



Housing Helps Program

NOT YOUR TYPICAL DEED RESTRICTION PROGRAM:

The Frisco Town Council has authorized staff to implement a program to help locals access affordable housing. In addition to the on-going construction of new units and the traditional buy downs, the Town is launching Housing Helps, a new deed restriction acquisition program. The goal is to incentivize homeowners and real estate buyers to deed restrict their property to help maintain and sustain homes for locals in the community.

Under Housing Helps the Town will pay buyers, businesses, and investors to accept a deed restriction on homes that are currently unrestricted. The amount that will be paid for a deed restriction will vary depending on the market and how well the home meets current needs in the community. Recipients may use the funds for down payment. In return, the recipients are required to execute a deed restriction that will insure the property is used for local housing.

FRISCO HOUSING HELPS PROGRAM

FREQUENTLY ASKED QUESTIONS

What is this program?

This is a deed restriction acquisition program approved by the Frisco Town Council to incentivize homeowners and buyers to accept a use restriction on their property. The goal is to preserve the sense of community and support the local economy by insuring there is a variety of housing options for locals.

Where are the Town funds coming from?

There are funds available in the Summit Combined Housing Authority's 5A fund. Funds exist to support the Frisco Housing Helps Program immediately and to the extent the Town Council wishes to expend them. Use of the funds will be determined by the success of the program or any desired limits to use as determined by the Town Council.

What is a deed restriction?

This deed restriction is an agreement that restricts the use of your property in perpetuity. In return for the payment from the Town, the deed restriction will be recorded in the County records. Because the deed restriction will restrict how the property may be used, it is likely that the future value of the property will be impacted by the deed restriction.

Can I rent my property after signing the deed restriction?

Yes, you may rent a property that is subject to this occupancy restriction provided the occupant meets the employment requirement. The deed restriction will not allow short-term rentals.

As a business owner, can I deed restrict a property and rent it to my employees?

Yes, you may rent a property that is subject to this occupancy restriction provided your employees meet the employment requirement.

As an investor, can I rent my property?

Yes, you may rent the unit. Requirements for tenants and owners are the same. The unit must be used as the individual's primary residence and they must work a minimum of 30 hours per week in Summit County.

How is a "Resident" defined?

"Resident" means a person and his or her Dependents, if any, who (i) at the time of purchase of a Unit and all times during ownership or occupancy of the Property, earns his or her living from a business operating in Summit County, by working at such business an average of at least 30 hours per week on an annual basis. A person shall remain a Resident regardless of his or her working status, so long as he or she has owned and occupied the Property, or other real property within Summit County that is deed restricted for affordability, for a time period of not less than seven (7) years. The term "business" as used in this Article I, Subsection M, and Section 5.1.B. shall mean an enterprise or organization providing goods and/or services, whether or not for profit, and shall include, but not be limited to, educational, religious, governmental and other similar institu-

What happens to the deed restriction when I sell my property?

The deed restriction will remain with the property in perpetuity and future owners will be subject to the same restricted use.

Can I deed restrict a property with a right of first refusal?

No. The Town cannot record a deed restriction on rights of first refusal.

How much money can I receive to place a deed restriction on my property?

Every property is different and there is no set amount that the Town will pay for a deed restriction. The amount awarded will depend on your circumstances, what your request is and how your property meets the review criteria. Frisco Town Council has set a maximum financial assistance of \$75,000, or not more than 15% of the property value.

How is my property evaluated?

Factors reviewed include, but are not limited to:

- *Market value of deed restriction is comparable in value to other existing deed restrictions within the community as demonstrated by a licensed real estate appraiser*
- *Most cost effective and efficient use of Town's limited supply of financial resources*
- *Location of unit, including proximity to transit*
- *Demonstrated demand exists within the resident housing market for the type of residential product (studio, town-home, duplex, SFR, etc.) that is to be deed restricted*
- *Fulfills a demonstrated need within a defined segment (i.e. For rent, for sale, owner occupied, etc.)*
- *Furthers the goals of the Frisco Community Plan*

Can I use a realtor when selling my home or do I have to sell through the Town of Frisco?

Yes, you are strongly encouraged to use a Realtor to assist in the acquisition or sale of any property. Please advise your Realtor if you intend to utilize Housing Helps funds in the acquisition of a property. Many local Realtors are familiar with the Housing Helps Program and can assist with the process. The Summit Combined Housing Authority (SCHA) can also assist with real estate questions.

Are there any Tax implications when I place a deed restriction on my property?

You should check with your financial or legal advisor as the Town can not provide any financial or legal advice. Under this program the Town is acquiring a deed restriction from you and the Town will not issue a 1099 for the proceeds that you receive.

Is there a transfer tax and will I be exempt from other taxes?

All properties within the Town of Frisco are subject to a Transfer Tax at the time of acquisition/sale. The Housing Helps Deed Restriction does not restrict or limit the sale price and therefore these properties will not be exempt from the Transfer Tax.

Does my mortgage company need to be aware of a deed restriction?

Yes, a written acknowledgement from your mortgage company is required to be submitted with the application submittal.

Are there local banks which are familiar with Frisco Housing Helps Program?

You may use a lender of your choice but please confirm they will loan subject to the Town of Frisco Housing Helps Deed Restriction. Local lenders including 1st Bank, Wells Fargo, and Alpine Bank, are familiar with the program.

How to apply

- ⇒ *Schedule a pre-application meeting with the Town of Frisco*
- ⇒ *Complete the Housing Helps application form*
- ⇒ *Receive written acknowledgement of the application submittal from a mortgage company.*
- ⇒ *Review Housing Helps Restrictive Covenant, and complete with notarized signature*
- ⇒ *Submit \$200.00 application fee with completed application form, covenant and mortgage company acknowledgement*

Further Questions? Please Contact:

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