City of Cupertino
Below Market Rate Program

Below Market Rate (BMR) Informational Workshop

Hosted by Hello Housing
September 14, 2020
Tonight’s Agenda

• Hello Housing & Stewardship Overview
• Overview of the BMR Rental Program
• Overview of the BMR Ownership Program
• Priority Points and Lottery Process
• How to join the 2021 Waitlist
• Other Cupertino Opportunities
Overview of Hello Stewardship

- Non-profit organization serving as the BMR Program Administrator for the City of Cupertino
- Other Cities include Novato, Menlo Park, Alameda, Concord, Daly City, Lafayette, Livermore, Pleasanton and Los Gatos
City of Cupertino

Below Market Rate Program

BMR RENTAL PROGRAM
BMR Rental Inventory

- 142 Rental Units
- Nine different buildings
- One, two and three bedrooms
- Turnover approximately 15-25 times year
City of Cupertino
Below Market Rate Program

BMR RENTAL PROGRAM

Eligibility Requirements
## 2021 Maximum Income Limits (Rental)*

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Very Low-Income (50% AMI)</th>
<th>Low-Income (80% AMI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$55,300</td>
<td>$78,550</td>
</tr>
<tr>
<td>2</td>
<td>$63,200</td>
<td>$89,750</td>
</tr>
<tr>
<td>3</td>
<td>$71,100</td>
<td>$100,950</td>
</tr>
<tr>
<td>4</td>
<td>$78,950</td>
<td>$112,150</td>
</tr>
<tr>
<td>5</td>
<td>$85,300</td>
<td>$121,150</td>
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<tr>
<td>6</td>
<td>$91,600</td>
<td>$130,100</td>
</tr>
<tr>
<td>7</td>
<td>$97,900</td>
<td>$139,100</td>
</tr>
</tbody>
</table>

*Set annually by the Department of Housing and Community Development (HCD)*
# 2021 BMR Rental Amounts

<table>
<thead>
<tr>
<th>Unit Size</th>
<th>Very Low-Income (50% AMI)</th>
<th>Low-Income (80% AMI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 BR</td>
<td>~$1,250</td>
<td>~$1,500</td>
</tr>
<tr>
<td>2 BR</td>
<td>~$1,400</td>
<td>~$1,700</td>
</tr>
<tr>
<td>3 BR</td>
<td>~$1,500</td>
<td>~$1,800</td>
</tr>
</tbody>
</table>
Asset Limit

Household assets may not exceed the maximum gross income allowed for the appropriate household size to be eligible for the program.
What is Counted as an Asset?

• Combined assets including, checking and savings accounts, stocks, mutual funds, profit sharing accounts, CDs and money market accounts.

• Excluded from assets are all non-accessible funds that generate a penalty when withdrawn, i.e., 401K, CALPERS, STRS, and other pension plans.
BMR Rental Program
Eligibility Requirements

• No members of the household may currently own a home or be on title of any property, anywhere in the world.

• Current BMR tenants may not apply for the 2021 Waitlist.
BMR Purchase Program

- 120 BMR Homes
- Mix of condo, townhomes & single family homes
- 1 - 4 bedroom units
- Turnover 1-2 per year
City of Cupertino
Below Market Rate Program

BMR Purchase Program
Eligibility Requirements
# 2021 Maximum Income Limits (Purchase)*

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Very Low-Income (100% AMI)</th>
<th>Low-Income (120% AMI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$99,100</td>
<td>$118,950</td>
</tr>
<tr>
<td>2</td>
<td>$113,300</td>
<td>$135,900</td>
</tr>
<tr>
<td>3</td>
<td>$127,450</td>
<td>$152,900</td>
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<tr>
<td>4</td>
<td>$141,600</td>
<td>$169,900</td>
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<tr>
<td>5</td>
<td>$152,950</td>
<td>$183,500</td>
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<tr>
<td>6</td>
<td>$164,250</td>
<td>$197,100</td>
</tr>
<tr>
<td>7</td>
<td>$175,600</td>
<td>$210,700</td>
</tr>
</tbody>
</table>

*Set annually by the Department of Housing and Community Development (HCD)
BMR Ownership Program
Eligibility Requirements

Asset Limit
Households with assets over $100,000 or 30% of the BMR purchase price, whichever is greater, held in the United States or foreign countries will not be eligible to purchase a BMR home.

*What counts as an Asset?*
- Combined assets including checking/savings accounts, stocks, mutual funds, profit sharing accounts, CDs and money market accounts.
- Excluded from assets are all non-accessible funds that generate a penalty when withdrawn, i.e., 401K, CALPERS, STRS, and other pension plans.
BMR Ownership Program
Eligibility Requirements (cont…)

5% Minimum Cash Requirement
- Available cash for Down Payment and Closing Costs
- Minimum of 3% must be buyers own funds
- 2% can come from gift funds

Pricing will vary but a minimum of $12,500 would be needed to qualify.
First-time Homebuyers

All applicants who will be on property title must be first-time homebuyers*.

*Applicant(s) shall be considered a first-time homebuyer if they have not owned any residential real estate for at least three years. This definition applies to property owned in foreign countries as well as in the United States.

An exception will be made for people who were homeowners prior to a divorce or widowed.
City of Cupertino
Below Market Rate Program

Priority Points & Lottery Process
Priority Points

Applicants are divided into categories based on their priority points:

- 1 Point = Cupertino resident
- 2 Points = Working in Cupertino
- 1 Point = Public Employee Working in Cupertino*

- 4 points = MAXIMUM (Highest Priority)

*Public employees MUST work in Cupertino and include school district employees, City employees, police, fire, post office, etc.}
Lottery Process

• Applicants who were on the waitlist in previous years must **re-apply** to be eligible for the 2021 waitlist.

• Applicants can apply for both the Rental and Purchase 2021 waitlists.

• Applicants who re-apply from the previous year will take priority over new applicants in the same preference point bracket.
Lottery Process

- New applicants will be added to the bottom of the list of the priority group for which they are eligible, after applicants who were on the 2020 waitlist and have re-applied.
- A Lottery will be held for all new applicants to determine a random waitlist ranking order in each priority group (0,1,2,3,4).
- All applicants will be emailed/mailed results of their application specifying if they have been approved or denied and, if approved, their applicant number of the waitlist by the end of December.
BMR Program
False or Inaccurate Information

All information provided on the waitlist application will be verified by Hello Housing before any applicant can receive final approval for a BMR Unit.

Your household will be disqualified if:

• **You falsify documents or information**
• **Multiple applications are submitted by the same household**

Supporting documentation includes, but is not limited to, verification of identity, pay stubs, tax returns, and financial statements.
How to join the 2021 Waitlist

**WHEN:** Thursday, October 1, 2020 – Saturday, October 31, 2020 at 5:00 PM

**WHERE:** Online – RECOMMENDED

[http://www.hellohousing.org](http://www.hellohousing.org)
How to join the 2021 Waitlist (cont…)

BY MAIL/EMAIL/FAX

Applications must be received by 5:00 PM on October 31, 2020. Postmarks not accepted.

Hello Housing – Cupertino 2021 Waitlist
PO Box 423690
San Francisco, CA 94142

cupertino@hellohousing.org
FAX: (800) 578-0853
Contact Information

Hello Housing
PO Box 423690
San Francisco, CA 94142
(415) 863-3036

cupertino@hellohousing.org

http://www.hellohousing.org/stewardship/cupertino/
Thank you