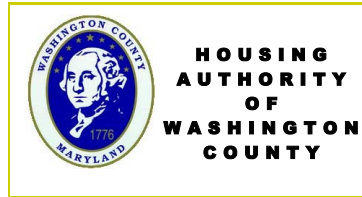


During the rental period, the Authority matches tenant deposits into a down payment escrow account of up to \$100 per month on a dollar-for-dollar basis. For every deposit the tenant makes at the \$100 level, the Authority will provide a bonus equal to 1.5% of your annual salary, not to exceed an additional \$100. Families able to hit the \$100/month savings goal right from the beginning, may build savings of over \$18,000 in a five-year rental period.



319 East Antietam Street
2nd Floor
P. O. Box 2944
Hagerstown, MD 21741-2944

Phone: 301-791-3168
Fax: 301-791-2755
E-mail: Info@hawc-link.org

QUESTIONS AND ANSWERS

- Q.** How can I buy a home if my credit score is low?
- A.** Under the Rent-to-Own program, you demonstrate your commitment to manage your budget and improve your credit score with the help of a professional housing counselor.



Opening doors to housing opportunity since 1978.

RENT-TO-OWN—Charting a path to Homeownership

Where will YOU be living in five years?

If the answer is, “**In my own home,**” the Housing Authority of Washington County **Rent-to-Own** program may hold promise for you!



**Credit problems?
Are up-front costs
keeping a home
purchase out of
reach?**

HOUSING AUTHORITY OF WASHINGTON COUNTY

Providing decent, safe, affordable housing solutions that strengthen our community by focusing on local needs

RENT-TO-OWN



A typical Rent-to-Own property near Hagerstown

Beginning in the spring of 2010, the Housing Authority will be making an initial purchase of twelve single family “starter” homes in the \$150,000 to \$170,000 price range. Repairs will be completed to bring the homes into like-new condition. (The cost of the home including repairs, will not exceed \$200,000.) Qualified participants, the would-be home owners, rent the homes from the Authority at market rent for a period of up to five years. Participants commit to an ongoing counseling program to prepare for homeownership.

QUESTIONS AND ANSWERS

Q. Do I Qualify?

- A. Household income needed to qualify must be between 80 and 120% of local median income. For a family of four, this would be an income greater than \$55,350 but less than \$83,050, as shown in the following table:

Household Size	Lower 80%	100% of Median	Upper 120%
1	38,750	48,450	58,150
2	44,300	55,350	66,450
3	49,800	62,300	74,750
4	55,350	69,200	83,050
5	59,800	74,750	89,700
6	64,200	80,250	96,350
7	68,650	85,800	103,000
8	73,050	91,350	109,650
		Effective	03/18/09

Participants must have good landlord references, a credit score of 600 or above is preferred, at least 3 years of consistent employment, an average length of time in current residence of 5 years over the last 15 years, currently working in Washington County and your family size must be ‘suitable’ for the home we have available (no more than two persons per bedroom).

Q. What kinds of houses are you buying?

- A. The Housing Authority is purchasing new or existing single family homes or town homes located in Washington County, outside the City

of Hagerstown.

Q. What if I don’t make the rent payments on time?

- A. Paying rent on time is the first step to good housing-credit. Late payments that result from mismanagement of the family budget result in termination of the Rent-to-Own agreement.

Q. What happens to the escrow money I’ve paid if I terminate the program?

- A. You get the money you paid into the escrow account with interest. If you purchase a home other than the one you rented from us, we will contribute up to 50% of our match (10% for each year you completed), with interest, to your closing costs, depending on how long you were in the program. However if you are required to terminate for cause, all of our matching funds will be forfeited.

Being able to stay with the program and purchasing the home you have been renting from the Housing Authority is the better plan because that way you get all of the escrow deposits, with interest!

Q. When I am ready to purchase, how will the Authority determine the sale price?

- A. The sale price will be the Authority’s investment plus one-half of any appreciation (not to exceed an increase of more than 1% per year). Our investment is what we paid for the house, including major improvements we added. We will use your lender’s appraisal to determine the current market value. For example, if we purchase a home for \$150,000 and do \$20,000 in repairs, our investment is \$170,000. If the home appraises for \$180,000 in 4-5 years, we will sell it for \$175,000. In this example, you get \$5,000 of instant equity which will help you qualify for mortgage financing. We will not sell a home for less than our initial investment.