



Sunnyvale

**BELOW MARKET RATE  
HOME OWNERSHIP  
PROGRAM GUIDELINES**















































Housing Division. The City may request additional documentation from the owner(s) if needed to verify primary residency in the home. In the event Program staff fails to provide any Home Owner with the certification form in a given year, Home Owners are still required to provide written verification of their occupancy on an annual basis, using the form provided by the City in a prior year, or by writing a letter to the Housing Division, attention BMR Program Manager.

#### **4. Rental of BMR Home Prohibited**

Home owners may not rent out the home or any portion of it to any party, including family, friends, or other tenants, whether for actual paid rent or gifts, bartered services, assistance or any other form of compensation. Other occupants staying in the home as guest of owner (i.e., for no compensation whatsoever) may not substitute for Home Owner(s)' required occupancy and primary residence in the home. Total occupancy of the BMR home may not exceed the maximum provided in the Occupancy Standards (Exhibit III) at any time.

In the event of a hardship (involuntary event) requiring Home Owner's entire household to move for a certain time period, and Home Owner is unable to sell the home without incurring a loss, or Home Owner wishes to return and re-occupy the home as their primary residence, home Owner may request City approval to rent out the home for up to two years at a rent affordable to a lower-income household, pursuant to the BMR program rents or other lower-income rent limit utilized by the Housing Division. Home Owner must obtain the City's prior written approval prior to renting out the BMR home, pursuant to the exception procedures in Section D. If the exception is granted by the City, the approval letter will inform the Home Owner of the applicable rent limit and any associated requirements.

#### **5. Unauthorized Sale or Transfer of Home Prohibited**

According to the terms of the Agreement, the City has first right of refusal to purchase the home for the then-current BMR purchase price, if a Home Owner wishes to sell during the term. If Home Owner wishes to sell the home or transfer any ownership in the home to or from any party, or into a trust of any kind during the Term of restrictions, Home Owner must contact Program staff prior to completing the proposed transfer, for written authorization, if the proposed transfer is allowable, or to verify that transfer is prohibited. Exceptions to this prohibition against sale or transfer may be made in very limited cases such as marriage, divorce, or death of a Home Owner (for certain types of heirs only), as set forth in more detail in Home Owner's Agreement and Deed of Trust. Additional detail is provided in the Agreement and in the BMR disclosures, copies of which are available from the Housing Division upon request.

Home Owners are strongly encouraged to contact Program staff in case of any desired or necessary transfer, for assistance in determining whether the proposed Transfer is allowable or prohibited, and for written approval if such transfer is allowable. Transfers include selling the home outright to another party, adding or removing any party from title to the home, including actual persons, trusts, and, in the case of refinancing, lenders or other institutions, and leasing of any portion of the home, or leasing the entire home.

## **6. Resale Procedures**

If Home Owner wishes to sell the BMR home during the Term, Home Owner shall complete and submit the “Notice of Intent to Sell” (NIS) form, available upon request, to the Housing Division. Upon receipt of a completed NIS form, Program staff will notify Home Owner of the current maximum BMR purchase price limit for his/her home, whether the City is interested in exercising its first right of refusal, whether or not there is currently a waiting list or interest list of interested buyers, and related resale procedures. If City decides not opt to exercise its option, it may refer eligible potential buyers from its waiting list and/or interest list to Seller. If no buyers are interested and/or referred to Home Owner, he/she must either identify a prospective buyer, or list the home with a realtor.

Once Home Owner has identified a prospective buyer, Home Owner shall refer such buyer to the Program staff for application instructions and eligibility certification. If the initial buyer(s) are not eligible, Home Owner shall continue to refer prospective buyers until one is determined eligible. The first buyer to be determined eligible by Program staff, and to have his/her offer accepted by Home Owner, shall complete the remainder of the standard application and purchase procedures described in **Section D**. Upon closing, a new thirty-year Agreement executed by the new Buyer will be recorded against the home. Home Owner (seller) will receive any proceeds due from close of escrow as in a standard sale, except that the home price shall not exceed the then-current maximum BMR price as determined by Program staff.

If Home Owner is unable to obtain a valid purchase offer from any Eligible Household (verified by Program staff) after marketing the home for 180 days, using standard real estate marketing procedures, including listing the home with a realtor and on the MLS for at least 180 days, the City may opt to either purchase it at the BMR price, or authorize the Home Owner to sell the Home at market-sales price unrestricted by the resale agreement, subject to the requirement that the City shall receive from the Home Owner any portion of the sale proceeds which is in excess of the maximum BMR purchase price. The Agreement describes such funds as “Excess Sales Proceeds”, the payment of which is secured by the City Deed of Trust.

## **7. Maintenance of Home**

Home Owner is required to maintain home in a decent, safe and sanitary condition, free of hazards, code violations, and nuisances, in compliance with the Agreement, Deed of Trust, Homeowners’ Association covenants, if any, the Sunnyvale Municipal Code, and other applicable health and safety codes and laws. Home may not be used for any non-residential use, or as a vacation home, vacation rental, or any use other than as Home Owner’s primary residence. Home Owner may operate a home-based business in the home to the extent permissible according to the Sunnyvale Municipal Code, if licensed and permitted by the City, and if ancillary to the primary use of the home as Home Owner’s primary residence.

Home Owner must pay any and all assessments levied against the home when due, including homeowners’ association dues and special assessments, property taxes, parcel taxes, special district assessments, etc., just as any other property owner must pay such taxes and assessments. The BMR program does not provide Home Owner any protection, exemption,



waiver, or reduction of any such taxes, fees or assessments legally charged to Home Owner. Home Owner must adequately budget for such expenses like any other home owner.

#### **8. Default and/or Foreclosure**

In the event that Home Owner receives a notice of default from any entity other than the City, this will be considered a default under the City's BMR deed of trust as well, and City may pursue any available legal remedies to avoid loss of the home to the Program through foreclosure, including exercising its option to purchase, and/or assigning such option to an eligible buyer prior to foreclosure. City will cooperate with Home Owner and lender to the extent possible to resolve a default under any other deed of trust, in order to avoid foreclosure and maintain the home in the BMR program. City shall not be obligated to take any actions to preserve Home Owner's ownership interest in the home, nor to pay any sums owed by Home Owner or take any legal action in favor of either party related to a default or foreclosure. In the event City does not exercise its option and a foreclosure occurs, the Agreement will be released by the City and such home will no longer be bound by the Program restrictions. Home Owner may be obligated to pay excess proceeds, if any are obtained through foreclosure sale, to the City, as described in the Agreement. Terms of default under the Agreement and BMR deed of trust are defined in more detail in those documents recorded against each home.

#### **9. End of BMR Term**

If Home Owner has complied with the Agreement through the end of the Term and has not sold or transferred the BMR home prior to the termination date, the home shall be released from the Agreement and the City Deed of Trust and a Release of Agreement and reconveyance of the Deed of Trust shall be recorded by the City upon request of Home Owner. After recordation of such release, home shall be a market-rate home and Home Owner shall no longer be subject to the Program restrictions, including these Guidelines, the Ordinance, and the Agreement.

### **Section H. Program Compliance**

#### **Burden of Proof of Eligibility**

Participation in the Program is a privilege, not a right, as there are not enough BMR homes for all Eligible Households. All applicants bear the burden of proof to demonstrate that their Household meets all of the Program Eligibility Requirements by submitting complete applications with all required Valid Third-Party Documentation. Failure to adequately demonstrate such eligibility, by providing incomplete applications or otherwise not complying with these Guidelines or associated application instructions, will result in a determination of Ineligibility and denial of Program benefits.

Program staff is not required to prove that Applicants are ineligible, only that they failed to adequately demonstrate their eligibility in their application, and/or failed to submit a complete application, failed to secure adequate financing, or failed to deposit required down-payment and closing cost funds into escrow.

The City of Sunnyvale may contact any source provided by Applicant or included in his/her application to verify Applicant information, and/or request information from those sources named

or described generally on the Program's Authorization to Release Information Form included in application forms.

### **False Statements or Misrepresentations**

Any false statement(s), intentional misrepresentation of the facts, or false representations submitted as part of any Program application, occupancy certification, or other Program submittal in order to obtain an eligibility determination or verify Program compliance constitutes an act of fraud and may be prosecuted accordingly. Submittal of intentionally false, misleading or incomplete information in a Program application will result in denial of eligibility to participate in the Program, and the applicant(s) will be permanently banned from the Program.

If the City should discover that a purchase was completed by a owner(s) who intentionally made false statements or misrepresented the facts in order to appear eligible to purchase the property, this will constitute fraud and/or default under the Agreement, and the City will use all available legal remedies to bring the home into compliance, and/or impose any criminal or civil penalties allowed by law.

If the City determines that BMR owner(s) have made intentionally false statements or misrepresentations in their annual occupancy certification in order to appear compliant with Program requirements, it will use any enforcement measures available under the Ordinance, these Guidelines, the Deed of Trust, and/or Agreement to restore compliance.

### **Unauthorized Rental, Sale, or Transfer of BMR Home**

If any portion of the BMR home is rented out, sold or otherwise transferred in full or part without prior City approval, the City may use all available legal remedies to bring the home into compliance, and/or impose any criminal or civil penalties allowed by law, including possible sale of the property and/or requiring Home owner(s) to reimburse the City for all rent that was collected in violation of Program requirements, or the amount of any presumed rent, based upon prevailing market-rate rents for a comparable rental unit, or for any excess sale proceeds, as explained further in the BMR Agreement recorded against the home.

### **Severability**

If any one or more of the provisions contained in these Program Guidelines shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provisions shall be deemed severable from the remaining provisions contained in the Guidelines, and the Guidelines shall be construed as if such invalid, illegal or unenforceable provision(s) had never been contained herein.

## **EXHIBITS**

- I. Program Income and Asset Limits**
- II. HUD Income and Assets Inclusions and Exclusions List**
- III. Occupancy Standards**
- IV. BMR Program Fee Schedule**
- V. Maximum Sale Prices for BMR Units**

**Exhibit I**  
**Program Income and Asset Limits**

**A. Household Income Limits**

The Household Income Limits used for the BMR Home Buyer Program are the Moderate Income Limits established annually by HCD. These are maximum, not minimum, income limits, and include the incomes of all adults in the Household, of various types (see Exhibit II for details). An Applicant’s gross (pre-tax) annual household income, at the time of application, may not exceed the then-current Moderate Income Limits for Applicant’s actual household size, as provided below:

**Table A: Moderate Income Limits (120% of Area Median Income)**

<b>Household Size (Number of People)</b>							
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
\$118,950	\$135,900	\$152,900	\$169,900	\$183,500	\$197,100	\$210,700	\$224,250

*Updated annually by HCD, generally in the Spring/Summer.*

**B. Household Asset Limits**

Applicants’ total combined household assets (as defined in Exhibit II, Asset Inclusions and Exclusions) may not exceed the following amounts, based on the age of the Primary Applicant:

**Table B: Sunnyvale BMR Home Buyer Program Asset Limits**

<b>Age of Primary Applicant</b>	<b>Maximum Gross Household Assets Allowed:</b>
54 years or younger	\$75,000
55 years or older	\$100,000

Assets in IRS-recognized retirement accounts (IRA’s, 401-k’s, 403-b’s, etc.), and future/potential pension benefits or insurance proceeds held in accounts not currently owned and controlled by the Applicant or Co-Applicant(s), are not counted toward the BMR Program Asset Limits (but must be listed on Application for determining gross household income, in accordance with Part 5, as explained in Exhibit II).

In determining whether Household’s assets are within the Asset Limits, staff will average each account’s balance from the prior six monthly statements for each monetary asset (bank, credit union, non-retirement investment account statements) to determine current value of each asset. Non-monetary assets, such as stock options, mobile homes, commercial real estate, etc., will be valued based on a current valuation (not less than 90 days old) to be provided by a qualified third-party appraiser or estimator, which must be included in Applicant’s Program application. The Household’s current total combined household assets, both on the application date (most recent monthly statements/valuations in application), and using the average balance over the preceding six months, must be within these asset limits.

## **Exhibit II**

### **Income and Asset Inclusions and Exclusions**

BMR Program staff follows the HOME Program Technical Guide (also known as the “Part 5” method) to determine gross household income of Program Applicants. This Guide includes a list of income and asset inclusions and exclusions used to determine gross household income. This Guide is available online at HUD’s website, and a copy is available for review at the City:

<http://www.hud.gov/offices/cpd/affordablehousing/library/modelguides/1780.pdf>

The income and asset inclusions and exclusions are included in this Exhibit. The current version of this list is also available online at:

<http://www.hud.gov/offices/cpd/affordablehousing/training/web/calculator/definitions/part5.cfm#types>

In the event the Part 5 inclusions and exclusions may be modified by the federal government, the current language in the Code of Federal Regulations and/or Federal Register shall prevail over the list provided in this Exhibit.

**Note:** Applicants must declare all assets listed in the Asset Inclusions list on Program Application forms. Retirement and insurance assets are used to determine gross household income per the Part 5 method, however these assets are not included in the household’s “total household assets” for the purposes of determining whether the household’s assets are within the BMR Program Asset Limits (as shown on Table B in Exhibit I).

**Exhibit II**  
**Income and Asset Inclusions and Exclusions**

**Income Inclusions and Exclusions**

**Part 5 Inclusions**

This table presents the Part 5 income inclusions as stated in the Code of Federal Regulations.

General Category	Statement from 24 CFR 5.609 paragraph (b) (April 1, 2004)
1. Income from wages, salaries, tips, etc.	The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
2. Business Income	The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
3. Interest & Dividend Income	Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in number 2 (above). Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.
4. Retirement & Insurance Income	The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in number 14 of Income Exclusions).
5. Unemployment & Disability Income	Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (except as provided in number 3 of Income Exclusions).
6. Welfare Assistance	<p>Welfare Assistance. Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income:</p> <ul style="list-style-type: none"> <li>Qualify as assistance under the TANF program definition at 45 CFR 260.31; and</li> <li>Are otherwise excluded from the calculation of annual income per 24 CFR 5.609(c).</li> </ul> <p>If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:</p>

**Exhibit II**  
**Income and Asset Inclusions and Exclusions**

	<p>the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; <i>plus</i></p> <p>the maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is reduced from the standard of need by applying a percentage, the amount calculated under 24 CFR 5.609 shall be the amount resulting from one application of the percentage.</p>
7. Alimony, Child Support, & Gift Income	Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.
8. Armed Forces Income	All regular pay, special day and allowances of a member of the Armed Forces (except as provided in number 7 of Income Exclusions).

**Part 5 exclusions**

This table presents the Part 5 income exclusions as stated in the Code of Federal Regulations.

<b>General Category</b>	<b>Statement from 24 CFR 5.609 paragraph (c) (April 1, 2004)</b>
1. Income of Children	Income from employment of children (including foster children) under the age of 18 years.
2. Foster Care Payments	Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone).
3. Inheritance and Insurance Income	Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in number 5 of Income Inclusions).
4. Medical Expense Reimbursements	Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
5. Income of Live-in Aides	Income of a live-in aide (as defined in 24 CFR 5.403).
6. Disabled Persons	Certain increases in income of a disabled member of qualified families residing in HOME-assisted housing or receiving HOME tenant-based rental assistance (24 CFR 5.671(a)).

**Exhibit II**  
**Income and Asset Inclusions and Exclusions**

7. Student Financial Aid	The full amount of student financial assistance paid directly to the student or to the educational institution.
8. Armed Forces Hostile Fire Pay	The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
9. Self-Sufficiency Program Income	<ul style="list-style-type: none"> <li>a. Amounts received under training programs funded by HUD.</li> <li>b. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).</li> <li>c. Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program.</li> <li>d. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time.</li> <li>e. Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program.</li> </ul>
10. Gifts	Temporary, nonrecurring, or sporadic income (including gifts).
11. Reparations	Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.
12. Income from Full-time Students	Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household or spouse).
13. Adoption Assistance Payments	Adoption assistance payments in excess of \$480 per adopted child.
14. Social Security & SSI Income	Deferred periodic amounts from SSI and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts.



**Exhibit II**  
**Income and Asset Inclusions and Exclusions**

15. Property Tax Refunds	Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
16. Home Care Assistance	Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep this developmentally disabled family member at home.
17. Other Federal Exclusions	<p>Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions of 24 CFR 5.609(c) apply, including:</p> <ul style="list-style-type: none"> <li>The value of the allotment made under the Food Stamp Act of 1977;</li> <li>Payments received under the Domestic Volunteer Service Act of 1973 (employment through VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions);</li> <li>Payments received under the Alaskan Native Claims Settlement Act;</li> <li>Income derived from the disposition of funds to the Grand River Band of Ottawa Indians;</li> <li>Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes;</li> <li>Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program;</li> <li>Payments received under the Maine Indian Claims Settlement Act of 1980 ( 25 U.S.C. 1721);</li> <li>The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court and the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands;</li> <li>Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal workstudy program or under the Bureau of Indian Affairs student assistance programs;</li> <li>Payments received from programs funded under Title V of the Older Americans Act of 1985 (Green Thumb, Senior Aides, Older American Community Service Employment Program);</li> <li>Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.);</li> <li>Earned income tax credit refund payments received on or after January 1, 1991, including advanced earned income credit payments;</li> <li>The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990;</li> <li>Payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, state job training programs and career intern programs, AmeriCorps);</li> </ul>

**Exhibit II**  
**Income and Asset Inclusions and Exclusions**

	<p>Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation;</p> <p>Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990;</p> <p>Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran;</p> <p>Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act; and</p> <p>Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998.</p>
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**Exhibit II**  
**Income and Asset Inclusions and Exclusions**

**Asset Inclusions and Exclusions**

**from 24 CFR Part 5, April 1, 1998**

**Inclusions**

- Cash held in savings accounts, checking accounts, safe deposit boxes, homes, etc. For savings accounts, use the current balance. For checking accounts, use the average 6-month balance.
- Cash value of revocable trusts available to the applicant.
- Equity in rental property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and all reasonable costs (e.g., broker fees) that would be incurred in selling the asset. Under HOME, equity in the family's primary residence is not considered in the calculation of assets for owner-occupied rehabilitation projects.
- Cash value of stocks, bonds, Treasury bills, certificates of deposit and money market accounts.
- Individual retirement and Keogh accounts (even though withdrawal would result in a penalty).
- Retirement and pension funds.
- Cash value of life insurance policies available to the individual before death (e.g., surrender value of a whole life or universal life policy).
- Personal property held as an investment such as gems, jewelry, coin collections, antique cars, etc.
- Mortgages or deeds of trust held by an applicant.

**Exclusions**

- Necessary personal property, except as noted in number 8 of Inclusions, such as clothing, furniture, cars and vehicles specially equipped for persons with disabilities.
- Interest in Indian trust lands.
- Assets not effectively owned by the applicant. That is, when assets are held in an individual's name, but the assets and any income they earn accrue to the benefit of someone else who is not a member of the household and that other person is responsible for income taxes incurred on income generated by the asset.
- Equity in cooperatives in which the family lives.
- Assets not accessible to and that provide no income for the applicant.
- Term life insurance policies (i.e., where there is no cash value).
- Assets that are part of an active business. "Business" does not include rental of properties that are held as an investment and not a main occupation.
- Lump sum or one-time receipts, such as inheritances, capital gains, lottery winnings, victim's restitution, insurance settlements and other amounts not intended as periodic payments.

**Exhibit III:**  
**Occupancy Standards**

To determine the size of BMR home (number of bedrooms) an Applicant may be eligible to purchase, the number of people in his/her household, and their age, gender and familial relationships (siblings, couples/spouses, parent, child, etc.) are considered. The maximum occupancy allowed in a BMR home is two people per bedroom, plus one additional person. The minimum allowed is no fewer than one person per bedroom, however couples and/or household members (particularly young siblings) of similar age and same gender may be required to share a bedroom. Reasonable accommodations to these standards may be requested in the case of medical or disability needs, and will be considered on a case-by-case basis.

<b>Number of Bedrooms in BMR Home</b>	<b>Minimum Household Size</b>	<b>Maximum Household Size</b>
One	1	3
Two	2	5
Three	3	7
Four	4	9
Five	5	11

Some households may qualify for a range of bedroom sizes (e.g., a 3-person household may qualify for a 1-, 2- or 3-bedroom home), depending on specific household characteristics, and may choose to buy whichever sized home they prefer, among those for which they qualify, assuming they can afford the home's price. Program staff will review household composition details provided in Eligibility Applications and notify Applicants in their initial Eligibility Determination letter what home sizes they are eligible to buy. If Applicant's household size and/or composition changes between date of Eligibility Application and date of Application to Purchase (according to information provided in Applications), Applicant may be determined to qualify for a different home size(s) than that stated in initial Eligibility Determination Letter.

**Exhibit IV:**

**BMR Program Fees**

**All Fees Are Non-Refundable and subject to Annual Adjustment**

<b>Fee Name</b>	<b>Purpose</b>	<b>Amount</b>
<b>BMR Home Buyer Eligibility Verification Fee</b>	Review applicant's Eligibility Application to determine if they are eligible to buy a BMR home, and if so, the size(s) of BMR home for which the household qualifies.	\$50
<b>BMR Application to Purchase Processing Fee</b>	Review and verify the applicant's BMR Application to Purchase, which includes the proposed Purchase and Sale Contract, proposed financing terms and amounts, including any request for a City First Time Home Buyer loan, proposed down-payment amount, and current eligibility documentation (if documentation in initial Eligibility Application is more than 90 days old). This review also determines if Applicant's household is eligible to purchase the size of home (number of bedrooms) indicated in the Purchase Contract.	\$500
<b>BMR Purchase and Escrow Approval Fee</b>	Preparation of City escrow instructions; final coordination with loan and escrow officers, buyer and seller, real estate agents; preparation of the BMR covenants, deeds of trust, and other legal forms; and long-term compliance monitoring costs.	\$500
<b>Refinance Processing Fee</b>	Review and approve applications for approval to refinance a BMR home from home owners who wish to refinance existing loans. Provide education on refinance process, coordinate with lender and escrow office, prepare and have recorded a Deed of Trust and a Request for Notice of Default.	\$400

**Note:** Program fees may be adjusted annually upon adoption of the City Budget and City-wide Fee Schedule. The most current fees are listed in the City-wide Fee Schedule, and are available online at the Finance Department website below, or upon request by calling the Housing Division at 730-7250.

<http://sunnyvale.ca.gov/Departments/Finance/BudgetDocuments.aspx>

**Exhibit V:**

**Maximum Sales Prices for BMR Homes  
Established Pursuant to Sunnyvale Municipal Code, Chapter 19.67**

**Effective Aug. 1, 2020  
Adjusted Annually Upon Release of New Area Median Income data (generally in July)**

**Table 1: NEW HOME SALES\***

NUMBER OF BEDROOMS	MAXIMUM SALE PRICE
1	\$350,000
2	\$410,000
3	\$472,000
4	\$520,000
5	\$569,000

\* New Home Sales Prices apply to all newly built homes entitled on or after October 1, 2012. Prices vary for new homes entitled prior to that date.

**Table 2: RESALES\***

NUMBER OF BEDROOMS	MAXIMUM SALE PRICE
1	\$315,000
2	\$369,000
3	\$425,000
4	\$468,000
5	\$512,000

\*These maximum resale prices apply to all BMR homes purchased prior to August 31, 2011, and all BMR homes in the Lotus development, regardless of date of initial purchase. New homes first purchased on or after August 31, 2011, if resold, are subject to the higher of the initial purchase price, or the New Home Sales Prices.