



**MODERATE INCOME HOUSING UNIT PROGRAM
PRICE & RENT SUMMARY FOR LOW INCOME ALTERNATIVE
July 1 through December 31, 2019***

<i>For-Sale Pricing</i>		<i>Maximum Rents</i>	
Unit Type	Base House Price	Unit Size	Maximum Rent
Studio			
Apartments.....	\$ 106,133		
Proffered.....	\$ 129,719		
		Studio.....	\$780
One Bedroom			
Apartments.....	\$ 113,714	One Bedroom.....	\$836
Proffered.....	\$ 138,984	Two Bedroom.....	\$1,003
		Three Bedroom.....	\$1,159
		Four Bedroom.....	\$1,293
Two Bedrooms			
Apartments	\$ 136,457		
Back to Back Townhouse.....	\$ 169,395		
Semi-Detached & Townhouse..	\$ 169,395		
Single Family Detached.....	\$ 185,868		
Proffered Units.....	\$ 186,334		
Three Bedrooms			
Apartments	\$ 157,684		
Back to Back Townhouse.....	\$ 195,745		
Semi-Detached & Townhouse..	\$ 195,745		
Single Family Detached.....	\$ 214,781		
Proffered Units.....	\$ 215,320		
Four Bedrooms			
Semi-Detached & Townhouse..	\$ 218,331		
Single Family Detached.....	\$ 239,563		
Proffered Units.....	\$ 239,563		

*Approved by Housing and Community Development Board on June 13, 2019



**MODERATE INCOME HOUSING UNIT PROGRAM
BASE SALES PRICES FOR LOW INCOME ALTERNATIVE
July 1 through December 31, 2019***

Howard County Median Income (Family of Four)..... \$ 111,473

Median Income Adjusted by Bedroom Size^(a):

Bedrooms	Adjustment Factor	Adjusted Income
0	70%	\$ 78,031
1	75%	\$ 83,605
2	90%	\$ 100,326
3	104%	\$ 115,932
4	116%	\$ 129,309

Moderate Income Affordability:

Unit Type	Persons/ Household	Adjusted Income	Affordability Percentage ^(b)	Income at Which Unit Must Be Affordable
Studio				
Apartments	1.0	\$ 78,031	45%	\$ 35,114
Proffered	1.0	\$ 78,031	55%	\$ 42,917
One Bedroom				
Apartments	1.5	\$ 83,605	45%	\$ 37,622
Proffered.....	1.5	\$ 83,605	55%	\$ 45,983
Two Bedrooms				
Apartments	3.0	\$ 100,326	45%	\$ 45,147
Back to Back Townhouse.....	3.0	\$ 100,326	50%	\$ 50,163
Semi-Detached & Townhouse.....	3.0	\$ 100,326	50%	\$ 50,163
Single Family Detached.....	3.0	\$ 100,326	55%	\$ 55,179
Proffered Units.....	3.0	\$ 100,326	55%	\$ 55,179
Three Bedrooms				
Apartments	4.5	\$ 115,932	45%	\$ 52,169
Back to Back Townhouse.....	4.5	\$ 115,932	50%	\$ 57,966
Semi-Detached & Townhouse.....	4.5	\$ 115,932	50%	\$ 57,966
Single Family Detached.....	4.5	\$ 115,932	55%	\$ 63,763
Proffered Units.....	4.5	\$ 115,932	55%	\$ 63,763



**MODERATE INCOME HOUSING UNIT PROGRAM
BASE SALES PRICES FOR LOW INCOME ALTERNATIVE
July 1 through December 31, 2019***

Four Bedrooms

Semi-Detached & Townhouse.....	6.0	\$ 129,309	50%	\$	64,654
Single Family Detached.....	6.0	\$ 129,309	55%	\$	71,120
Proffered Units.....	6.0	\$ 129,309	55%	\$	71,120

Sale Price Factors:

30 Year Fixed Mortgage Interest Rate^(c)..... 3.770%

Real Estate Taxes..... 1.50%

County Tax Rate.....		1.014%
County-wide District Fire Tax.....		0.236%
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	0.38%
Average Insurance Premium/Average Condo Premium	\$ 1,551.00	\$ 381.00		0.13%

Association Fees

condominium	\$	4,048	0.99%
townhouse	\$	836	0.20%
single family	\$	888	0.22%

FHA Monthly Mortgage Insurance..... 0.85%

Taxes + Insurance + Association Fees+ FHA MI

condominium	3.46%
townhouse	2.93%
single family	2.94%



**MODERATE INCOME HOUSING UNIT PROGRAM
BASE SALES PRICES FOR LOW INCOME ALTERNATIVE
July 1 through December 31, 2019***

Calculation of Sales Prices:

Unit Type	Income	28%(PITI)	T&I&AF&M(c)	P&I	Loan Amount	House Price¹
Studio						
Apartments	\$ 35,114	\$ 9,832	4,254	\$ 5,578	\$ 102,949	\$ 106,133
Proffered	\$ 42,917	\$ 12,017	5,199	\$ 6,818	\$ 125,827	\$ 129,719
One Bedroom						
Apartments	\$ 37,622	\$ 10,534	4,558	\$ 5,977	\$ 110,303	\$ 113,714
Proffered.....	\$ 45,983	\$ 12,875	5,570	\$ 7,305	\$ 134,815	\$ 138,984
Two Bedrooms						
Apartments	\$ 45,147	\$ 12,641	5,469	\$ 7,172	\$ 132,364	\$ 136,457
Back to Back Townhouse.....	\$ 50,163	\$ 14,046	5,143	\$ 8,903	\$ 164,313	\$ 169,395
Semi-Detached & Townhouse.....	\$ 50,163	\$ 14,046	5,143	\$ 8,903	\$ 164,313	\$ 169,395
Single Family Detached.....	\$ 55,179	\$ 15,450	5,681	\$ 9,769	\$ 180,292	\$ 185,868
Proffered Units.....	\$ 55,179	\$ 15,450	5,657	\$ 9,793	\$ 180,744	\$ 186,334
Three Bedrooms						
Apartments	\$ 52,169	\$ 14,607	6,320	\$ 8,288	\$ 152,953	\$ 157,684
Back to Back Townhouse.....	\$ 57,966	\$ 16,230	5,943	\$ 10,288	\$ 189,873	\$ 195,745
Semi-Detached & Townhouse.....	\$ 57,966	\$ 16,230	5,943	\$ 10,288	\$ 189,873	\$ 195,745
Single Family Detached.....	\$ 63,763	\$ 17,854	6,565	\$ 11,288	\$ 208,338	\$ 214,781
Proffered Units.....	\$ 63,763	\$ 17,854	6,537	\$ 11,317	\$ 208,860	\$ 215,320
Four Bedrooms						
Semi-Detached & Townhouse.....	\$ 64,654	\$ 18,103	6,628	\$ 11,475	\$ 211,781	\$ 218,331
Single Family Detached.....	\$ 71,120	\$ 19,914	7,323	\$ 12,591	\$ 232,377	\$ 239,563
Proffered Units.....	\$ 71,120	\$ 19,914	7,323	\$ 12,591	\$ 232,377	\$ 239,563

¹Property 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 6/3/2019

*Approved by Housing and Community Development Board on June 13, 2019



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)= \$111,473

Family Size	Amount
One Person.....	\$ 46,819
Two Persons.....	\$ 53,507
Three Persons.....	\$ 60,195
Four Persons.....	\$ 66,884
Five Persons.....	\$ 72,235
Six Persons.....	\$ 77,585
Seven Persons.....	\$ 82,936
Eight Persons.....	\$ 88,287



Moderate Income Housing Unit Sale Price Factors

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 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 \$4100,000 home located in Howard County, assuming a \$1000 deductible, 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.

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, 2019 - June 30, 2020

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

County: \$1.014
State: \$0.112
Fire: County-wide District: \$0.236
Water & Sewer Ad Valorem: \$0.08
Trash Fee: \$225/household/year



MODERATE INCOME HOUSING UNIT STANDARDS

Unit Type	Room Requirements	Base Square Footage
Apartment	0 Bedroom, 1 Bath	600
	1 Bedroom, 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
July 1 through December 31, 2019***

Median Income (family of four)

\$ 111,473

Maximum Rents

Median Income Adjusted for
Bedroom Size

Unit Size	Occupancy Base ^(a)	Adj. % ^(b)	Amount	40% of Median	Annual Rent @ 30%	Maximum Monthly Rent ^(c)
Studio	1.0	70%	\$ 78,031	\$ 31,212	\$ 9,364	780
One Bedroom.....	1.5	75%	\$ 83,605	\$ 33,442	\$ 10,033	836
Two Bedroom.....	3.0	90%	\$ 100,326	\$ 40,130	\$ 12,039	1,003
Three Bedroom.....	4.5	104%	\$ 115,932	\$ 46,373	\$ 13,912	1,159
Four Bedroom.....	6.0	116%	\$ 129,309	\$ 51,723	\$ 15,517	1,293

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

<u>Family Size</u>	<u>Amount</u>
One Person.....	\$ 31,212
Two Persons.....	\$ 35,671
Three Persons.....	\$ 40,130
Four Persons.....	\$ 44,589
Five Persons.....	\$ 48,156
Six Persons.....	\$ 51,723
Seven Persons.....	\$ 55,291
Eight Persons.....	\$ 58,858

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 June 13, 2019*



HOWARD COUNTY CODE

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

(a) Base Prices for Moderate Income Housing Units Offered for Sale. The base sale price for a moderate income housing unit shall be determined by the Housing and Community Development Board in accordance with this subsection.

- (1) Twice a year, the Board shall establish the base sale price for each type of moderate income housing unit offered for sale.
- (2) Before establishing the base sale price under this subsection, the Board shall provide information concerning the real property tax, insurance, and interest rate factors it proposes to use in establishing the base sale price on the County's website.
- (3) Before establishing the base sale price for moderate income housing units located in planned senior communities and age-restricted adult housing developments, the Board shall consult with the Office on Aging and Independence.
- (4) The Department shall provide to the Board information concerning current real property tax and insurance rates.
- (5) The base sale prices for moderate income housing units shall be based upon:

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

Type	Minimum (Sq. Ft.)
Apartment	750
Single-family detached	1,540
Townhouse or Duplex	1,500
Back-to-back townhouse	1,400

(ii) Factors established annually by the Board for:

- a. Real property taxes; and
- b. Insurance rates;

(iii) Factors established twice a year by the Board for:

- a. Interest rates on FHA 30-year mortgages; and
- b. FHA mortgage insurance premiums as determined by the U.S. Department of HUD; and

(iii) An average of homeowners' association fees or condo fees charged for similar units in the market, based on an annual survey of fees.

(6) The Department shall provide to the Board 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:

- (i) 70% for proffered units and single family homes;
- (ii) 65% for semi-detached townhomes; and
- (iii) 50% 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 payment of the FHA mortgage insurance premium, 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 with zero points. The Department shall calculate the prevailing interest rate by surveying, twice a year, at least three mortgage lenders and two banks for at least three consecutive business days.

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

(9) As determined by the regulations of the Department, an increase in the base sale price of a moderate income housing unit may be made for the following upgrades in size, design or amenities provided that the Board determines that they are necessary to ensure compatibility with the development's market rate units:

- (i) Single-family attached (townhouse) units that are larger than the base size established by this section;
- (ii) Additional bathrooms or powder rooms;
- (iii) Finished basements;
- (iv) Garages in single-family attached (townhouse) units; and
- (v) Other upgrades in design or amenities to ensure architectural compatibility with the development's market rate units.

(b) **Rates for Rental Units .**

- (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 60% 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.

Section 13.402C. Alternatives to moderate income housing unit obligation in certain zones.

(e) The developer may pay a fee-in-lieu to the Department for each unit in the development or portion of the development that is not providing MIHUs onsite:

- (1) The fee-in-lieu for Fiscal Year 2020 shall be \$2.65 per square foot of residential space for each unit in the development as calculated for the building excise tax, Section 20, Subtitle 5 of the Howard County Code of Maryland.
- (2) The fee-in-lieu shall be set yearly by Council resolution based upon the percentage of increase in the ENR Construction Cost Index for the Baltimore Region as reported in ENR, Engineering News Record.