

TOWN OF EASTON, MARYLAND
Easton Affordable Housing Program (EAHP)
Easton Town Hall
14 South Harrison Street
Easton, Maryland 21601
410/ 822-2525
www.town-eastonmd.com

A HOME YOU CAN AFFORD

Chapter 13 of the Town of Easton Code establishes the Easton Affordable Housing Board to administer the Easton Affordable Housing Program (EAHP).

APPLICATION

In order for the Affordable Housing Board to determine if you are eligible to participate in the EAH Program, you must complete an application and provide information about your family & your income. Applicants may apply for a certificate to purchase a home and they must meet appropriate income & credit history guidelines to receive a certificate.

ELIGIBILITY

First Time Home Buyers Only:

Persons who have owned a residential property in the previous five (5) years are not eligible to participate in the program.

Income Limits:

Your total household income must not exceed the current maximum income limits shown below. There is an asset cap of \$50,000.

The Town of Easton 2006 median income is \$44,625 based upon the 2006 Talbot County median income estimate of the U.S, Census. Three income categories have been established and include:

Very low income: 50% of median

Low income: 50% - 80% of median

Moderate: 80% to 110% of median

The table that follows depicts how median is defined based upon the category and the number of people in the family:

Family Size	1	2	3	4	5	6	7	8
Very low income:	\$15,619	\$17,850	\$20,081	\$22,313	\$24,098	\$25,883	\$27,668	\$29,453
Low income:	\$24,990	\$28,560	\$32,130	\$35,700	\$38,556	\$41,412	\$44,268	\$47,124
Moderate:	\$34,361	\$39,270	\$44,179	\$49,088	\$53,015	\$56,942	\$60,869	\$64,796

The Easton Affordable Housing Board has established a minimum income of \$20,000 to be eligible to purchase a home because sales prices normally require at least that amount of income. If you have sufficient assets to qualify for a mortgage the minimum income may be waived. If this is the case you must explain this in a letter attached to the application. If you are found eligible, the Housing Board will send you a Certificate of Eligibility.

SELECTION PROCESS

Three income categories have been established for affordable housing applicants. These categories are based upon 2006 Talbot County revised income estimates as determined by the U.S. Census Bureau. The Town's 2006 median income estimate of \$44,625 was extrapolated from this data.

As affordable residential units are made available in each income category, the Housing Board will notify certificate holders of the units offered through the program. All of these units offered for sale are sold through a lottery selection process. Priority is given to persons who live or work in Talbot County, and to those who have been in the program for the longest length of time. The priority is enforced through a point system.

FINANCING

The Easton Affordable Housing Board does not provide any form of financing. You must be able to qualify for a mortgage, make a down payment, and pay settlement and other closing costs necessary to purchase the house. To obtain mortgage financing, you need to have good credit, a steady income and the house must be affordable for your family's income. The sale price of affordable housing units is set by the Housing Board.

The Easton Affordable Housing Board is not involved in the contracting process for affordable housing units. All purchase agreements are negotiated between you and the private seller.

OCCUPANCY AND RESALE RESTRICTIONS

To ensure that affordable housing units serve eligible households and are affordable to future owners, the following restrictions are placed on the program. You must agree to these restrictions to participate in the program.

Occupancy:

The affordable housing unit must be owner occupied. You must occupy the unit as your primary residence.

Control of Resale:

The resale price of the affordable housing unit is controlled for a 15 year period. You may sell your unit during the control period. However, you must sell it at a price determined by the Housing Board. The sale price is limited to the sum of the original price plus the increase in inflation from the date of the original purchase to the date of the resale plus the fair market value of capital improvements made to the unit.

Share of Excess Profit:

To provide funds for producing affordable housing in the future, the Town has established the Easton Affordable Housing Fund. When an affordable housing unit is sold the first time after the control period expires, the seller must pay one-half of the excess profit to the Easton Affordable Housing Fund. The Housing Board must adjust the amount paid into the Fund to ensure that the seller retains at least \$10,000 of excess profit. Money contributed to the Easton Affordable Housing Fund is used to finance construction or rehabilitation of other affordable homes in Easton.

HOME BUYER SEMINARS:

Persons interested in purchasing an affordable housing unit are required to attend a home buying class prior to entering any lotteries and signing a sales contract to purchase a home. Information on these classes will be included with your eligibility certificate.

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