allowed. Long-term renters living with the primary resident must be qualified and approved by the City/BCHA. Renting the unit is not allowed, unless owner is granted a 1-year leave.
 - Any capital improvements to the interior must be approved by City/BCHA in advance. Approved investments may be added to resale price subject to depreciation.
 - The City/BCHA must approve all subsequent loans / refinancing.
 - Owner must maintain the home, keep tax, HOA, insurance, and mortgage payments current, and is not allowed to incur liens.
 - Owner may not own or acquire any developed residential real estate.
- Resale/Transfer:
 - Administrative Fee: There is 3% administrative fee paid to the City/BCHA to facilitate sales by the Seller at resale.
 - There is a cap on the appreciation from purchase price of 3% or CPI, whichever is less + approved Capital Improvements (following standard BCHA depreciation schedule). The City/BCHA will calculate the Maximum Resale Price when Seller decides to sell.
 - Seller shall have an inspection and make repairs prior to resale.
 - The property may be transferred to a relative or heir who qualifies as an Eligible Buyer.
- Term: The restrictions are in place for a period of 70 years and renew at each transfer. At the end of the 70-year term (if no transfer), owner can record new restriction or pay the City the difference between the appraised market value at the time and the Maximum Resale Price.
- Owners are responsible for reading, understanding, and adhering to the Community Housing Policies (also referred to in some documents as Guidelines) <https://www.bcoha.org/community-housing-policies.html>

Disclaimer:

This is a courtesy summary of the deed restriction terms and is not a substitute of reading and understanding the entire Deed Covenant.