

SAN MIGUEL REGIONAL HOUSING AUTHORITY

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Gold Run Lottery FAQ Sheet

Acting on behalf of the Town of Telluride, the Block 23 Corporation is sponsoring a lottery for **Gold Run Unit 1B** that is open to all qualified Households per the *Telluride Affordable Housing Guidelines* (Guidelines) adopted September 18, 2007. Complete lottery applications will be accepted beginning Thursday, December 1, 2011 and no later than 12:00 pm on Monday, December 19, 2011. A lottery drawing will be held on Tuesday, December 20, 2011, at 5:00 PM in the main meeting room in Rebekah Hall.

The Gold Run lottery is being managed by San Miguel Regional Housing Authority (SMRHA). SMRHA business hours are 8:00 AM to 5:00 PM Monday through Friday. The Lottery Application, the Guidelines, and the FAQ Sheet can be downloaded from www.smrha.org or can be picked up from the SMRHA office in Shandoka, Unit G-17, at 820 Black Bear Road in Telluride. Please do not hesitate to call (970)728-3034 exts. 4 or 5, or stop in the office if you have additional questions.

This FAQ will be updated with any additional information on the website, www.smrha.org.

Please thoroughly read the Guidelines and the Lottery Application

Lottery Fees

One or more fees are required when you submit your Lottery Application. All of the applicable fees are non-refundable. Checks only, written separately please, payable to SMRHA:

- ✓ \$25 as part of your completed and submitted Lottery Application
- ✓ \$25 to submit an Exception Application (if applicable)

The Lottery Drawing

Each complete Lottery Application is identified by the last name of the primary Household member. After the lottery application period closes, each of these names will be written on a piece of paper and posted at SMRHA's office. On Tuesday, December 20, 2011, at 5:00pm all households with complete applications will be drawn in the lottery.

All household applications will be reviewed to determine if they qualify. This is a weighted lottery for employment. Please see page 2 of the application or contact SMRHA for more information. If a Household fails to qualify pursuant to the Guidelines and has submitted an exception application, they will be provided a meeting with the THA subcommittee to determine if they will stay on the lottery list. Once SMRHA has identified all qualified Households, the first household drawn in the lottery that is qualified will be offered the available unit. The Household will have 24 hours to confirm or decline their unit selection, after which time the unit may be offered to the next household on the list.

Description of Gold Run Unit 1B

The Gold Run home is located at 1007 East Colorado Avenue in the Gold Run Subdivision, north of the San Miguel River.

Gold Run units were constructed with several “green” or sustainable products and practices including:

Energy Efficiency: building product installation techniques for a properly sealed envelope; high efficiency natural gas boiler systems (95% efficient) with in-floor and baseboard radiant heat; Energy Star rated appliances and lighting fixtures; compact fluorescent light fixtures; and insulation of hot water pipes at specified locations.

Materials: recycled-content or certified wood deck material; aluminum-clad wood, low-E glazed windows; fiber cement siding; natural linoleum, tile, concrete, or wood in lieu of vinyl for flooring; and recycled and/or recyclable-content carpet with recycled-content carpet pads.

Indoor Air Quality: formaldehyde-free insulation; low-toxic, solvent-free adhesives; and low VOC paints and stains.

The Floor plan and elevation for the unit are available at the SMRHA office in Shandoka, Unit G-17, during business hours beginning June 1, 2011. A reduced set of plans can be viewed at the SMRHA website after June 1, 2011.

The unit will be sold "as-is" - purchasers will not have options for including or excluding or changing any of these fixtures, coverings, appliances, finishes, etc.

The unit is stubbed for a washer and dryer but these appliances are not included in the unit purchase price. Included appliances are: gas range, microwave, refrigerator, and dishwasher.

Table 1. San Miguel County Area Median Income (AMI*) Eligibility

Household Size	Tier	1 person	2 person	3 person	4 person	5 person	6 person
80% AMI		\$45,200	\$51,600	\$58,080	\$64,480	\$69,680	\$74,800
90% AMI		\$50,850	\$58,050	\$65,340	\$72,540	\$78,390	\$84,150
100% AMI		\$56,500	\$64,500	\$72,600	\$80,600	\$87,100	\$93,500
110% AMI		\$62,150	\$70,950	\$79,860	\$88,660	\$95,810	\$102,850
120% AMI Max for Tier 1		\$64,560	\$67,800	\$77,400	\$87,120	\$104,520	\$112,200
150% AMI Max for Tier 2		\$80,700	\$84,750	\$96,750	\$108,900	\$130,650	\$140,250

Please use the AMI and the Tier Chart above to help determine where you qualify

303.3 **Income Tiers:** Each unit created under this Part is subject to an Income Limit. Housing Units will be designated by a Resolution of Telluride Town Council for occupancy by one of two different income tiers as defined below.

A. **Tier 1 Income:** Household income shall not exceed the 120 percent of AMI for San Miguel County (see definitions).

B. **Tier 2 Income:** Household income shall not exceed the 150 percent of AMI for San Miguel County (see definitions).

303.4 **Owner Occupied:** Housing Units created under this Part 3 shall be Owner occupied.

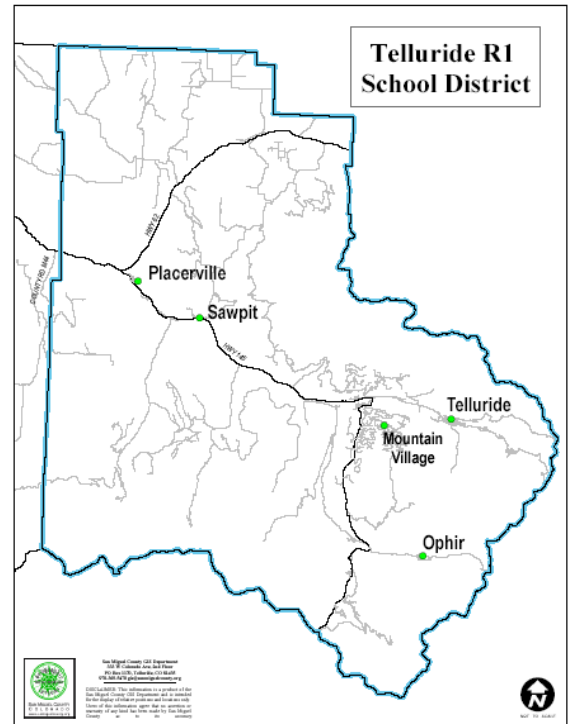
Table 2. Gold Run Unit Sizes, Pricing, and Minimum Household Sizes

Lot	Unit Address	Type	Bath	SIZE*	Living Space*	Garage and/or Storage*	Initial Sales Price	AHG Tier	Min. # persons
1b	1007	1 BED	1	871	530	341	\$197,100	1	1

For Maximum Income qualification see Table 1.-Tier 1 120% AMI

Figure 1. Telluride R-1 School District

Please note that at least one member of the Household must be employed within the R-1 School District Boundaries.



What	When	More Information
LOTTERY NOTICE PUBLISHED	Sunday, Nov. 27, 2011	The Lottery Application, the Guidelines, and the FAQ sheet will be available on November 30, 2011 online at www.smrha.org or from the SMRHA office, Shandoka unit G-17, during business hours.
Open House	Tues. 12/6 12-1pm Thurs. 12/8 4-5pm	The unit will be open to the public
Open House	Mon. 12/12 12-1pm Thurs. 12/15 5:15-6:15pm	The unit will be open to the public
Additional Showings	Contact SMRHA	If you cannot attend one of the designated open houses, SMRHA will show the unit by appointment
Gold Run 1B plans available for review	November 30, 2011	At SMRHA office, G-17, Shandoka Apartments, during business hours. Plans will also be available at our website: www.smrha.org
Deed Restriction, Option to Purchase, and Purchase Contract documents available for review.	Templates available now	These are available from SMRHA and from the Town of Telluride legal department.
Complete and submit notarized Lottery Application. Be sure to include all applicable fees and the required attachments.	By Monday, December 19, 2011 12:00 PM	Please submit in person to the SMRHA office during business hours. Make sure that a staff member verifies that it is complete before you leave! Only <u>complete</u> applications will be entered in the lottery!
LOTTERY CLOSES!!!!	Monday, December 19, 2011 12:00 PM	Late and/or incomplete Applications will not be accepted or entered into the lottery. If Household Members appear in more than one Lottery Application, each of those Applications are invalid and the Applicants disqualified.
Public Review of posted list of Lottery entries.	Monday, December 19, 2011 By 5pm	This is so important! These are the Households that have submitted a complete and valid Lottery Application by the closing date. Make sure that your Household name is on this list posted in the window at the SMRHA office, Shandoka G-17 or on our website: www.smrha.org
APPEAL PROCESS	DEADLINE: Tuesday, December 20, 2011 12pm	If you believe your Household has submitted a complete Application, before the lottery closed, appeal immediately in person AND in writing to the SMRHA staff.
LOTTERY DRAWING!!	Tuesday, December 20, 2011 5pm	5:00 PM in the main meeting room at Rebekah Hall
Unit assigned	After applicants are qualified	The unit will be assigned based on the order drawn to the 1 st qualified applicant
Contracts	Contracts will be available within 48 hours of assignment	Town legal prepares all contracts and buyers are required to contact the town to initiate the contract
Other property ownership	3 weeks from signed contract date	Buyers who HAVE to sell their property to purchase the unit have 3 weeks to have their other property under contract or the contract to purchase the Gold Run unit will be void.

Miscellaneous Questions

Is this a weighted lottery?

Yes, but only for employment. You may receive **one extra** entry if any member of your household can provide verification for 3 years of full-time employment within the past 5 years for at least 1400 hrs. per year.

Must I be a U.S. Citizen to be eligible to own and occupy a unit?

All applicants over 18 years of age must be able to provide a notarized Lawful Presence Affidavit with their completed application.

If I have not filed my taxes, may I submit a tax extension?

No. SMRHA needs 2009 and 2010 complete tax returns including any and all schedules, worksheets, W2s, 1099s, etc. If you are self-employed or have any ownership interest in a partnership or LLC, business returns are also needed.

Can I use a monetary gift towards my down payment?

This gift would be included as part of your Total Household Net Assets. You will need to determine with your lender whether a gift is allowed as part of the down payment.

What if I own other property?

Other property ownership is allowed under the guidelines, however if the other property ownership will prevent you from closing on the unit, then the unit will be assigned to another qualified household once the contract with the town is void. The town will give households 3 weeks after signing a contract on a unit to have their other property under contract in order to arrange near simultaneous closings. If the other property is not under contract within 3 weeks and the household will not be able to purchase the Gold Run unit, the contract will be voided.

If the other property is Deed Restricted:

If the other property is deed restricted the household will have to be able to close on the Gold Run unit they have been assigned and may have up to 1 year to sell their other deed restricted property. If they cannot close, then the above explanation applies. The household will have 3 weeks from signing a contract to have their other property under contract.

If the other property is a Free market unit within the Telluride R-1 School District region:

Owners of free market property who do not need to sell the unit in order to purchase a Gold Run unit may request to keep their unit and agree to rent it to local employees following the rental guidelines in the Telluride Affordable Housing Guidelines Sept., 18, 2007. If they must sell the unit, then the above explanation and terms will apply.

If the other property is a County Deed Restricted property:

In order to purchase another home or residential lot under the County R-1 deed restriction the household must request and receive an exception from the San Miguel County Housing Authority. Any household that is drawn within the first 30 names of the lottery and owns a unit under the County R-1 DR, will need to contact SMRHA immediately to initiate the exception process.

What if I am a Lottery Winner but I decide not to purchase a unit?

The winning Household can walk away from this opportunity at anytime without penalty.

Can I sell my unit at a later date?

Yes. The purchasing Household would have to qualify to own and occupy under the same Guidelines used for the lottery. The terms and conditions of a future sale, including the restriction for the allowed Maximum Sale Price, are described in the Guidelines and will be defined in your unit's Deed Restriction. Refer to the Guidelines and to the Deed Restriction for specific information or contact SMRHA with your questions.

Is there a Real Estate Transfer Tax?

No, the Town of Telluride requires no transfer tax on these price-capped affordable housing units. In subsequent sales, a transaction fee of 1% of the sale price - payable by the Seller - will apply (Guidelines: section 105.8).

If our Household income increases during the time we own our home, could we be asked to sell?

Household income is considered an "Eligibility Criteria", and this only applies at the time of initial sale of the Housing Unit (Guidelines: section 103).

If our Household net assets increase during the time we own our home, could we be asked to sell?

Household Net Assets is considered a "Qualification Criteria". A Household must maintain its Qualification continuously as long as it occupies the Housing Unit (Guidelines: section 103).

Can I rent out my unit?

No. Gold Run units must be owner-occupied. Should you leave the R-1 School District boundaries, even temporarily, conditions apply as described in the Guidelines (i.e. section 103.2.F). You may have a qualified roommate.

Does my roommate need to be eligible under the Guidelines?

Yes. A roommate must apply with SMRHA and meet the minimum employment requirement in the Guidelines, prior to occupying the unit.

Will the utilities be subsidized?

No. You will be responsible for the full price of the utilities for the unit you own.

Can I rent my current primary residence -a deed restricted property - while I am selling it per the terms of the contractual agreement with the Town?

Refer to your current Deed Restriction. If it allows renting then you may be able to rent that property while you list and sell the property. If you win the lottery, you must occupy the unit that you purchase. The Household will need to be prepared to maintain multiple mortgages for the duration of the listing and sale period of the other properties, including the current primary residence.

Can I rent out my unit while I sell my current primary residence?

No. Gold Run units must be occupied by the qualifying Household. A current local primary residence must either be sold or rented per the Telluride Affordable Housing Guidelines or as described above under "What if I own other property".

What are some expenses I should consider as part of homeownership?

Estimates for property taxes, monthly utilities expenses, etc. are not available at this time. A visit to the County Assessors office may help you estimate your property tax.