



**MODERATE INCOME HOUSING UNIT PROGRAM  
PRICE & RENT SUMMARY FOR LOW INCOME ALTERNATIVE  
January 1 through June 30, 2017\***

<i>For-Sale Pricing</i>		<i>Maximum Rents</i>	
<b>Unit Type</b>	<b>Base House Price</b>	<b>Unit Size</b>	<b>Maximum Rent</b>
<b>One Bedroom</b>		One Bedroom.....	<b>\$832</b>
Apartments.....	\$ 113,029	Two Bedroom.....	<b>\$998</b>
Proffered.....	\$ 138,147	Three Bedroom.....	<b>\$1,153</b>
		Four Bedroom.....	<b>\$1,286</b>
<b>Two Bedrooms</b>			
Apartments .....	\$ 135,635		
Back to Back Townhouse.....	\$ 167,297		
Semi-Detached & Townhouse	\$ 167,297		
Single Family Detached.....	\$ 182,776		
Proffered Units.....	\$ 184,027		
<b>Three Bedrooms</b>			
Apartments .....	\$ 156,734		
Back to Back Townhouse.....	\$ 193,321		
Semi-Detached & Townhouse	\$ 193,321		
Single Family Detached.....	\$ 211,207		
Proffered Units.....	\$ 212,653		
<b>Four Bedrooms</b>			
Semi-Detached & Townhouse	\$ 215,627		
Single Family Detached.....	\$ 235,577		
Proffered Units.....	\$ 235,577		

*\*Approved by Housing and Community Development Board on December 8, 2016*



**MODERATE INCOME HOUSING UNIT PROGRAM  
BASE SALES PRICES FOR LOW INCOME ALTERNATIVE  
January 1 through June 30, 2017\***

**Howard County Median Income (Family of Four)..... \$ 110,892**

**Median Income Adjusted by Bedroom Size<sup>(a)</sup>:**

Bedrooms	Adjustment Factor	Adjusted Income
1	75%	\$ 83,169
2	90%	\$ 99,803
3	104%	\$ 115,328
4	116%	\$ 128,635

**Moderate Income Affordability:**

Unit Type	Persons/ Household	Adjusted Income	Affordability Percentage <sup>(b)</sup>	Income at Which Unit Must Be Affordable
<b>One Bedroom</b>				
Apartments .....	1.5	\$ 83,169	45%	\$ 37,426
Proffered.....	1.5	\$ 83,169	55%	\$ 45,743
<b>Two Bedrooms</b>				
Apartments .....	3.0	\$ 99,803	45%	\$ 44,911
Back to Back Townhouse.....	3.0	\$ 99,803	50%	\$ 49,901
Semi-Detached & Townhouse.....	3.0	\$ 99,803	50%	\$ 49,901
Single Family Detached.....	3.0	\$ 99,803	55%	\$ 54,892
Proffered Units.....	3.0	\$ 99,803	55%	\$ 54,892
<b>Three Bedrooms</b>				
Apartments .....	4.5	\$ 115,328	45%	\$ 51,897
Back to Back Townhouse.....	4.5	\$ 115,328	50%	\$ 57,664
Semi-Detached & Townhouse.....	4.5	\$ 115,328	50%	\$ 57,664
Single Family Detached.....	4.5	\$ 115,328	55%	\$ 63,430
Proffered Units.....	4.5	\$ 115,328	55%	\$ 63,430



**MODERATE INCOME HOUSING UNIT PROGRAM  
BASE SALES PRICES FOR LOW INCOME ALTERNATIVE  
January 1 through June 30, 2017\***

**Four Bedrooms**

Semi-Detached & Townhouse.....	6.0	\$ 128,635	50%	\$	<b>64,317</b>
Single Family Detached.....	6.0	\$ 128,635	55%	\$	<b>70,749</b>
Proffered Units.....	6.0	\$ 128,635	55%	\$	<b>70,749</b>

**Sale Price Factors:**

**30 Year Fixed Mortgage Interest Rate<sup>(c)</sup>..... 4.00%**

**Real Estate Taxes..... 1.44%**

County Tax Rate.....		1.014%
County-wide District Fire Tax.....		0.176%
Water and Sewer Ad Valorem.....		0.080%
State Tax Rate.....		0.112%
Trash Collection Fee / FHA Limit.....	\$ 225	0.055%

**Property Insurance**

Typical House Price/Condo Liability Coverage		\$ 410,000	\$ 300,000	<b>0.37%</b>
Average Insurance Premium/Average Condo Premium	\$ 1,509.00	\$ 332.00		<b>0.11%</b>

**Association Fees**

condominium	\$ 3,888	<b>0.95%</b>
townhouse	\$ 732	<b>0.18%</b>
single family	\$ 876	<b>0.21%</b>

**FHA Monthly Mortgage Insurance..... 0.85%**

**Taxes + Insurance + Association Fees+ FHA MI**

condominium	<b>3.35%</b>
townhouse	<b>2.83%</b>
single family	<b>2.87%</b>

**Calculation of Sales Prices:**

Unit Type	Income	28%(PITI)	T&I&AF&MI(c)	P&I	Loan Amount	House Price <sup>1</sup>
<b>One Bedroom</b>						
Apartments .....	\$ 37,426	\$ 10,479	4,383	\$ 6,097	\$ 109,638	\$ 113,029
Proffered.....	\$ 45,743	\$ 12,808	5,357	\$ 7,451	\$ 134,003	\$ 138,147
<b>Two Bedrooms</b>						
Apartments .....	\$ 44,911	\$ 12,575	5,259	\$ 7,316	\$ 131,566	\$ 135,635
Back to Back Townhouse.....	\$ 49,901	\$ 13,972	4,949	\$ 9,024	\$ 162,278	\$ 167,297
Semi-Detached & Townhouse.....	\$ 49,901	\$ 13,972	4,949	\$ 9,024	\$ 162,278	\$ 167,297
Single Family Detached.....	\$ 54,892	\$ 15,370	5,511	\$ 9,858	\$ 177,292	\$ 182,776



**MODERATE INCOME HOUSING UNIT PROGRAM  
BASE SALES PRICES FOR LOW INCOME ALTERNATIVE  
January 1 through June 30, 2017\***

Proffered Units.....	\$ 54,892	\$ 15,370	5,444	\$ 9,926	\$ 178,506	\$ <b>184,027</b>
<b>Three Bedrooms</b>						
Apartments .....	\$ 51,897	\$ 14,531	6,077	\$ 8,454	\$ 152,032	\$ <b>156,734</b>
Back to Back Townhouse.....	\$ 57,664	\$ 16,146	5,719	\$ 10,427	\$ 187,521	\$ <b>193,321</b>
Semi-Detached & Townhouse.....	\$ 57,664	\$ 16,146	5,719	\$ 10,427	\$ 187,521	\$ <b>193,321</b>
Single Family Detached.....	\$ 63,430	\$ 17,760	6,368	\$ 11,392	\$ 204,871	\$ <b>211,207</b>
Proffered Units.....	\$ 63,430	\$ 17,760	6,290	\$ 11,470	\$ 206,273	\$ <b>212,653</b>
<b>Four Bedrooms</b>						
Semi-Detached & Townhouse.....	\$ 64,317	\$ 18,009	6,378	\$ 11,630	\$ 209,158	\$ <b>215,627</b>
Single Family Detached.....	\$ 70,749	\$ 19,810	7,103	\$ 12,707	\$ 228,510	\$ <b>235,577</b>
Proffered Units.....	\$ 70,749	\$ 19,810	7,103	\$ 12,707	\$ 228,510	\$ <b>235,577</b>

<sup>1</sup>Property value estimated at 3.5 times income

**Notes:**

- (a) Assumes 1.5 persons per bedroom.
- (b) Derived from Section 13.403(a)(6).
- (c) Survey of local FHA mortgage rates conducted 12/1/16

\*Approved by Housing and Community Development Board on December 8, 2016



**Moderate Income Housing Unit Program**  
**For Low Income Alternative**  
**For-sale Units - Eligibility Income Limits (60% of Median)**

Howard County Median Household Income (family of four)= \$110,892

<b>Family Size</b>	<b>Amount</b>
One Person.....	\$ 46,575
Two Persons.....	\$ 53,228
Three Persons.....	\$ 59,882
Four Persons.....	\$ 66,535
Five Persons.....	\$ 71,858
Six Persons.....	\$ 77,181
Seven Persons.....	\$ 82,504
Eight Persons.....	\$ 87,826



## **Moderate Income Housing Unit Sale Price Factors for Low Income Alternative**

### **Median Income**

The Howard County Median Income as periodically determined by the U.S. Census Bureau.

### **FHA 30 Year Interest Rate**

The Interest Rate Factor is the average of the FHA 30 year fixed rate interest rates with zero points as determined by a survey of local mortgage lenders on or about June 1 and December 1 rounded up to the next eighth of a point.

### **Real Estate Taxes**

The Real Estate Factor is the total of the assessed rates for the County and State Property Taxes, the Metropolitan Fire District, the Water and Sewer, Ad Valorem, and the Trash Collection Fee.

### **Property Insurance**

The Property Insurance Factor is derived from the average homeowner's property insurance premium for a typical \$410,000 home located in Howard County, or \$300,000 of liability coverage for a condo, assuming a \$500 deductible, as determined by a survey conducted by the Maryland Insurance Administration and published annually at [www.insurance.maryland.gov](http://www.insurance.maryland.gov).

### **Association Fees**

The Association Fees are the average homeowner or condominium fees for residential properties constructed in Howard County within the last 10 years as determined by an annual survey of fees as reported in Metropolitan Real Estate Information System (MRIS).

### **FHA Mortgage Insurance**

The FHA Mortgage Insurance Factor is the monthly premium collected as determined for the Federal Housing Administration by the U.S. Department of Housing and Urban Development.

### **Tax Rates July 1, 2016 - June 30, 2017**

Real property assessed at 100% of market value; rates based upon \$100 assessment:

County: \$1.014  
State: \$0.112  
Fire: County-wide District: \$0.176  
Water & Sewer Ad Valorem: \$0.08  
Trash Fee: \$225/household/year



## MODERATE INCOME HOUSING UNIT STANDARDS

Unit Type	Room Requirements	Base Square Footage
Apartment	1 Bedrooms, 1 Bath	750
	2 Bedrooms, 1-1/2 Baths	950
	3 Bedrooms, 1-1/2 Baths	1,100
Back to Back Townhouse	2 Bedrooms, 1-1/2 Baths	1,400
	3 Bedrooms, 2 Baths	1,540
Townhouse	2 Bedrooms, 1-1/2 Baths, Basement	1,500
	3 Bedrooms, 2 Baths, Basement	1,640
	4 Bedrooms, 2 Baths, Basement	1,780
Semi-Detached	2 Bedrooms, 1-1/2 Baths, Basement	1,500
	3 Bedrooms, 2 Baths, Basement	1,640
	4 Bedrooms, 2 Baths, Basement	1,780
Single Family Detached	3 Bedrooms, 2 Baths, Basement	1,680
	4 Bedrooms, 2 Baths, Basement	1,820
Proffered	3 Bedrooms, 2 Baths, Basement	1,640



## **MINIMUM SPECIFICATIONS FOR MODERATE INCOME HOUSING UNITS**

### **General**

All housing units must be constructed of materials comparable in grade and standards to the overall subdivision. All work must be performed in a professional and workmanlike manner, equal to the standards of the trade. All work shall satisfy Howard County building codes, ordinances and legal requirements.

### **Exterior Design**

The Moderate Income Housing Units must be of a design and construction to ensure that the exterior features are architecturally compatible with vicinal market rate units. The units should be interspersed with the market rate units.

### **Type of Unit and Bedroom Size**

The types of units and bedroom sizes designated as Moderate Income Housing Units, to the extent practical, will be proportional to the distribution of unit types and bedroom sizes of the overall subdivision. Units should meet or exceed the base square footage and room requirements.

### **Hot Water Heaters**

Minimum 40 gallon electric or 30 gallon gas water heater for all one and two bedroom units. All others, must have a minimum 50 gallon electric or 40 gallon gas water heater.

### **Heating, Ventilation and Air Conditioning (HVAC)**

Central HVAC systems must be installed in all units with the exception of apartments, which may have thru-the-wall HVAC systems.

### **Appliances**

All appliances must meet or exceed General Electric "builders" grade specifications.

The following minimum appliances and related installations are required:

1. 16 cubic feet frost free refrigerators.
2. 30 inch electric porcelain enameled range and oven with clock/timer and range hood.
3. Dishwasher.
4. Complete electrical and plumbing connections and a dryer exhaust vent for a clothes washer and dryer.

The following optional items may be added to the sale price and may be included in the mortgage:

1. Washer and dryer.
2. Over the range microwave oven.
3. Gas water heating and gas range.
4. Garage for apartment or townhouse.
5. Additional half or full baths.
6. Accessibility options such as roll-in shower.
7. Deck

### **Flooring**

All carpeting must meet minimum FHA specifications and all resilient flooring must be "builder" grade.

### **Landscaping**

Each unit must have a minimum of one shade tree and eight shrubs or an equivalent planting selection. Townhouses must have an eight foot privacy fence on each side of rear yard.

### **Miscellaneous**

Each unit must have an Extended Homeowner Warranty.



**Moderate Income Housing Unit Program  
Maximum Rent Schedule For Low Income Alternative  
January 1 through June 30, 2017\***

Median Income (family of four)

**\$ 110,892**

**Maximum Rents**

Median Income Adjusted for  
Bedroom Size

Unit Size	Occupancy Base <sup>(a)</sup>	Adj. % <sup>(b)</sup>	Amount	40% of Median	Annual Rent @ 30%	Maximum Monthly Rent <sup>(c)</sup>
Studio .....	1.0	70%	\$ 77,624	\$ 31,050	\$ 9,315	\$ 776
One Bedroom.....	1.5	75%	\$ 83,169	\$ 33,268	\$ 9,980	\$ 832
Two Bedroom.....	3.0	90%	\$ 99,803	\$ 39,921	\$ 11,976	\$ 998
Three Bedroom.....	4.5	104%	\$ 115,328	\$ 46,131	\$ 13,839	\$ 1,153
Four Bedroom.....	6.0	116%	\$ 128,635	\$ 51,454	\$ 15,436	\$ 1,286

**For Rent Units - Eligibility Income Limits (40% of Median):**

<b><u>Family Size</u></b>	<b><u>Amount</u></b>
One Person.....	\$ 31,050
Two Persons.....	\$ 35,485
Three Persons.....	\$ 39,921
Four Persons.....	\$ 44,357
Five Persons.....	\$ 47,905
Six Persons.....	\$ 51,454
Seven Persons.....	\$ 55,002
Eight Persons.....	\$ 58,551

**Notes:**

- (a) Assumes average of one and one-half persons per bedroom
- (b) Adjustment up of 8% per person, down of 10% per person
- (c) Howard County utility allowances must be deducted from this amount

*\*Approved by Housing and Community Development Board on December 8, 2016*



**HOWARD COUNTY CODE**

**Sec. 13.403. Prices for moderate income housing units offered for sale; rates for rental units.**

**(a) Initial Prices for Moderate Income Housing Units Offered for Sale.** The initial sale price for a moderate income housing unit shall be determined by the commission in accordance with this subsection.

- (1) Twice a year, the commission shall establish the initial sale price for each type of moderate income housing unit offered for sale.
- (2) Before establishing the initial sale price under this subsection, the commission shall publish notice of the real property tax, insurance, and interest rate factors it proposes to use in establishing the initial sales price in 2 newspapers of general circulation in the county.
- (3) Before establishing the initial sale price for moderate income housing units located in planned senior communities and age-restricted adult housing developments, the commission shall consult with the office on aging.
- (4) The department shall provide to the commission information concerning current real property tax and insurance rates.
- (5) The initial sale prices for moderate income housing units shall be based upon:

- (i) A base size unit of the following types:
 

Type	Minimum (Sq. Ft.)
Single-family detached	1,680
Semi-detached (duplex)	1,500
Townhouse	1,500
Back-to-back townhouse	1,400
Apartments	750

- (ii) Factors established annually by the commission for:
  - a. Real property taxes;
  - b. Insurance rates; and
  - c. Interest rates on FHA 30-year mortgages; and
  - d. Monthly mortgage insurance premium on FHA 30-year mortgages.

(iii) A written statement from the developer indicating the amount of the homeowners association or condominium fees that will apply to the units.

(6) The department shall provide to the commission the price at which an eligible purchaser with a household income equal to the following percentages of median income, adjusted by family size appropriate to the size and number of bedrooms in the dwelling unit, can afford to purchase a dwelling unit under the Low Income Alternative:

- (i) 55% for proffered units and single family homes;
- (ii) 50% for semi-detached townhomes; and
- (iii) 45% for apartments (condominiums).

(7) For the purposes of this subsection:

(i) A purchaser can afford to purchase a dwelling unit if the purchaser's monthly income would qualify the purchaser to obtain a 30-year fixed rate mortgage at the prevailing interest rate in an amount sufficient to pay 97% of the purchase price of the unit;

(ii) A purchaser's monthly income qualifies for a mortgage if the monthly payment required to pay (1) the monthly principal and interest of the mortgage loan, plus (2) the monthly payment of taxes and insurance on the property, calculated in accordance with the factors established by the department under subsection (a) of this section, plus (3) the monthly payment of homeowners or condominium association fees, plus (4) the monthly FHA mortgage insurance premium as determined by the Federal Housing Administration, does not exceed 28% of the purchaser's monthly income; and

(iii) The prevailing interest rate is the prevailing mortgage interest rate for FHA-insured 30-year fixed-rate mortgages in the Baltimore metropolitan area, as determined by a survey of interest rates from several area lenders and banks on a specific date.

(8) The department shall determine the prevailing interest rate as of December 1 and June 1 of each year.

(9) As determined by the department, an adjustment in the sales price of a moderate income housing unit may be made for:

- (i) Single-family detached units, semi-detached units, and townhouse units without basements;
- (ii) End units within a townhouse arrangement;
- (iii) Additional bathrooms or powder rooms;
- (iv) Finished basements; and
- (v) Upgrades in design or amenities to ensure architectural compatibility with the development's market rate units.

(b) ***Rates for Rental Units for Low Income Alternative***

(1) The department shall establish maximum rates for rental units, by bedroom size, that are equal to 30% of the monthly income of a household whose annual income does not exceed 40% of the median income.

(2) The maximum rental rates shall include an allowance for utilities paid by the tenant. The allowance shall be calculated by the department based upon the average utility costs prevailing for similar sized units in Howard County. If required by the lease, all utility costs, including those in excess of the allowance, shall be paid by the tenant.