

## Summary Bullet Points on the Category 4 Deed Covenant

- Qualifications:
  - The home is restricted for BCHA's Income Category 4 (80% to 100% AMI).
  - Household net worth is limited
    - see BCHA table [www.bcoha.org/income--asset-limits-and-monthly-housing-costs.html](http://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. [idahohousing.com/homebuyers/homebuyer-education](http://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 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 BCHA in advance. Approved investments may be added to resale price subject to depreciation.
  - The 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 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 BCHA will calculate the Maximum Resale Price when Seller decides to sell. In no case shall the Maximum Resale Price decrease below the Base Sales Price.
  - 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 BCHA 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>

This is a summary. Please read the actual deed covenant for details.