



SJDA Homeownership Program Waitlist Application 2025

Thank you for your interest in the Silverton Housing Authority’s SJDA Homeownership Program. This is the official Application Packet for the 2025 Waitlist Application and contains all the necessary information and forms to apply for placement on the 2025 Waitlist.

Please read the enclosed materials carefully to ensure you understand the program requirements, eligibility criteria, and application process. Only complete and accurate applications submitted by the designated deadline will be considered for the Waitlist Drawing.

For any questions, assistance, accommodations, or language translation services, please contact Anne Chase at achase@silverton.co.us or 970-880-0278.

Disclaimer: The Silverton Housing Authority expressly disclaims any and all warranties, express or implied, including without limitation fitness for a particular purpose with respect to the provision of housing units. Silverton Housing Authority does not represent, warrant or promise to construct, finance or otherwise produce, in whole or in part, any housing units pursuant to this document or under any other housing programs or the Silverton Affordable Housing Guidelines. No Applicant may rely upon any promise implied or expressed that Housing Units shall be constructed, financed, sold, or otherwise produced, in whole or in part, by the Silverton Housing Authority. In no event shall Silverton Housing Authority be liable to any Applicant for any direct, indirect, incidental, punitive, or consequential damage of any kind whatsoever, including without limitation lost profits, lost sales, lost business, lost opportunity, lost information, lost or wasted time. None of the information contained in this document constitutes an offer to sell or the solicitation of an offer to buy a Housing Unit.

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Section 1: Provisions and Compliance

The following provisions apply to this Application.

- 1. Silverton Affordable Housing Guidelines** – This Application is administered under the provisions of the Silverton Affordable Housing Guidelines (SAHG), including but not limited to [Section 200: SJDA Homeownership Program](#). SAHG is designed to ensure fair and equitable access to affordable housing opportunities. By applying, you agree to comply with these provisions, which include, but are not limited to, eligibility requirements, income limitations, and use restrictions on the Subject property. The SJDA Homeownership Program Guidelines are available in Appendix A. The full Silverton Affordable Housing Guidelines are published on the Silverton Housing Authority’s website, or a copy can be requested from achase@silverton.co.us or 970-880-0278.
- 2. Fair Housing Act** - The Silverton Housing Authority shall fully comply with all Federal, State and local nondiscrimination laws; the Americans with Disabilities Act; and, to the extent applicable, the U.S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.
- 3. Limited English Proficiency** – The SJDA Homeownership Program and Application process will be administered in compliance with Colorado and Federal Guidelines. Free interpretation services and translations of vital documents will be provided as needed. Language preference will be identified during the application process, and reasonable steps, such as using bilingual staff or interpreters, will ensure effective communication. Applicants and tenants will be informed of their right to these services, and staff will be trained on LEP requirements. No individual will be excluded or treated unfairly due to limited English proficiency, in line with Title VI of the Civil Rights Act and Executive Order 13166.
- 4. Lawful Presence** - The SJDA Homeownership Program is administered in accordance with C.R.S. § 24-76.5-103. Pursuant to 8 U.S.C. § 1621(d). Lawful presence is not required to determine eligibility for state or local public benefits, including the SJDA Homeownership Program.
- 5. Reasonable Accommodation** – Applicants may request a reasonable accommodation in accordance with the Americans with Disabilities Act if they require modifications to the Initial Qualification Application process or to the SJDA Homeownership Program in general according to Section 109.6 of the Silverton Affordable Housing Guidelines. Requests for accommodation must be submitted to the Silverton Housing Authority Staff before the closure of an Application Period, who will review and determine accommodations.



6. **Fraud Warning** - Signatures on documents submitted to SHA constitute verification that all information provided is true and accurate. If any such information provided is determined to be false or non-verifiable, such person may be disqualified by SHA and referred to law enforcement for investigation and/or prosecution. Disqualified persons may be denied future participation in SHA Programs. Mortgage fraud may be referred to the FBI for investigation.
7. **Privacy Statement** - All personal and financial information provided to SHA will be kept strictly confidential, except as follows:
 - A. Signed contracts between the Applicant or Household and SHA including without limitation Contract to Purchase a Housing Unit, all recorded documents including Affordability Covenants, and any document that would customarily be a matter of public record in the applicable jurisdiction;
 - B. Any record that a court of competent jurisdiction rules must be released under the Colorado Open Records Act, C.R.S. § 24-72-200.1 *et seq.* under the condition that all sensitive information will be redacted.
 - C. Personal and private information to the extent SHA determines the information is necessary for its deliberation of a request for an Exception or for a Grievance or Appeal at a public hearing, or for consideration during a violation hearing.

Section 2: Introduction and Instructions

1. **For Application Reasonable Accommodation Requests or Language Translation Services** Contact Anne Chase: achase@silverton.co.us, 970-880-0278.
 - o You may complete this application in the language of your choice.
2. To schedule an application meeting for questions, support or assistance, email achase@silverton.co.us, or call 970-880-0278.
3. Applications may be printed free of charge at Silverton Town Hall.
4. **Program History**

In 2021, San Juan Development Association (SJDA) partnered with San Juan County and 9318 Contracting for the construction of affordable for-sale housing units, called the Anvil Martha Rose Development, funded by the Colorado Department of Local Affairs Division of Housing through the Housing Development Grant awarded to San Juan Development Association. SJDA received \$200,000 to subsidize the construction costs of four homes. This Application and the Silverton Housing Authority's SJDA Homeownership Program only govern the property located at 735 Martha Rose Street, Silverton, CO.



On February 10th, 2025, the Silverton Housing Authority, with permission from San Juan Development, amended the Silverton Affordable Housing Guidelines to include the SJDA Homeownership Program. The Silverton Housing Authority is responsible for administering application processes for the sale and resale of the property, as well as monitoring and enforcing compliance with the Affordability Covenants recorded to the subject property.

The Silverton Housing Authority (SHA) requires Applicants to read and agree to the SJDA Homeownership Program Guidelines, see [Appendix A](#).

5. Property Details

The SJDA Homeownership Program governs the property at 735 Martha Rose Street, Silverton, CO, in Anvil Mountain Subdivision.

| PROPERTY DETAILS | 735 MARTHA ROSE |
|---|--|
| NUMBER OF BEDROOMS / BATHROOMS | 2 bed, 1 bath |
| SQUARE FOOTAGE | 768 sq/ft |
| WASHER & DRYER | Yes |
| KITCHEN APPLIANCES | Refrigerator, oven, microwave, sink, dishwasher, garbage disposal. |
| ACREAGE | 0.05 acres |
| TAX DISTRICT | 112: Town of Silverton |
| INCOME RESTRICTION (AT TIME OF PURCHASE) | 80% Area Median Income of San Juan County Colorado |
| 2025 SALE PRICE | \$192,800 |

6. Application Information

This is an application to be admitted to the Waitlist Drawing to determine the order in which the property will be offered for sale to eligible applicants. The Waitlist Drawing is a process governed by chance and conducted to ensure fairness in the selection of applicants to determine the Waitlist order. All eligible applicants who meet the program's requirements will be entered into the drawing. Admittance to the Waitlist is not an offer, promise or guarantee that you will be offered the opportunity to purchase the property. SHA will initiate a [Buyer Approval Process](#) according to the Guidelines with the applicant at the top of the Waitlist. Upon Buyer Approval, the property will be officially offered for purchase to the approved buyer. If the applicant at the top of the Waitlist does not pass the Buyer Approval Process,



they will be removed from the Waitlist and the next Applicant will begin the Buyer Approval process until the property is successfully sold.

A. 2025 Waitlist Application Schedule

The following dates apply to the year 2025:

| | |
|--|---|
| Application Period Opening | 12:00am February 11 th |
| Application Period Closing | 11:59pm on March 11 th |
| Initial Application Review & Notification of Application Status | March 12 th |
| Application Remedy Period | March 13 th – March 19 th |
| Final Admin Decision of Application Status | March 20 th |
| Appeal Period | March 21 st – March 31 st |
| Appeal Hearing (if any) and Waitlist Drawing | April 7 th |

B. Application Submission Instructions

- i. Applications and attachments will be accepted in the following ways:
 - a) Hand delivered to Silverton Town Hall at 1360 Greene Street during Town Hall’s normal operating hours; or
 - b) Mailed to the Silverton Housing Authority, P.O. 250, Silverton, CO 81433. SHA will not accept applications received after the Application Period and is not responsible, nor will exceptions be granted for Applications lost in the mail.

C. Application Review and Status

Applications will be reviewed according to the [SJDA Homeownership Program Guidelines](#). Late, incomplete, findings of ineligibility, or the presence of conflicting information in an application will render the application status as *denied*. If submitted timely, completed, and eligibility is verified, the application will be *accepted* into the Waitlist Drawing. Upon notification of the Final Admin Decision of application status, applicants will be provided with Appeal Procedure information.

D. Application Checklist – The following must be submitted with the application before the closure of the Application Period. Items with an asterisk (*) indicate the form must be notarized. Please redact your Social Security number before uploading.



- **Application Fee: \$25.00** via check made out to Silverton Housing Authority, or for credit card, call 970-387-5522.
- [Waitlist Application](#) (included in this packet).
- **Mortgage Pre-Approval Letter from Lender:** Letter must be dated within 90 days of Application Period Opening. Letter must include applicants full legal name and maximum loan amount.
 - **If Applicant is not using a mortgage to purchase the property,** Proof of Funds in the amount of the purchase price must be submitted in lieu of the mortgage pre-approval letter.
 - **If Applicant is using a co-borrower or co-signor,** Applicant must complete the [Exception Request Form](#) (included in this packet).
- [*Waitlist Applicant Agreement](#) (included in this packet).
- [*Authorization to Release Information](#) (included in this packet).
- **Income Verification:**
 - [Part 5 Income Calculation Form](#) (included in this packet).
 - **2023 or 2024 Tax Return**
 - **Verification of Deposit for all bank accounts or:**
 - **Checking Accounts:** 6 consecutive months of bank statements
 - **Saving Accounts:** 2 consecutive months of bank statements
 - **Interest or Investment-Bearing Account Statements:** minimum of quarterly statement, or an annual statement.
 - **Self-Employment (if applicable):**
 - [Self-Employment Certification](#) (included in this packet).
 - **Previous year's Profit and Loss Statement.** Note: If your business operated at a loss last year, your income from the business should be listed as zero (\$0); losses are not subtracted from income.
 - **Business Plan Summary:** Include business type, state started, frequency of work, frequency of payment, and typical payment amounts.



- **Fixed Income (if applicable):** Includes: Social Security, Pensions, Annuities, Trust Distributions.
 - **Benefits Letter / Award Letter; OR**
 - **Six (6) months of bank statements** to which the deposit is made.
- ***Employment Verification Form** if applying for Bonus Entries (included in this packet).

Section 3: Eligibility Requirements

Qualification Standards:

The following standards apply to determine eligibility to apply for the SJDA Homeownership Program and warrant one (1) entry to the 2025 Waitlist Drawing:

- 1. Income Level Standard** – The Applicant’s Gross Income (income before taxed) of all Household members over the age of eighteen (18) must be verified by SHA or its designee that it does not exceed the Eighty Percent (80%) of the 2024 San Juan County Area Median Income Level at the time of Application to the Waitlist Drawing. Please note that Income may be reverified during the Buyer Approval Process. The Sale Price and AMI Levels for this 2025 Application for the SJDA Homeownership Program and Waitlist will use the 2024 AMI Levels, despite the timing of the Department of Housing and Urban Development’s release of the 2025 AMI Levels.

A. 2024 San Juan County 80% Area Median Income

| <u>Household Size</u> | <u>80% AMI: Gross Annual Income</u> |
|-----------------------|-------------------------------------|
| 1 Person | \$52,800 |
| 2 Person | \$60,320 |
| 3 Person | \$67,840 |
| 4 Person | \$75,360 |
| 5 Person | \$81,440 |
| 6 Person | \$87,440 |

- B.** Applicants may request an Exclusion from Income pursuant to Section 103.2.C.4 of the Silverton Affordable Housing Guidelines: **Exclusion from Income** – An Applicant may apply to SHA Staff for an exclusion to an Applicant’s Household Income for verifiable student loan debt, verifiable necessary medical expenses, paid childcare expenses, and verifiable education, healthcare, and/or retirement account contributions from the prior twelve (12) months. Exclusions being requested require SHA Staff verification. Student loan debt must be related to post-high-school studies (trade school, undergraduate, or graduate degree) from an accredited institution. A combined maximum of ten thousand dollars



(\$10,000) of the above expenses or contributions per Household may be excluded from income. Exclusions may be requested through the Section 207.1 Exception Procedure of the SJDA Homeownership Program Guidelines.

Bonus Entry Qualification Standards: The following Qualification Standards earn additional entries into the Waitlist Drawing.

1. **Vital Workforce:** Any Household with a member Employed, or can provide a letter of intent to hire by San Juan County, Town of Silverton, Silverton School, Silverton Family Learning Center, Silverton Medical Rescue, OR any household with a member who has volunteered for Silverton Fire Department or Silverton Medical Rescue a minimum of forty (40) hours a month on an annual average in the immediate year prior to the Application Period. *To qualify for Bonus entries for Vital Workforce, Applicant's employer must complete and have notarized an [Employment Verification Form](#).*
2. **Local Workforce:** Any Household with a member currently Employed, or can provide a letter of intent to hire by a business located and licensed in San Juan County or meets the Qualified Volunteer definition in the Silverton Affordable Housing Guidelines. Additional entries are dependent on length of employment / volunteerism according to the Bonus Entry Matrix. *To qualify for bonus entries for Employee in San Juan County, Applicant's employer or volunteer organization must submit a completed [Employment Verification Form](#) to the SHA as specified in the application packet.*
3. **Resident of San Juan County:** Any Household with a member who has lived and resided in San Juan County for a minimum of one (1) year immediately prior to Application. Bonus entries are dependent on length of residency in San Juan County. *To qualify for the Bonus entries for Resident of San Juan County, the Applicant must complete the residential history within the [Application Form](#) and may be required to provide the following information: executed lease agreements and local utility bills, if applicable.*

Bonus Entry Stipulations:

1. Maximum of three (3) additional entries per Application.
2. Employment and Residence history for Priority qualifications may be applied only to the person in the Household that has worked, or when applicable, lived in San Juan County the longest. Residency length cannot be combined amongst Household members.

Bonus Entry Matrix – The following entries will be in addition to the one (1) entry for Initial Qualification Standards.

| Bonus Qualification | Sum of Monthly Employment in the Immediate Last 5 Years | Additional Entries |
|---------------------|---|--------------------|
|---------------------|---|--------------------|



| | | |
|-----------------------------|------------------------------------|------------|
| Vital Workforce | | +3 entries |
| Local Workforce | 0-12 months (0-1 years) | +2 entries |
| | 13+ months (1+ Years) | +3 entries |
| Resident of San Juan County | Sum of Monthly Residency | |
| | 12+ months (1+ years) of Residency | +2 entries |
| | 24+ months (2+ years) of Residency | +3 entries |

Section 4: Additional Application Resources and Information

1. Local Notary Services:

- a. Town of Silverton, Melina Marks: 970-880-4314, 1360 Greene Street
- b. Citizen’s Bank: 970-387-5502, 1202 Greene Street

2. Homebuyer Education & Downpayment Assistance:

- a. **HomesFund:** HomesFund is a non-profit in Durango focused on increasing homeownership accessibility. HomesFund is a great resource for prospective homeowners to receive homeownership consulting, down payment assistance, and connecting you with affordable mortgage products you may be eligible for.

The first step is connecting with a Homeownership Advisor to see what type of loan would be best for you. Email: info@homesfund.org.

Upcoming Homeownership Courses: February 22, 2025, at Fort Lewis College. If the cost to attend is prohibitive of your participation, please contact Anne Chase at achase@silverton.co.us
<https://homesfund.org/event/durango-home-buyer-education-class-saturday-february-22-2025-at-fort-lewis-college/>

- b. **Colorado Housing and Finance Authority (CHFA):** CHFA offers home purchase loans and grants, second mortgage loans for down payment and/or closing cost assistance, and free homebuyer education.



See if CHFA is a good fit for you by connecting with a local CHFA lender: [CHFA: Find A Participating Lender \(chfainfo.com\)](#)

Begin your homebuyer education with CHFA: www.chfainfo.com/homeownership

3. Mortgage Lenders:

- a. When searching for a lender, it is a good idea to work with someone that has experience with lending on deed restricted properties.



Application Forms

WAITLIST APPLICANT AGREEMENT

This contract ("Contract") is made effective as of [____], between the Silverton Housing Authority ("Organization") and the applicant ("Applicant") for the 2025 Waitlist for the SJDA Homeownership Program ("Waitlist Application," "Application," "Waitlist Drawing," "Waitlist").

1. **Application Participation:** The Applicant has been informed of the requirements, process, and restrictions on participating in the Waitlist Application.
2. **Waiver, Release, and Indemnification:** In consideration of my participation in the 2025 Waitlist Application with the understanding that such participation is conditioned upon my execution of this Contract, for myself, my heirs, agents, and assigns, I hereby acknowledge and recognize the Silverton Housing Authority may in its sole discretion remove my application from the Waitlist Drawing for any of the reasons stated in this Contract. I hereby waive any claims I may have as a result of my participation in the Program or my removal therefrom. I hereby agree to indemnify, defend, and hold harmless the Silverton Housing Authority, Town of Silverton, San Juan Development Association, San Juan County, and any and all legal bodies corporate and/or politic flowing therefrom, including their officers, trustees, directors, agents, representatives, employees, and assigns against any and all claims including attorneys' fees and costs, which may be brought against any of them by anyone claiming to have been injured as a result of my participation in the Program or my removal therefrom. This waiver is intended as the complete integration of all understandings between the parties. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or effect whatsoever, unless embodied herein in writing.
3. **Documentation Requirements:** The Applicant agrees to provide all requested documents to the Silverton Housing Authority before March 12th, 2025. These documents include, but are not limited to:
 - Proof of income
 - Third-party verified income information
 - Any other documents deemed necessary by the Organization
4. **Timely Submission of Documents:** The Applicant agrees to supply the required documentation to the Organization within the specified timeframe communicated by the Organization. Failure to provide the requested documentation within the specified timeframe may result in immediate removal from the Application, Waitlist Drawing, or the Waitlist.
5. **Verification of Income:** The Applicant agrees that the Organization reserves the right to verify the income level provided by the Applicant on their application. If the Applicant fails to meet the income level claimed on their application or provides false information regarding their income, they will be immediately removed from the Application, Waitlist Drawing, and/or Waitlist.
6. **Consequences of Non-Compliance:** If the Applicant fails to supply the required documentation and/or does not meet the income level claimed on their application, as determined by the Organization, they will be immediately removed from the Application, Waitlist Drawing, and/or Waitlist. In such cases, any benefits or privileges associated with the Application, Waitlist Drawing, and/or Waitlist will be forfeited, and the Applicant will no longer be considered a participant.
7. **Modification of Terms:** This Contract constitutes the entire agreement between the Applicant and the Organization with respect to the subject matter hereof and supersedes all prior and



contemporaneous understandings, agreements, representations, and warranties, both written and oral. Any modification to this Contract must be in writing and signed by both parties.

8. **Governing Law:** This Contract shall be governed by and construed in accordance with the laws of the State of Colorado, without giving effect to any choice or conflict of law provision or rule that would require or permit the application of the laws of any jurisdiction other than those of the State of Colorado.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date first above written.

Applicant: _____ [Applicant's Signature]

Print Full Name: _____ [Applicant's Name]

Date: _____

STATE OF COLORADO)

) SS.

SAN JUAN COUNTY)

Sworn to, before me, by _____, on the ____ day of _____, 20_____.

WITNESS my hand and official seal.

My commission expires _____. Notary Public Signature: _____

(NOTARY SEAL).



AUTHORIZATION TO RELEASE INFORMATION

Autorización para divulgar información

To Whom it May Concern,

1. As part of the application process to occupy and/or purchase a property covenanted by the Silverton Housing Authority, the Silverton Housing Authority (SHA) may request any combination of documentation reasonably related to proof of income, assets, and employment. SJDA may also verify any and all information contained in my/our loan application for purchase of a deed restricted unit and any other documents required in connection with the loan.

Como parte del proceso de solicitud para ocupar una propiedad restringida de escritura del Silverton Housing Authority, el Silverton Housing Authority (SHA) puede solicitar cualquier combinación de documentación razonablemente relacionada con la prueba de ingresos, activos y empleo. SHA también puede verificar toda la información contenida en mi / nuestra solicitud de préstamo para la compra de una unidad restringida de escritura y cualquier otro documento requerido en relación con el préstamo.

2. I/We authorize you to provide to the SHA all information and documentation in your care or custody that they request related to a purchase. Such information includes, but is not limited to, employment history and income; bank, money market and similar account balances; and copies of income tax returns.

Yo / nosotros le autorizamos a proporcionar a la SHA toda la información y documentación bajo su cuidado o custodia que soliciten relacionada con una compra. Dicha información incluye, pero no se limita a, historial de empleo e ingresos; saldos de cuentas bancarias, del mercado monetario y similares; y copias de declaraciones de impuestos sobre la renta.

3. A copy of this authorization may be accepted as an original.

Una copia de esta autorización puede ser aceptada como original.

Effective this ____ day of _____, 20_____.

Applicant Name

Co-Applicant Name

Applicant Signature

Co-Applicant Signature

STATE OF COLORADO)
) SS.

SAN JUAN COUNTY)

Sworn to, before me, by _____, on the ____ day of _____, 20_____.

WITNESS my hand and official seal.

My commission expires _____. Notary Public Signature: _____

(NOTARY SEAL).



2025 SJDA WAITLIST APPLICATION

This is the official application for the SJDA Homeownership Program's 2025 Waitlist Application.

The information provided in this application must be completed to the best of your knowledge and belief. By submitting this application, you certify that the information is true, accurate, and complete. If any of the information changes after submission, you are required to notify the Silverton Housing Authority (SHA) immediately. Any intentional misrepresentation or omission of information may disqualify you from consideration or result in the removal of your name from the waitlist.

The information provided in this application is used to determine eligibility for the program and admittance to the Waitlist Drawing. All documentation supporting the information you provide will be required to complete the review process. Incomplete applications may be denied or delayed until all necessary documents are submitted.

By submitting this application, you agree to comply with all program requirements and acknowledge that completing the application does not guarantee placement on the Waitlist or Qualification for the program.

All members of the Household over the age of eighteen (18) must complete and sign this application.

Applicant Acknowledgements

_____ (initial here) I/We are applying to the 2025 SJDA Homeownership Waitlist.

_____ (initial here) I/We understand admittance to the Waitlist Drawing is dependent upon 1) a complete and timely application submission, 2) AMI qualifications, and 3) mortgage pre-approval or proof of funds. Applications must be complete upon submission. Partial and late applications will not be considered.

_____ (initial here) I/We understand additional entries to the Waitlist Drawing are awarded to Applicants that (1) meet the Income Level Standards, (2) qualify for bonus entries and (3) submit on time and complete the Employment Verification Form.

_____ (initial here) I/We have secured a mortgage preapproval and have attached a letter from a lender stating the maximum mortgage for which I am qualified and my/our lender understands the affordability covenants attached to the property, OR, I/We have proof of funds in the amount of the advertised purchase price and included the proof of funds in this application.

_____ (initial here) I/We completed the Part 5 Income Calculation Form to my/our best knowledge, my/our income level, AND my/our Household income level is exactly equal to or less than the 2024 80% Area Median Income Level of San Juan County.

_____ (initial here) I/We understand that IF I/We do not have an 80% or less AMI Income Level, I/We do not qualify for this application, and the application will not be considered.

_____ (initial here) I/We have read, understand, and agree to the Silverton Affordable Housing Guidelines Section 200: SJDA Homeownership Program and the Affordability Covenants.



Applicant Information

Applicant’s Full Legal Name: _____

Physical Address: _____

Mailing Address: _____

Email Address: _____

Phone: _____

Preferred Language: _____

Co-Applicant’s Full Legal Name: _____

Physical Address: _____

Mailing Address: _____

Email Address: _____

Phone: _____

Other Household Members

Name: _____ Age: _____ Relationship to Applicant: _____

Name: _____ Age: _____ Relationship to Applicant: _____

Name: _____ Age: _____ Relationship to Applicant: _____

Name: _____ Age: _____ Relationship to Applicant: _____

Name: _____ Age: _____ Relationship to Applicant: _____

If household members are over the age of eighteen (18), income must be included in the Part 5 Income Calculation form.

BONUS ENTRY QUALIFICATION

Check only one (1) of the following boxes if applicable:

- A member of my/our Household meets the **Vital Workforce** definition:
 - I understand my employer needs to submit an Employment Verification Form to achase@silverton.co.us before the Application Period ends to be evaluated for the Vital Workforce Bonus Entry Qualification.
- A member of my/our Household meets the **Local Workforce** definition:
 - I understand my employer needs to submit an Employment Verification Form to achase@silverton.co.us before the Application Period ends to be evaluated for Local Workforce Bonus Entry Qualification.
- A member of my/our Household meets the **Resident of San Juan County** definition:



- I understand the Residence History section below needs to be completed to be evaluated and additional information and/or verification may be requested by SHA Staff.

RESIDENCE HISTORY

Only to be completed for those applying Bonus Entries: Resident of San Juan County. Please complete up to two and a half (2.5) years immediate prior to time of Application.

Residence 1 – Physical Address: _____

Timeframe of Occupancy: _____ Total Months _____

Landlord (or Owner) Name: _____ Phone Number: _____

Residence 2 – Physical Address: _____

Timeframe of Occupancy: _____ Total Months _____

Landlord (or Owner) Name: _____ Phone Number: _____

Residence 3 – Physical Address: _____

Timeframe of Occupancy: _____ Total Months _____

Landlord (or Owner) Name: _____ Phone Number: _____

Residence 4 – Physical Address: _____

Timeframe of Occupancy: _____ Total Months _____

Landlord (or Owner) Name: _____ Phone Number: _____

CERTIFICATION

Under penalty of perjury, the applicant certifies the following

1. All information provided in this application, including attachments, submitted to the Silverton Housing Authority are true, complete, and correct to the best of the Applicant’s knowledge;
2. The Applicant, on the basis of the application presented, believes that their Household qualifies to occupy and own the Housing Unit in question according to the Silverton Affordable Housing Guidelines Section 200: SJDA Homeownership Program, the Affordability Covenants, and all other applicable procedures, rules and regulations.

Any material misstatement of fact or deliberate fraud by the Household in connection with any information supplied to SHA shall be cause for immediate expulsion from the application process and/or forced sale of the Housing Unit.

Effective this ____ day of _____, 20_____.

Applicant Signature

Co-Applicant Signature



PART 5 INCOME CALCULATION FORM

| | | | | | |
|---|-------------------|-----------------------------|--|--------------|--|
| 1. Primary Applicant Full Name: | | | | | |
| ASSETS | | | | | |
| FAMILY MEMBER | ASSET DESCRIPTION | CURRENT CASH VALUE OF ASSET | ACTUAL INCOME FROM ASSETS (CURRENT VALUE MULTIPLIED BY INTEREST RATE) | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| 3. NET CASH VALUE OF ASSETS..... | | 3. | | | |
| 4. TOTAL ACTUAL INCOME FROM ASSETS..... | | | 4. | | |
| 5. IF LINE 3 IS GREATER THAN \$5,000, MULTIPLY LINE BY <u>0.45</u> (PASSBOOK RATE) AND ENTER RESULTS HERE; OTHERWISE, LEAVE BLANK | | | | 5. | |
| ANTICIPATED ANNUAL INCOME | | | | | |
| FAMILY MEMBERS (OLDER THAN 18) | WAGES/ SALARIES | BENEFITS/ PENSIONS | PUBLIC ASSISTANCE | OTHER INCOME | ASSET INCOME |
| | | | | | ENTER THE GREATER OF LINES 4 OR 5 FROM ABOVE IN BOX 6.E. |
| | | | | | |
| | | | | | |
| | | | | | |
| 6. TOTALS | A. | B. | C. | D. | E. |
| ENTER TOTAL OF ITEMS FROM 6A. THROUGH 6E. THIS IS ANNUAL INCOME. | | | | | 7. |

Definitions: Assets – Assets that earn interest: bank accounts, investment accounts, rental properties.



EMPLOYMENT VERIFICATION FORM

I authorize my employer below to release to SHA any and all information deemed necessary to determine my Household's eligibility to purchase affordable housing pursuant to the Anvil Martha Rose Homeownership Program.

Employee Name: _____ Employee Title: _____

Employee Signature: _____ Date: _____

The below must be completed by an Employer Representative with access to personal records.

Employer Information

Employer Name: _____

Business Name: _____

Business Address: _____

Employer Phone: _____ Employer Email: _____

Employment Information

Dates of employment: from _____ to _____

Seasonal Year-Round AND Part-time Full-time

Hours: Total number of hours worked in the last 12 months (not including PTO): _____

Wages: Total gross wages paid in the last 12 months: \$ _____

Paid a gross amount of \$ _____ Hourly Daily Weekly Bi-Weekly Monthly

SWORN STATEMENT OF EMPLOYER'S REPRESENTATIVE

Under penalty of perjury, I, the undersigned, on behalf of the above-named business / employer, declare that all information contained herein regarding the above named employee for the reporting period is true, correct, and complete to the best of my knowledge and belief.

Signature: _____ Date: _____

STATE OF COLORADO)
)ss.
COUNTY OF SAN JUAN)

Acknowledged, subscribed, and sworn to before me this ___ day of _____, 2025 by _____

Witness my hand and official seal.

My Commission Expires: _____ Notary Public Signature: _____

(Notary Seal)



EXCEPTION REQUEST FORM

Please return form to achase@silverton.co.us, or P.O. 250 Silverton, CO 81433, or deliver to 1360 Greene Street, Silverton, CO 81433. For questions, a different format, or translation services, contact achase@silverton.co.us.

Applicants' Full Legal Name(s): _____

Mailing Address: _____

Email Address: _____ Phone Number: _____

Applicant's Representative Name: _____ Email Address: _____

- I/We understand and acknowledge the requirements of the Silverton Affordable Housing Guidelines and believe there exists a legitimate and compelling reason why I/We should be exempt from or allowed a modification of the requirements.
- I/We have attached payment for the Exception Request Fee.

Narrative

Please provide a narrative that:

1. Identifies the specific provision(s) or requirement(s) for which the Exception is being requested;
2. Details the particular ground(s) upon which the Exception is based;
3. Describes the action or remedy requested; and
4. Addresses the Standards for Review of Exception Applications (as set forth in Section 109.2.C in the Silverton Affordable Housing Guidelines) applicable to the requested action or remedy:
 - a. Standards for Review of Exception Applications – Applicants seeking an Exception must demonstrate to the satisfaction of the reviewing body that granting the Exception would:
 - i. meet General Affordable Housing Program Goals; and
 - ii. meet one or more of the following additional review standards:
 1. Promotes greater affordability by:
 - a. decreasing the long-term operating and maintenance costs of the Housing Unit in question;
 - b. enabling the Applicant to take advantage of a financing opportunity that would not otherwise be available; or
 - c. protecting the long-term affordability of the Housing Unit through price control or other means.



- iii. Demonstrates or recognizes the long-term commitment of the Applicant to residency, employment, and community involvement within the Town of Silverton Town Limits;
- iv. Provides housing for a critical community need;
- v. Increases square footage or increases livability or durability in materials, finishes, Fixtures or appliances (which do not include Luxury Items or items which significantly exceed standards set in recent SHA constructed Housing Units);
- vi. Creates living space for additional member of the Household without compromising the affordability for the Housing Unit's targeted Income Eligibility Level;
- vii. Enables the Qualified Household to own and occupy a Housing Unit more suitable to the Household's needs;
- viii. Furthers currently adopted Town of Silverton Goals and Objectives related to Affordable Housing; or
- ix. Enables the Qualified Household to respond to life circumstances that arise beyond the reasonable control of the Household (such as the need to care for a retired or Disabled Household member).

Please use the following space to complete the Narrative section. If more space is required, you may utilize an additional page.



APPENDIX

Appendix A: SJDA Homeownership Program – Silverton Affordable Housing Guidelines

Section 200: PROGRAM DESCRIPTION

The SJDA Homeownership Program governs the property at 735 Martha Rose Street (the “Property,” “Unit,” “Housing Unit,” “Subject Unit”), more particularly described in Exhibit A hereto. San Juan Development Association partnered with San Juan County and 9318 Contracting for the construction of this property funded by the Colorado Department of Local Affairs Division of Housing through the Housing Development Grant awarded to San Juan Development Association. San Juan County, the Silverton Housing Authority, and 9318 Contracting are parties to the Affordability Covenants filed on xx/xx/2025 at Reception Number XXXXXXXX, herein referred to as “Covenants” or “Restrictions.”

200.1 Unit Mix

| | |
|-----------------------------------|--------------------------------------|
| SJDA Homeownership Program | Subject Unit: 735 Martha Rose |
| AMI Level | ≤ 80% AMI |
| Bedroom Count | 2 |

Section 201: PURPOSE AND APPLICABILITY

- 201.1** The SJDA Homeownership Program, herein referred to as “these Provisions” governs the Affordable Housing Unit herein referred to as the “Subject Unit,” “Housing Unit,” “735 Martha Rose” or “Property” to permanently protect affordable homeownership opportunities. These provisions govern the purchase, sale, transfer, assignment, or conveyance of Housing Units subject to this SJDA Homeownership Program.
- 201.2** Application of the provisions herein is established by a resolution of the Silverton Housing Authority.
- 201.3** **Conflict:** In cases where there is conflict between these Provisions and the Town of Silverton Municipal Code, the Municipal Code shall govern. In cases where there is a conflict between these Provisions or the Land Use Code and the Affordability Covenants the provisions of the Affordability Covenants shall govern. In cases where there is conflict between the SJDA Homeownership Program Provisions and the Silverton Affordable Housing Guidelines, these SJDA Homeownership Program Provisions shall govern.



Section 202: PROGRAM POLICY GOALS

- 202.1** The SJDA Homeownership Program is designed to provide affordable housing opportunities for Households earning less than eighty percent (80%) Area Median Income and to preserve Silverton’s affordable housing supply.

Section 203: INITIAL QUALIFICATION STANDARDS AND PROCESS

This Section governs the Initial Qualification Standards and Process for Applicants for the SJDA Homeownership Program.

203.1 Administration of Waitlist Application

- A. **Fair Housing** – The Silverton Housing Authority shall fully comply with all Federal, State and local nondiscrimination laws; the Americans with Disabilities Act; and, to the extent applicable, the U.S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.
- B. **Limited English Proficiency** – The SJDA Homeownership Program and Application process will be administered in compliance with Colorado and Federal Guidelines. Free interpretation services and translations of vital documents will be provided as needed. Language preference will be identified during the application process, and reasonable steps, such as using bilingual staff or interpreters, will ensure effective communication. Applicants and tenants will be informed of their right to these services, and staff shall be trained on LEP requirements. No individual will be excluded or treated unfairly due to limited English proficiency, in line with Title VI of the Civil Rights Act and Executive Order 13166.
- C. **Lawful Presence** - The SJDA Homeownership Program is administered in accordance with C.R.S. § 24-76.5-103. Pursuant to 8 U.S.C. § 1621(d). Lawful presence is not required to determine eligibility for state or local public benefits, including the SJDA Homeownership Program.
- D. **Reasonable Accommodation** – Applicants may request a reasonable accommodation in accordance with the Americans with Disabilities Act if they require modifications to the Initial Qualification Application process or to the SJDA Homeownership Program in general according to Section 109.6. Requests for accommodation must be submitted to the Silverton Housing Authority Staff before the closure of an Application Period, who will review and determine accommodations.



203.2 Initial Qualification Standards – The following standards apply to determine eligibility to apply for the SJDA Homeownership Program and warrant one (1) entry to the Waitlist Drawing:

1. **Income Level Standard** – The Applicant’s Gross Income must be verified by SHA or its designee that it does not exceed the Eighty Percent (80%) Area Median Income Level posted in Appendix A at the time of Application and Purchase of the Housing Unit.

a. Applicants may request an Exclusion from Income pursuant to Section 103.2.C.4 of the Silverton Affordable Housing Guidelines.

203.3 Bonus Entry Qualification Standards – The following Qualification Standards earn additional entries into the Waitlist Drawing.

B. Definitions:

1. **Vital Workforce:** Any Household with a member Employed, or can provide a letter of intent to hire by San Juan County, Town of Silverton, Silverton School, Silverton Family Learning Center, Silverton Medical Rescue, OR any household with a member who has volunteered for Silverton Fire Department or Silverton Medical Rescue a minimum of forty (40) hours a month on an annual average in the immediate year prior to the Application Period. *To qualify for Bonus entries for Vital Workforce, Applicant’s employer must submit a completed Employment Verification Form to the SHA as specified in the application packet.*
2. **Local Workforce:** Any Household with a member currently Employed, or can provide a letter of intent to hire by a business located and licensed in San Juan County or meets the Qualified Volunteer definition. Additional entries are dependent on length of employment / volunteerism according to the Bonus Entry Matrix. *To qualify for Bonus Entries for Local Workforce, Applicant’s employer or volunteer organization must submit a completed Employment Verification Form to the SHA as specified in the application packet.*
3. **Resident of San Juan County:** Any Household with a member who has lived and resided in San Juan County for a minimum of one (1) year immediately prior to Application. Bonus entries are dependent on length of residency in San Juan County. *To qualify for the Bonus Entries for Resident of San Juan County, the Applicant must complete the residential history within the application packet and may be required to provide the following information: executed lease agreements and local utility bills, if applicable.*

C. Bonus Entry Stipulations:



1. Maximum of three (3) additional entries per Application.
2. Employment and Residence history for Priority qualifications may be applied only to the person in the Household that has worked, or when applicable, lived in San Juan County the longest. Residency length cannot be combined amongst Household members.

D. Bonus Entry Matrix – The following entries will be in addition to the one (1) entry for Initial Qualification Standards.

| Bonus Qualification | Sum of Monthly Employment in the Immediate Last 5 Years | Additional Entries |
|-----------------------------|--|---------------------------|
| Vital Workforce | | +3 entries |
| Local Workforce | 0-12 months (0-1 years) | +2 entries |
| | 13+ months (1+ Years) | +3 entries |
| Resident of San Juan County | Sum of Monthly Residency | |
| | 12+ months (1+ years) of Residency | +2 entries |
| | 24+ months (2+ years) of Residency | +3 entries |

203.4 Grounds for Denial – SHA is not required or obligated to qualify, assist, or accept Applicants into the Program if they meet the criteria of Section 103.8 Grounds for Denial.

203.5 Initial Qualification Process – SHA, or its assigns, administers Applications for the SJDA Homeownership Program Waitlist subject to the following provisions to create an orderly and fair process for offering the Housing Unit for Sale to Eligible Applicants.

A. Opening and Announcement of Application Period –



1. Notice of the date, time and location at which Applications will be accepted for the Waitlist shall be published as a Legal Notice in a newspaper of general circulation in the Silverton Standard at least twenty (20) days prior to the closure of an Application Period, through the Silverton housing authority communication channels and on the Silverton Housing Authority website.
2. Applications and information shall be available online on the Silverton Housing Authority website concurrent with the publication of the Legal Notice.

B. Application Requirements -

1. Households interested in purchasing a Housing Unit must submit a complete Application to SHA within the Application Period. No late or incomplete applications will be accepted.
2. Each member of an Applicant Household over the age of eighteen (18) must sign and be submitted as a Household:
 - a. A release allowing SHA to obtain additional information for Qualification purposes; and
 - b. A sworn statement including without limitation the following certifications:
 - a. the facts contained in the application are true and correct to the best of the Applicant's knowledge; and
 - b. the Applicant has been given the standard application information packet by SHA Staff; and
 - c. the Applicant, on the basis of the application presented, believes the Applicant Household qualifies to own the Housing unit in question according to the Affordability Covenants, these Guidelines, and all other applicable procedures, rules and regulations; and
 - d. the Applicant agrees to indemnify, defend, and hold harmless the Silverton Housing Authority and any and all legal bodies corporate and/or politic flowing therefrom including their officers, trustees, directors, agents, representatives, employees, and assigns against any and all claims including attorneys' fees and costs, which may be brought against any of them by anyone claiming to have been injured as a result of Applicant's participation in the Application Program or my removal therefrom; and
 - e. the Applicant agrees to provide all requested information to SHA upon request within the specified timeframe communicated by SHA.



3. Application Fee – Applications must be submitted with the Application Fee according to Appendix D.

- **Mortgage Pre-Approval Letter** – the Applicant must submit a Mortgage Pre-Approval Letter from a lender. The letter must confirm that the Applicant is preapproved for a loan amount that meets or exceeds the Sale Price specified in the Application Packet. **If Applicant is not using a mortgage to purchase the property**, Proof of Funds in the amount of the purchase price must be submitted in lieu of the mortgage pre-approval letter.
 - **Pursuant to Section 110.7, if Applicant is using a co-borrower or co-signor** that is not part of the Applicant Household, Applicant must submit an Exception Request according to Section 109.5.

C. Application Exception, Appeal and Grievance Procedure –

1. Exceptions- Applicants may submit an Exception Request according to Section 207.1.

- a. Exceptions will not be accepted nor granted for the Income Level Qualification Standard for the SJDA Homeownership Program as to not conflict with the Colorado Department of Local Affairs’ and San Juan County’s restrictions on the Property.

2. Appeals – Applicants may submit an Appeal of a decision made by SHA Staff or Board according to Section 207.2.

3. Grievances – Applicants may submit a Grievance according to Section 207.3.

D. Application Review – Applications will be reviewed for completeness and Applicant Qualification will be verified based on the following standards:

1. Completeness:

- a. Applications must be fully complete and include all required documentation and fees.
- b. Accuracy and Consistency: Information provided in the Application must be accurate and consistent across all submitted documents.
- c. Missing or conflicting information or documents will be noted, and Applicants may be granted a specified timeline to remedy the missing or conflicting materials per SHA Staff discretion.

2. Timeliness of Submission:



- a. Applications must be submitted by the specified deadline. Late applications will not be accepted.

3. Verification of Income Level:

- a. Income verification will be conducted according to Section 104: Household Income Verification.
- b. Income Verification of Applicant Household will be completed by SHA or its assign:
 - i. Upon submission of an Application for the Waitlist; and
 - ii. Within thirty (30) days prior to closing on the purchase of a housing unit if applicable to Applicant.

E. Notification of Application Status: Applicants will be notified of the status of the Application, either accepted or denied per the following procedures, a minimum of fourteen (14) calendar days prior to the SHA Regular Meeting in which the Application Drawing will occur.

1. Application Receival Procedure

- a. If SHA Staff receives applications in the form, manner, and time in which SHA is accepting applications to the SJDA Homeownership Program, SHA Staff will notify the Applicant of the received status of the Application and their assigned Applicant ID Number.

2. Acceptance Procedure –

- a. Applicants will be notified of acceptance to the Application drawing via an email to the email address provided in their Application and will include their assigned Applicant ID Number and the number of entries they are assigned for the Waitlist Drawing.
- b. Applicants will have the right to Appeal the number of Application Drawing entries they are awarded and will be provided information concerning the Section 207.2: Appeal Procedure.

3. Denial Procedure –

- a. Applicants will be notified of denial to the Application Drawing, also referred to as disqualification, via an email to the email address provided in their Application and will include the reason(s) for denial and their assigned Applicant ID Number.



- b. Applicants will have the right to Appeal the decision and will be provided information concerning the Section 207.2: Appeal Procedure.
- c. SHA's exercising of the Denial Procedure due to findings of Applicant ineligibility will not violate the rights of persons with Disabilities. If an applicant claims that their failure to respond to a request for information or updates was caused by a Disability, SHA Staff will verify that there is in fact a Disability and the Disability caused the failure to respond, and may provide a Reasonable Accommodation per Section 109.6.

F. Additional Provisions:

- 1. Any material misstatement of fact or deliberate fraud by a member of an Applicant Household in connection with any information submitted to SHA shall be cause for immediate expulsion from the Application process and Program and/or forced Sale or vacation of the Housing Unit. In addition, any material misstatement of fact or deliberate fraud by the Applicant Household shall be referred to prosecution for perjury.
- 2. **Conflict of Interest** – The SJDA Homeownership Program is subject to Section 111.8 Conflict of Interest.
- 3. **Fraud Warning** – The SJDA Homeownership Program is subject to the provisions of Section 101.10.
- 4. **Disclaimer**- The provisions of Section 101.8 apply to the SJDA Homeownership Program.

Section 204: WAITLIST CREATION AND MANAGEMENT PROCEDURE

204.1 Definitions:

- 1. **Waitlist** - The order in which Applicants are ranked to be considered for the opportunity to purchase a housing unit.
 - a. Admission to the Waitlist does not constitute an official offer, nor does it create any right or expectation that the Applicant will be eligible to purchase a Housing Unit. Placement on the Waitlist is solely for the purpose of determining potential future consideration and does not guarantee that the Applicant will be offered the opportunity to purchase a Unit. All offers to purchase are subject to availability, eligibility requirements, and compliance with applicable laws, policies, and procedures. Inclusion on the Waitlist is not a commitment by the Housing Authority to provide or offer housing.



2. **Waitlist Drawing** – Applications will be randomly selected through the following procedure in Section 204.2 to determine the order of Applicant placement on the Waitlist.
3. **Applicant List** – An official list of the status of Applicants by their Applicant ID Number duly noticed in the Waitlist Application Drawing Public Notice.

204.2 Waitlist Drawing Procedure

- A. The Waitlist Drawing must be conducted at a duly noticed public meeting of the Silverton Housing Authority.
- B. The meeting must meet Board quorum in addition to the presence of the SHA Chair or designee, the SHA Secretary or designee, one SHA Staff member, and one unaffiliated third-party to be present to witness the entire process and verify the assignment of entries to each Applicant and that each Applicant's entry(ies) is entered into the entry container.
 - i. Unaffiliated third-party: an individual or entity that has no direct or indirect affiliation with the Silverton Housing Authority, Town of Silverton, San Juan Development Association, or San Juan County. This includes current or former employees, board members, or immediate family members of such individuals.
- C. The SHA Board shall make a motion to approve, or to approve with conditions, the Applicant List prior to the assignment of entries.
- D. Upon Board approval of the Applicant List, the SHA Secretary or designee shall assign one or more entry numbers to each Applicant, as specified in the adopted Applicant List. Each assigned entry number will be added to the entry container as it is assigned.
- E. The entry container shall be solid and non-transparent, and entries shall be sufficiently mixed
- F. After the SHA Chair or designee, SHA Secretary or designee, and the unaffiliated third party verify that all entries have been placed in the entry container, the unaffiliated third party shall thoroughly mix the entries and then draw them one at a time. The order in which entries are drawn will determine the Waitlist order. If an Applicant has multiple entries, only the first entry drawn will determine their placement on the Waitlist. Any additional entries for that Applicant will be recorded but will not affect the Waitlist order. The drawing process shall continue until all entries have been drawn from the entry container.



- G. The official Waitlist shall be posted on the front door of the Silverton Town Hall immediately following the adjournment of the SHA Board meeting and shall remain posted for a minimum of twenty-four (24) hours. Within twenty-four hours of the Waitlist Drawing, SHA Staff shall notify Applicants of their Waitlist position via email in the order established by the Waitlist.

204.3 Waitlist Management

- A. The Waitlist shall be maintained in accordance with the following guidelines:

1. The Waitlist shall be of public record of the Silverton Housing Authority;
2. Applications shall be permanent files;
3. All communication between SHA Staff and Applicants shall be documented in the Applicant file.
4. All Applications will be maintained in the order of the Waitlist.

- B. **Waitlist Implementation and Termination** – When the Property appears to be within ninety (90) days of the desired closing date, SHA Staff will contact and direct the Applicant in the first position of the Waitlist to complete the Buyer Approval Process.

- 1. **Buyer Approval Process:**

- i. Completion of the Income Verification process of Section 104, if it has not been completed within the past thirty (30) days, to confirm or deny Income Qualification for the Property.
- ii. Obtaining a Prequalification letter from mortgage lender if applicable or showing proof of available funds to purchase the property.
- iii. If an Applicant passes the Income Verification Process or mortgage Prequalification / proof of funds, the Applicant will formally be offered the Property for purchase. If Applicant does not pass the Income Verification Process or mortgage prequalification / proof of funds, the Applicant will be removed from the Waitlist and the next Applicant on the Waitlist will begin the Buyer Approval Process.
- iv. Reasonable Accommodation: Applicants may request a reasonable accommodation in accordance with the Americans with Disabilities Act if they require modifications to the Buyer Approval Process. Requests for accommodation must be submitted to the Silverton Housing Authority Staff upon initiation of the Buyer Approval Process, who will review and determine accommodation.



2. **Waitlist Termination** - Upon Sale of the Property, the Waitlist will be terminated and the remaining Applicants on the Waitlist will be notified of such termination. The Waitlist for the SJDA Homeownership Program is non-transferable to other SHA Housing Programs.

Section 205: OWNERSHIP, USE, AND OCCUPANCY

205.1 Continuing Qualification (“Ownership”) Standards – Owners of the Property must continuously adhere to the following Qualification Standards and the provisions of Section 106 for the entire duration of their ownership. Failure to meet these standards may result in enforcement actions, including but not limited to corrective measures, financial penalties, or other remedies as permitted by these Guidelines and Affordability Covenants.

1. **Primary Residence Standard** - The Unit must be used as the sole and exclusive place of residence for the Owner for at least eight (8) of every twelve (12) months on a rolling twelve (12). Under circumstances outlined in the Unit’s Affordability Covenants and Section 106.1 and 106.2 Rental Procedure, the Primary Residence Standard may be fulfilled by a Qualified Tenant(s).

- a. **Leave of Absence** – Owners who will not occupy their Housing Unit for any period in excess of four (4) months must apply for a Leave of Absence according to Section 106.1 A.1

- b. **Rental Procedure** – In cases where rental of a Housing Unit is permitted or required, Owners must comply with Section 106.2 Rental Procedure.

2. **Prohibition of Short-Term Rentals** – The Short-Term Rental, or the advertising of a Short-Term Rental, of all or any portion of the Property is prohibited.

205.2 Compliance Monitoring – To verify compliance with the Affordability Covenants and these Guidelines, SHA or its assigns may conduct Compliance Checks and Annual Recertifications.

1. **Compliance Checks:** SHA or its assigns may conduct Compliance Checks at any time to investigate complaints, reports, or indications of non-compliance with these Guidelines or Affordability Covenants.

- a. Households must submit all necessary paperwork to verify that they remain in compliance with the Guidelines and Affordability Covenants within twenty-one (21) days of written notice of a Compliance Check or a penalty will be assessed according to Appendix D. It shall be the burden of the Household to provide all required information for compliance, and any missing or incomplete information or documentation or information



that cannot be verified, shall be construed against the Household and may be grounds for the finding of non-compliance.

2. **Annual Recertification:** Owners are subject to an annual recertification under oath by the Owner to SHA or its assigns stating the Unit has maintained the standards in accordance with these Guidelines and the Affordability Covenants.

- a. Households must submit all necessary paperwork to verify that they remain in compliance with the Guidelines and Affordability Covenants within twenty-one (21) days of written notice of an Annual Recertification or a penalty will be assessed according to Appendix D. It shall be the burden of the Household to provide all required information for compliance, and any missing or incomplete information or documentation or information that cannot be verified shall be construed against the Household and may be grounds for the finding of non-compliance.

205.3 Default by Owner

Owner shall be responsible for compliance with all terms of these Guidelines and Covenants. Any non-compliance with the terms of the Covenants or Guidelines or breach of any provision(s) set forth in the Covenants / Guidelines, including non-compliance of use and occupancy of the Property shall be deemed to be a Default by Owner, whether such non-compliance is a result of direct actions of the Owner or such non-compliance occurs during ownership and shall be enforced by the terms of the Affordability Covenants.

Section 206: SALE AND RESALE PROCEDURE

206.1 The Sale and Resale of the 735 Martha Rose Property shall be governed by Section 107: Initial Sale and Resale of Units.

206.2 In the event the Property is sold and/or conveyed without compliance with the Affordability Covenants or herewith, such sale and/or conveyance shall be wholly null and void and shall confer no title whatsoever upon the purported buyer.

Section 207: EXCEPTION, APPEAL, AND GRIEVANCE PROCEDURE

207.1 Exception Procedure

- A. Except as otherwise prohibited herein, a request for an Exception to provisions of these Guidelines may be appropriate when an Applicant understands and acknowledges the requirements of the Guidelines and believes that there exists a legitimate and compelling reason why they should be exempt from or allowed a modification to the requirements.



- B.** Exceptions will not be accepted nor granted for the Income Level Standard, except for income exemption requests, for the SJDA Homeownership Program as to not conflict with the Colorado Department of Local Affairs' and San Juan County's restrictions on the Property.
- C. Submission Process** - Exception requests must be submitted in writing to SHA on forms available from SHA. Complete Exceptions applications include:
1. The name, mailing and email address, and telephone number of the Applicant(s) and of Applicant's representative, if applicable;
 2. A narrative:
 - i. identifying the specific provision(s) or requirement(s) for which the Exception is being requested;
 - ii. detailing the particular ground(s) upon which the Exception is based;
 - iii. describing the action or remedy requested; and
 - iv. addressing the Standards for Review of Exception Applications as set forth in Section 109.2.C applicable to the requested action or remedy.
 3. The Exception fee (See Appendix D).
- D. Review Process** – All requests for Exceptions will be Administratively reviewed and granted/denied. Applicant has the right to appeal the administrative decision according to Section 207.2 Appeal Procedure.

207.2 Appeal Procedure

- A.** An appeal is appropriate when an Applicant understands and acknowledges the requirements of these Guidelines and believes that provisions of the Guidelines have been applied incorrectly by SHA Staff or the SHA Board.
- B. Submission Process** - Appeals must be submitted in writing to SHA on forms available from SHA within ten (10) calendar days of the decision or determination being appealed and must include:
1. The name, mailing and email address, and telephone number of the appellant(s) and of appellant's representative, if applicable;
 2. A narrative:
 - i. identifying the specific determination being appealed;



- ii. establishing the particular ground(s) upon which the appeal is based; and
- iii. describing the action or remedy requested; and

3. The Appeal fee (See Appendix D).

C. Hearing Process – Appeal applications will be reviewed by SHA Staff for completeness and complete submissions will be forwarded to the SHA Board.

1. Appeals shall be heard at the next regularly scheduled meeting following the submittal of a complete application unless noticing requirements cannot be met or additional time is required to prepare an appeal record. In such cases, the appeal shall be heard as soon thereafter possible.
2. Hearings shall be fair and provide for the basic safeguards of due process, including notice and an opportunity to be heard in a timely, and reasonable manner.
3. The opportunity to examine all relevant documents, records, and regulations must be accommodated. Any document not made available after written request may be relied upon at the hearing. Parties to an appeal have the right to be represented by counsel at their own expense.
4. Hearing shall be conducted by a “Hearing Officer” who shall be a designated member of the TOS Board of Adjustments or SHA Board as appropriate.
 - i. In the event a party fails to appear at the hearing, the hearing body may make a determination to continue the hearing, or a determination based upon the evidence submitted.
 - ii. The hearing shall be recorded and oral or documentary evidence may be received without strict compliance with the Colorado Rules of Evidence.
 - iii. The right to cross-examine shall be at the discretion of the Hearing Officer and may be regulated as the Hearing Officer deems necessary for a fair hearing.
5. **Binding Determination** - The SHA Board shall provide a final determination with findings to support the determination. Unless timely appealed, the determination shall be binding, and the SHA shall take all actions necessary to carry out or enforce the decision. No further appeals or reconsiderations shall be permitted beyond the established appeal process.



207.3 Grievance Procedure

- A. **Definition:** A Grievance is any dispute that any person may have with the SHA regarding an action or failure to act in accordance with the individual’s rights, duties, welfare, or status.
- B. **Submission Process:** Grievances must be submitted in writing to SHA within ten (10) days of the event or action giving rise to the grievance and must include:
 - 1. The name, mailing and email address, and telephone number of the complainant(s) and of complainant’s representative, if applicable;
 - 2. The particular ground(s) upon which the grievance is based;
 - 3. The action or remedy requested; and
 - 3. The Grievance fee (See Appendix D).
- C. **Hearing Process** – The hearing process shall be as presented in Section 207.2.C.

EXHIBIT A

Property Legal Description

Lot 27 of the Anvil Mountain Subdivision, according to the recorded plat thereof filed for record on September 30, 2011, at Reception number 148169 and Amended Easement and Setbacks filed for record on July 25, 2019, at Reception number 152386 at the Clerk and Recorder's Office, San Juan County Colorado.



Appendix B: Affordability Covenants

WHEN RECORDED, RETURN TO:

Silverton Housing Authority
P.O. Box 250
Silverton, CO 81433

SILVERTON HOUSING AUTHORITY SJDA 735 MARTHA ROSE AFFORDABILITY COVENANTS

THESE Covenants (this “Covenant,” “Declaration,” or “Agreement”) are hereby created and effective on the date executed below, by and between **THE HOUSING AUTHORITY OF THE TOWN OF SILVERTON**, an authority organized under C.R.S. 29-4-201 et seq. (“**Silverton Housing Authority**” or “**Housing Authority**”), **SAN JUAN COUNTY**, a political subdivision of the State of Colorado (the “**County**”), and **9318 DEVELOPMENT VENTURES LLC** (“**9318 Contracting**”).

RECITALS

WHEREAS, 9318 Development Ventures LLC owns certain real property more particularly described in **Exhibit A** hereto in Anvil Mountain Subdivision, Silverton, Colorado, including all dwellings, appurtenances, improvements, and fixtures associated therewith (collectively referred to as the 'Property') for the purposes of these Covenants; and

WHEREAS, on or about May 24, 2017, San Juan County executed the Restrictive Covenants Anvil Mountain Subdivision Silverton, San Juan County, Colorado (the “2017 Restrictive Covenants”) which placed restrictions on the properties in the Anvil Mountain Subdivision; and

WHEREAS, the 2017 Restrictive Covenants shall remain in full force and effect, but in the event these Covenants conflict with any previously recorded restrictions of the 2017 Restrictive Covenants, these Covenants shall prevail; and

WHEREAS, on or about August 13, 2020, San Juan County executed the San Juan County Use Covenant and Regulatory Agreement Anvil Mountain Subdivision San Juan County, Colorado (the “2020 Deed Restriction”) which placed restrictions on the properties in Anvil Mountain



Subdivision. The 2020 Deed Restriction was recorded in the San Juan County Clerk and Recording office as Reception No. 152950; and

WHEREAS, the Silverton Housing Authority and County intend for these Covenants to replace and supersede, in its entirety, the 2020 Deed Restriction; and

WHEREAS, these Covenants hereby impose certain use, occupancy and transfer restrictions upon the Property, which shall run with the land and be binding upon all subsequent owners and their heirs, successors, executors, administrators, devisees and assigns as addressed herein.

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants set forth herein, the Silverton Housing Authority and the County hereby create, declare, represent, restrict and covenant as follows:

COVENANTS

1. **Property Subject to Affordability Covenants.** The Property, as more particularly described in **Exhibit A** hereto, is hereby burdened with the covenants and restrictions specified in these Covenants. The ownership, use and sale of the Property shall be restricted as specified in these Covenants.
2. **Definitions.** The following definitions shall apply in terms used in these Covenants:
 - A. **“Annual Compliance Recertification”** means an annual recertification under oath by the Owner to the Housing Authority or its assigns stating the Property has maintained occupancy by a Qualified Household in accordance with these Covenants and the Silverton Affordable Housing Guidelines, and any other use covenant monitoring or certifications required by the Housing Authority or the County from time to time.
 - B. **“County”** shall include employees of San Juan County or subcontractors retained by the County who are tasked with enforcing Use Covenants and Deed Restrictions.
 - C. **“Household”** means all individual(s) who will occupy the Property regardless of legal status or relation to the owner or lessee.
 - D. **“Housing Authority”** shall include employees of the Silverton Housing Authority or subcontractors retained by the Housing Authority who are tasked with enforcing Use Covenants and Deed Restrictions.



- E. **“Maximum Sale Price”** means the maximum amount an owner can sell the Property.
- F. **“Original Purchase Price”** means the price paid for the Property by the current Owner.
- G. **“Owner”** means the owner of the fee simple title to the Property, as well as its owner’s agents, successors and assigns, buyers, heirs, devisees, transferees, grantees, owners or holder of title to the Property of record according to the Clerk and Recorder of San Juan County, during their period of ownership interest.
- H. **“Primary Residence”** means the Property is occupied by one or more members of the Qualified Household for at least eight (8) months of the calendar year. Determination of San Juan County primary residency shall be based on the criteria the Housing Authority and the County deem reasonably necessary to make a determination, including but not limited to, voter registration, place of vehicle registrations, and/or state issued identification. Primary residence status may be maintained if unforeseen circumstances arise that requires the resident to temporarily leave the residence for a period of more than four (4) months if a Leave of Absence is granted to Owner by the Housing Authority which may be conditioned upon rental of the Property according to the Silverton Affordable Housing Guidelines Rental Procedure, as may be amended from time to time.
- I. **“Qualified Household” and “Owner(s)”** means all persons holding title to the Property that (i) will use the Property as their Primary Residence and (ii) meet the Income Qualification criteria below at the time of purchase of the Property. Each of the criteria are further defined below:
 - i. Primary Residence. The Property will be used as the sole and exclusive place of residence as defined herein.
 - ii. Income Qualification. The total annual income of all members of a Household over the age of eighteen (18) must, as determined by the Housing Authority or its designee to not exceed XX percent (XX%) of the Area Median Income in San Juan County as determined by the Silverton Housing Authority with reference to the U.S. Department of Housing and Urban Development calculation of AMI, or other AMI calculation adopted by the Silverton Housing Authority at the time of purchase of the Property.



- J. **“Qualified Tenant”** shall mean a person(s) who has temporary use and occupancy of Property owned by a Qualified Owner who at the time of the execution of the lease have been determined by the Silverton Housing Authority, or its designee, to be earning no more than XX percent (XX%) of the Area Median Income. Tenants renting rooms in an Owner-occupied Property may be considered members of the Qualified Owner’s Household for Annual Compliance Recertification for the purposes of meeting the Primary Residence Standard under the provisions of Section 2.J.
- K. **“Second Home”** shall mean the status of the Property when used by any person who has a primary residence that is other than the Property.
- L. **“Silverton Affordable Housing Guidelines”** or **“SAHG”** means the Silverton Affordable Housing Guidelines, as may be amended from time to time.
- M. **“Silverton Housing Authority”** shall include employees of the Silverton Housing Authority or subcontractors retained by the Housing Authority who are tasked with enforcing Use / Affordability Covenants or Deed Restriction agreements.
- N. **“Short Term Rental”** shall mean the rental or lease of the Property for a period of time that is fewer than thirty (30) days.

3. **Ownership and Use of the Property.**

- A. The ownership, use, and occupancy of the Property is restricted as follows: (i) The Property shall be owned and occupied by a Qualified Household, as defined in Section 2 of these Covenants; (ii) the Owner or uses the property as its Primary Residence, as defined within Section 2 of these Covenants.
- B. The Property shall not be rented without the express written consent of the Silverton Housing Authority or its assigns, allowing the Property to be rented to a Qualified Tenant as defined in Section 2 of these Covenants and in accordance with the most current version of the SAHG. Owners are subject to penalties for each day a Tenant occupies the Property without Housing Authority consent and for each day an executed lease is late in being submitted to the Housing Authority according to the SAHG policies and procedures. Under no circumstance shall the Property, or any portion thereof, be rented for an amount exceeding the Maximum Rental Rate, as defined in the most current version of the SAHG. The Maximum Rental Rate shall be determined in accordance with the SAHG, as may be amended from time to time and the definition of Qualified Tenant set forth in Section 2 of these Covenants.



Compliance with this restriction is mandatory and enforceable regardless of any agreements, arrangements, or circumstances between the Owner and any tenant or occupant. Owner covenants that any lease of the Property shall include a reference that such lease is subject to the terms and conditions of these Covenants and SAHG, including but not limited to restrictions on the use and occupancy of the Property and cooperation on providing required documentation for verification of Qualified Tenant and Primary Residence status, as defined in Section 2.

- C. The Property may not be sold or otherwise transferred to any person other than a Qualified Household in accordance with the procedures for prior verification contained in Section 4 below and pursuant to all provisions within these Covenants. The title to the Property may be held from time to time by the Housing Authority in the event of a foreclosure or as permitted by these Covenants or the SAHG.
- D. Owner is subject to Annual Compliance Recertification confirming and verifying the Owner's continued eligibility as an Qualified Household and their compliance with this Agreement. To confirm such eligibility, the Owner of the Property shall submit the following information to the Housing Authority: (i) a verification that the Owner continues to meet the requirements of a Qualified Household who uses the Property as its Primary Residence.
- E. Title of the Property shall be held in the name of the natural person(s) who are members of the Qualified Household.
 - 1. Notwithstanding the foregoing, a Qualified Household may seek a variance to allow title of the Property to be held in trust for the benefit of a natural person who also meets the definition and qualifications of a Qualified Household, as stated herein in Section 2.I. Such ownership in trust may only occur in the circumstances provided herein and at the sole written discretion of the Housing Authority, or its assign. To request a variance, the applicant shall submit a letter to the Housing Authority, or its assign, requesting a special review and a determination that title of the Property may be held in trust as set forth herein.
 - 2. To be Qualified for a variance, the following conditions must be met: (i) The beneficiary of the trust may not own other real property; and (ii) The beneficiary of the trust must be of the age of majority to qualify for this variance.



3. Upon receipt of a request for a special review for a variance and any requested information and documentation, the Housing Authority, or its assign, may grant the request, in writing, with or without conditions.
 - F. An Owner must not engage in any business activity on or in such Property, other than as permitted within the zoning district applicable to the Property.
 - G. The Short-Term Rental, or the advertising of a short-term rental, of all or any portion of the Property is prohibited.
 - H. An Owner of the Property may not permit any use or occupancy of the Property except in compliance with this Agreement.
 - I. Any subsequent Owner of the Property must execute an Acknowledgement of Deed Restriction Agreement for the Property, in the form, or similar form provided by the Housing Authority, set forth in Exhibit C, and attached hereto and incorporated herein by this reference. The failure to execute such document shall not extinguish the legal force and effect of these Covenants on all current and subsequent Owners.
 - J. All sales of the Property shall be subject to the Maximum Sales Price as calculated in Section 5 below.
4. **Resale Restrictions.** The Property may not be sold or otherwise transferred to any person other than a Qualified Household subject to the calculation of the Maximum Sales Price in accordance with Section 5 and the provisions of these Covenants.
 - A. In the event that an Owner desires to sell the Property, the sale or transfer of the Property shall be executed by the Housing Authority or its assigns in accordance with the most current SAHG procedures.
 - B. Upon sale and conveyance of the Property by Owner to a buyer, the buyer shall be subject to the same occupancy, use, and Income Qualification requirements set forth in these Covenants and the most recent version of the SAHG.
 - C. In the event the Property is sold and/or conveyed without compliance herewith, such sale and/or conveyance shall be wholly null and void and shall confer no title whatsoever upon the purported buyer. Each and every conveyance of the Property, for all purposes, shall be deemed to include and incorporate by this reference the covenant contained, even without reference therein to these Covenants.



5. **Maximum Sale Price:** In no event shall the Property be sold for an amount in excess of the Original Purchase Price plus the applicable percentage of appreciation per year, and as provided below.

A. Appreciation shall be three percent (3%), simple annually.

i. In the event an Owner owns the Property for only a portion of any year, the percentage increase shall be prorated monthly, from purchase date until the Property is listed for sale.

B. Permitted Capital Improvements shall not increase the Owner's Original Purchase Price and are subject to depreciation as set forth in the most current SAHG. For the purpose of determining the Maximum Sale Price, the following amounts may be added at the discretion of the Silverton Housing Authority in accordance with the SAHG:

i. The cost of Permitted Capital Improvements as set forth in the most current SAHG.

ii. The cost of any permanent improvements constructed or installed as a result of any requirement imposed by any government agency or assessment by a homeowner's association for such permanent improvements, provided that written certification is provided and approved by the Silverton Housing Authority.

C. Owner shall not permit any prospective buyer to assume any or all of the Owner's customary closing costs nor accept any other consideration which would cause an increase in the purchase price above the Maximum Sale Price so as to induce the Owner to sell to such prospective buyer.

NOTHING HEREIN SHALL BE CONSTRUED TO CONSTITUTE A REPRESENTATION OR GUARANTEE BY THE SILVERTON HOUSING AUTHORITY OR ITS ASIGNS THAT ON RESALE THE OWNER SHALL OBTAIN A PARTICULAR PRICE INCLUDING BUT NOT LIMITED TO THE MAXIMUM SALES PRICE AND ORIGINAL PURCHASE PRICE.

6. **Default by Owner.** Owner shall be responsible for compliance with all terms of these Covenants. Any non-compliance with the terms of these Covenants or breach of any covenant(s) set forth in these Covenants, including non-compliance of use and occupancy of the Subject Property shall be deemed to be a Default by Owner, whether such non-compliance is a result of direct actions of the Owner of such non-compliance occurs during ownership.



7. **Inspection.** If the Housing Authority has reasonable cause to believe that the occupancy or use of the Property does not comply with any provision(s) of these Covenants, the Housing Authority may inspect the Property between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, after providing the Owner and occupants a Notice to Inspect with at least twenty four (24) hours written notice. Notice of Inspection may be given by posting notice on the door to the residence on the Property. The Notice of Inspection shall generally describe the suspected non-compliance with these Covenants and shall reference the Silverton Housing Authority's right to inspect set forth in these Covenants. The Housing Authority shall have permission to enter the Property during such times upon providing a Notice of Inspection without further consent.

8. **Notice and Cure.** In the event of a Default by Owner of these Covenants, the following procedures shall apply.
 - A. **Notice of Default.** The Housing Authority shall issue a Notice of Default to the Owner detailing the nature of the default. Notice will be issued formally in accordance with the General Provisions of these Covenants, and may include a notice posted on the front door of the Property and shared electronically. The Notice of Default shall (i) state the terms of these Covenants and SAHG for which the Owner has defaulted; (ii) state the period for the Cure; (iii) reference the potential remedies in these Covenants; and (iv) state the procedures for administrative appeal of the Notice of Default.

 - B. **Period for Cure.** The Period for Cure shall generally be thirty (30) days, provided that a default by Owner for lease or use of the Property as a Short-Term Rental, non-primary residence or Second Home shall be cured by the Owner immediately. The Housing Authority may provide a longer period for Cure upon written agreement with the Owner, when the nature of the default will take longer than thirty (30) days to cure and the Owner is actively cooperating with the Housing Authority and making all reasonable efforts to effect the cure.

 - C. **Administrative Appeal.** Owner has the right to request an administrative appeal of a Notice of Default. A request for an administrative appeal must be filed within ten (10) days of receiving a written Notice of Default. The Housing Authority shall conduct an administrative appeal hearing in accordance with procedures and requirements set forth in the SAHG.

 - D. **Default.** If an administrative appeal request is not timely and properly submitted in writing and the default is not cured within the stated Period for Cure in the Notice of Default, the Owner shall be deemed to be in Default of these Covenants.



E. Court Review. An administrative appeal decision shall be the final decision for the purpose of determining if a default has occurred. The date of the final decision shall be the date that a written decision of the administrative appeal is executed and provided to the Owner (as appellant). A final decision from an administrative appeal hearing may be judicially appealed, in the District Court of San Juan County pursuant to C.R.C.P. 106.

9. **Remedies.** The Housing Authority and County (“Housing Authority(ies)”) have the right to the following remedies.

A. Law and Equity. These Covenants are enforceable by any appropriate legal action including but not limited to specific performance, injunction, reversion, or eviction. The remedies provided herein are cumulative and not exclusive of all other remedies provided by law and/or equity. In the event of violation, non-performance, default or breach of any term of these Covenants by the Owner, the Housing Authority(ies) shall have the right to enforce Owner’s obligations herein by an action for any equitable remedy, including injunction or specific performance, as well as pursue an action to recover damages.

B. Interest on Amounts Due. Any amount due and owing to the Housing Authority(ies) shall bear interest rate of one and a half percent (1.5%) per month (eighteen percent [18%] per annum, compounded annually) until paid in full.

C. Recovery of Costs to Enforce. The Housing Authority(ies) shall be entitled to recover any costs related to enforcement of these Covenants, including but not limited to attorney’s fees, court filing costs and county recording costs.

D. Lien. The Housing Authority(ies) may attach a lien for any amount due to the Housing Authority(ies) upon the Property and enforce the lien in the manner and according to the procedures set forth in Colorado Revised Statutes, §31-20-105, as amended from time to time, and the Owner expressly waives any objection to the attachment of a lien for amounts due to the Housing Authority(ies).

E. Joint and Several Liability. In the event of a transfer or conveyance of the Property that violates the terms of these Covenants and constitutes a violation of these Covenants, both the grantor and grantee shall be jointly and severally liable for any damages and costs due under these Covenants.

F. Recovery of Wrongful Gains. In the event of any lease of the Property to a person who is not an Qualified Household, as defined in these Covenants, or use of the



Property as a Short Term Rental, non-primary residence or Second Home, any amounts collected or receipt of other things of value by the Owner or assigns under such leases shall be paid to the Housing Authority(ies) as a material requirement of curing the notice of default.

10. Liquidated Damages. In the event of a violation of these Covenants by the Owner, the determination of actual monetary damages would be difficult to ascertain. Therefore, the liquidated damages shall be calculated and applied in the amount of Three Hundred Dollars (\$300.00) per day for each day that the Owner is in violation of these Covenants after having failed to timely cure the violation of these Covenants. Liquidated damages shall be in addition to the Housing Authority’s ability to recover costs as stated in Section 9 of these Covenants. Liquidated damages shall be in addition to the Housing Authority’s right to seek equitable remedies of injunction and/or specific performance. In the event of any lease or use of the Property as a Second Home, non-primary-residence or Short Term Rental, any amounts collected or receipt of other things of value by the Owner or assigns under such leases shall be paid to the Housing Authority as liquated damages as demanded by the Housing Authority (in lieu of the \$300 daily liquidated damages), including such amounts collected or received by Owner prior to receipt of a Notice of Default and prior expiration of a thirty (30) day period to cure, and such amounts shall be in addition to the right of the Housing Authority to recover costs and seek equitable remedies.

11. Foreclosure.

- A.** In the event of a foreclosure or acceptance of a deed in lieu of foreclosure by the holder (including assigns of the holder) of the promissory note secured by a first deed of trust on the Property, and subject to the issuance of a public trustee’s deed to the holder following expiration of all statutory redemption rights, or issuance of a deed in lieu of foreclosure to the older, the Housing Authority or its assigns shall have the option to purchase the Property as provided in the Option to Purchase, in a form similar to **EXHIBIT B: Option to Purchase**, attached hereto and incorporated herein.
- B.** Notwithstanding any provision herein to the contrary, except for persons or entities having a valid lien on the Property, only a Qualified Household may acquire an interest in the Property at a foreclosure sale or in lieu of foreclosure.
- C.** Notwithstanding the foregoing, in the event of foreclosure or acceptance of a deed in lieu of foreclosure by the holder (including assigns of the holder) of the promissory note secured by a first deed of trust on the Property, if the holder of such deed of trust is the grantee under the public trustee’s deed or deed in lieu of



foreclosure and the Housing Authority does not exercise its Option to Purchase as provided in Section 11.A, then the Housing Authority agrees to release the Property from the requirements of these Covenants.

- D. Nothing contained herein shall require the Housing Authority to release and waive its ability to enforce these Covenants in the event of a foreclosure of a lien secured in second or subsequent position.
- E. If the Housing Authority or its assigns exercises the Option to Purchase described in this Section 11, and acquires title to the Property, the Housing Authority or its assigns may sell the Property to a Qualified Household or rent the Property to Qualified Tenants who meet the income, occupancy, and all other qualifications, established by the SAHG, until such time that the Property can be sold to an Qualified Household, or may elect to release and terminate these Covenants, at the Housing Authority's sole discretion.
- F. All obligations recorded of record against the Property and subsequent to these Covenants shall be subordinated to terms hereof.

12. Covenants Run with the Land. These Covenants and the terms, covenants, conditions and other provisions hereof shall constitute covenants running with title to the Property for the benefit of, and enforceable by the Housing Authority and its successors and assigns and these Covenants shall bind the Property and all subsequent owners, occupants, successors and assigns. Each and every lease and each and every contract, deed or other instrument hereafter executed conveying the Property or any portion thereof shall expressly provide that such lease or conveyance is subject to these Covenants; provided, however, that the covenants, conditions and restrictions contained herein shall survive and be effective as to lessees and successors and/or assigns of all or any portion of the Property, regardless of whether such lease, contract, deed or other instrument hereafter executed leasing or conveying the Property or any portion thereof provides that such lease or conveyance is subject to these Covenants. Each subsequent owner(s), occupant(s) and Qualified Household(s), upon acceptance of a deed or lease of the Property, shall be personally obligated hereunder for the full and complete performance and observance of all covenants, conditions, and restrictions contained herein during an Owner's period of ownership or Qualified Household's occupancy.

13. Obligation to Maintain Homeowner's Insurance. Owners shall maintain at all times full replacement cost coverage for the Property through an insurance provider licensed with and compliant with the Colorado Department of Regulatory Agencies which will repair or replace the Property in the event of damage or destruction. Failure to maintain adequate homeowner's insurance shall be considered a violation of SAHG and a material breach of these Covenants.



14. **Priority.** These Covenants supersedes and fully replaces the 2020 Deed Restriction placed upon the Property by the County. In the event any of the provisions of these Covenants are in conflict with previously recorded Declarations, Covenants, Conditions, Restrictions, or Agreements, these Covenants shall prevail.

15. **General Provisions.**

- A. **Venue.** The exclusive venue for any dispute arising from or relating to these Covenants shall be the San Juan County District Court of San Juan County, Colorado.
- B. **Severability.** If any term, provision, covenant or condition of these Covenants is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of these Covenants shall continue and remain in full force and effect.
- C. **Counting Days.** If the final day of any notice, default or other event falls on a Saturday, Sunday, legal holiday recognized by the State of Colorado or day upon which the Silverton Town Hall is closed for any reason, then the final day shall be deemed to be the next day which is not a Saturday, Sunday, legal holiday or day that the Silverton Town Hall is closed.
- D. **Modifications.** Any modifications of these Covenants shall be effective only when made by writings signed by the Owner and the Silverton Housing Authority and recorded with the Clerk and Recorder of San Juan County, Colorado.
- E. **Waiver.** No waiver of one or more of the terms or provisions of these Covenants shall be effective unless provided in writing. No waiver of any term or provision of these Covenants in any instance shall constitute a waiver of such provision in any other instance.
- F. **Amendment.** These Covenants may only be amended in writing by the Housing Authority and recorded with the Clerk and Recorder's Office of San Juan County, Colorado.
- G. **Assignment.** The Housing Authority may in its sole discretion assign the benefits and delegate the responsibilities of these Covenants to any other public entity, non-profit corporation or other entity which is organized and exists for the purpose to provide and promote affordable housing for full time residents.



- H. No Third-Party Beneficiaries.** Nothing contained in these Covenants is intended to or shall create a contractual relationship with, cause of action in favor of, or claim for relief for, any third party.
- I. No Joint Venture.** Notwithstanding any provision hereof, the Housing Authority and County shall never be in a joint venture with Owner, and the Housing Authority shall never be liable or responsible for any debt or obligation of Owner.
- J. Government Immunity.** The Housing Authority and County and their officers, attorneys, and employees, are relying on, and do not waive or intend to waive any provision of these Covenants, the monetary limitations or any rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. SS 24-10-101, et seq., as amended, or otherwise available to the Housing Authority and County or their officers, attorneys, or employees.
- K. Choice of Law.** These Covenants shall be governed and construed in accordance with the laws of the State of Colorado. Venue for any legal action arising from these Covenants shall be in San Juan County, Colorado.
- L. Successors.** Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successors and assigns of the parties. These Covenants shall be a burden upon and run with the Property for the benefit of the Housing Authority and County or their assigns, who may enforce the Covenants and compel compliance therewith through the initiation of judicial proceedings for, but not limited to, specific performance, injunctive relief, reversion, eviction and damages.
- M. Recording.** The Housing Authority shall record these Covenants in the real property records of San Juan County, Colorado at the Owner's expense.
- N. Personal Liability.** By taking title to the Property, all subsequent Owners shall be personally liable for compliance with the applicable terms and conditions of these Covenants.
- O. Further Actions.** Any Owner of the Property and the Housing Authority shall execute such further documents and take such further actions as may be reasonably required to carry out the provisions and intent of these Covenants or any agreement or document relating hereto or entered into in connection herewith.



- P. Section Headings.** Paragraph or section headings within these Covenants are inserted solely for convenience of reference and are not intended to and shall not govern, limit or aid in the construction of any terms or provisions contained herein.
- Q. Gender and Number.** Whenever the context so requires in these Covenants, the neuter gender shall include any or all genders and vice versa and the use of the singular shall include the plural and vice versa.
- R. Successors.** Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successors and assigns of the parties hereto and all of those parties obtaining a subsequent interest in the Property. In the event that the Silverton Housing Authority ceases to exist for any reason or fails to perform the duties set forth in these Covenants, San Juan County, a political subdivision of the State of Colorado shall become the successor-in-interest to Silverton Housing Authority under this Declaration.
- S. Notice.** Any notice, consent or approval, which is required to be given hereunder, shall be given by either depositing in the U.S. Mail with first class postage pre-paid; mailing by certified mail with return receipt requested; sending by overnight delivery with a nationally recognized courier service that delivers to the physical address of the Property; or, by hand- delivering to the intended recipient.

IN WITNESS WHEREOF, the undersigned has executed this instrument on the day and the year first written below:



9318 DEVELOPMENT VENTURES LLC

By _____

Name: _____

Its _____

STATE OF COLORADO)
) ss.
COUNTY OF SAN JUAN)

The foregoing instrument was subscribed, sworn to and acknowledged before me this ___ day of _____, 20___, by _____

_____.

Witness my hand and official seal. My commission expires _____.

SAN JUAN COUNTY, COLORADO

By: _____
Austin Lashley, Chair of the Board of County Commissioners

Attest: _____
William Tookey, County Administrator

HOUSING AUTHORITY OF THE TOWN OF SILVERTON

By: _____
Dayna Kranker, Chair of the Board of the Housing Authority of the Town of Silverton

Attest: _____
Anne Chase, Director of the Housing Authority of the Town of Silverton

EXHIBIT A

LEGAL DESCRIPTION



Lot 27 of the Anvil Mountain Subdivision, according to the recorded plat thereof filed for record on September 30, 2011, at Reception number 148169 and Amended Easement and Setbacks filed for record on July 25, 2019, at Reception number 152386 at the Clerk and Recorder's Office, San Juan County Colorado.

EXHIBIT B

OPTION TO PURCHASE



In the event of a foreclosure or acceptance of a deed in lieu of foreclosure by the holder (including assigns of the holder) of the promissory note secured by a first deed of trust (“Holder”) on the real property known as Lot 27 of the Anvil Mountain Subdivision, according to the recorded plat thereof filed for record on September 30, 2011 at Reception number 148169 and Amended Easement and Setbacks filed for record on July 25, 2019 at Reception number 152386 at the Clerk and Recorder's Office, San Juan County Colorado, (the “Property”), and subject to the issuance of a public trustee’s deed to the Holder following expiration of all statutory redemption rights, or issuance of a deed in lieu of foreclosure to the Holder, the Housing Authority of the Town of Silverton (“Silverton Housing Authority,” “Housing Authority”) or its assigns shall have the option to purchase the Property, which shall be exercised in the following manner:

1. **Notice of Foreclosure Proceedings:** The Holder shall give such notice to the Silverton Housing Authority of intent to foreclose at least sixty days prior to commencing foreclosure proceedings.

Said notice shall be sent by certified mail, return receipt requested and addressed as follows:

Silverton Housing Authority
C/O Town of Silverton
PO Box 250
Silverton, CO 81433

Town of Silverton
C/O Town Administrator
PO Box 250
Silverton, CO 81433

2. **Option to Purchase:** The Silverton Housing Authority or its assigns shall have sixty (60) days after issuance of the public trustee’s deed or deed in lieu of foreclosure in which to exercise this Option to Purchase. In the event of a deed in lieu of foreclosure, the Silverton Housing Authority may exercise the Option to Purchase by tendering to the Holder or its assigns, in cash or certified funds, the amount equal to the amount due on the note and any additional reasonable costs incurred by the Holder during the option period. In the event of foreclosure and issuance of a public trustee’s deed, the Silverton Housing Authority may exercise the Option to purchase by tendering to the Holder or its assigns, in cash or certified funds, the redemption price which would have been required of the borrower or any person who might be liable upon a deficiency on the last day of the statutory redemption period(s) and any additional reasonable costs incurred by the Holder during the option period which are directly related to the foreclosure.
3. **Title.** Upon receipt on the option price, the Holder shall deliver to the Silverton Housing Authority or its assignee a special warranty deed, conveying the Property to the Silverton Housing Authority or its assignee. The holder shall convey only such title



as it is received through the public trustee's deed or deed in lieu of foreclosure and shall not create or participate in the creation of any additional liens or encumbrances against the Property following issuance of the public trustee's deed to the Holder. The Holder shall not be liable for any of the costs of conveyance to the Silverton Housing Authority or its assignee.

- 4. Release:** Upon issuance of a public trustee's deed or deed in lieu of foreclosure to the Holder, the Silverton Housing Authority or its assigns shall have sixty (60) days in which to exercise the Option to Purchase as set forth herein by notifying the Holder in writing of its intent to exercise the option.

In the event that the Silverton Housing Authority or its assigns does not notify the Holder in writing of its intent to exercise the Option to Purchase as set forth herein, the Silverton Housing Authority's Option to Purchase and the Silverton Housing Authority SJDA 735 Martha Rose Affordability Covenants recorded at Reception Number _____ in the records of the Clerk and Recorder of San Juan County, Colorado shall be automatically released only with respect to the Property which is the subject of foreclosure as of the thirty-first day after the issuance of such public trustee's deed or deed in lieu of foreclosure. The Holder shall not be required to take any affirmative action to obtain such release.

It is the intent of the Silverton Housing Authority that the Option to Purchase and the referenced Affordability Covenants be terminated automatically upon the failure of the Silverton Housing Authority or its assigns to provide written notice of its intent to exercise its Option to Purchase to the Holder, whether such failure is intentional or unintentional, and that such termination will be effected without the necessity of any affirmative action on the part of the Holder and without the necessity of filing a release of such Deed Restriction Agreement or option of public record.

It is agreed that this Section 4 shall not result in a release of the Affordability Covenants from any other property which is not the subject of foreclosure, and nothing contained herein shall require the Housing Authority to release and waive its ability to enforce the Affordability Covenants in the event of a foreclosure of a lien secured in second or subsequent position.

- 5. Successors and Assigns:** The provisions and covenants contained herein shall inure to and be binding upon the heirs, successors and assigns of any Owner of the Property and the Silverton Housing Authority.



6. **Modification**: The parties hereto agree that any modifications to this Option to Purchase shall be effective only when made by writings signed by all parties and recorded with the Clerk and Recorder's Office of San Juan County, Colorado.

IN WITNESS WHEREOF, the parties hereto have executed this Option to Purchase on the ____ day of _____, 20__.

OWNER:



EXHIBIT C

**ACKNOWLEDGEMENT OF THE SILVERTON HOUSING AUTHORITY SJDA 735
MARTHA ROSE AFFORDABILITY COVENANTS**

WHEREAS, [Buyer Name] _____ (the “Buyer”) is purchasing from [Seller Name] _____ (the “Seller”) at a price of [purchase price amount] _____, the real property and improvements located in [Address & Neighborhood] _____ more particularly described as:

Lot 27 of the Anvil Mountain Subdivision according to the plat recorded under Reception No. 148169 and Amended Easement and Setbacks recorded under Reception No. 152386, in the real property records of San Juan County, Colorado (the “Subject Property”); and

WHEREAS, the Seller of the Subject Property is requiring, as a prerequisite to the sales transaction, that the Buyer acknowledge and agree to the terms, conditions and restrictions found in that certain instrument entitled “SILVERTON HOUSING AUTHORITY SJDA 735 MARTHA ROSE AFFORDABILITY COVENANTS” recorded on _____, 20____, under Reception No. _____, in the real property records of San Juan County, Colorado (the “Covenants,” “Use Covenants”).

NOW, THEREFORE, as an inducement to the Seller to sell the Property, the Buyer:

1. Acknowledges that Buyer has carefully read the entire Affordability Covenants, has had the opportunity to consult with legal and financial counsel concerning the Affordability Covenants, and fully understands the terms, conditions, provisions, and restrictions contained in the Affordability Covenants, and agrees to abide by the Affordability Covenants.
2. Buyer acknowledges that the Affordability Covenants impose a future sale to an Qualified Household at no greater than the Maximum Sales Price exclusively on the sale or conveyance of the Subject Property.
3. I/we acknowledge that no sales/purchases are exempt from the requirement that the Property be occupied by an Qualified Household in accordance with the Affordability Covenants. All future buyers shall complete an application for approval of Qualified Household status with the Silverton Housing Authority or its designee. Current and future buyers agree that (i) the Owner or lessee qualifies as an Qualified Household; (ii) the Owner uses the Property as its Primary Residence; and (iii) the Owner is in compliance with the terms and conditions of these Covenants.



4. Notice to Buyer, pursuant to Section 12 of the Affordability Covenants, should be sent to:

5. I/we direct that this acknowledgement be placed of record in the real estate records of San Juan County, Colorado and a copy provided to Silverton Housing Authority.

IN WITNESS WHEREOF, the parties hereto have executed this instrument on the _____ day of _____, 20__.

BUYER(S):

Printed Name

Printed Name

STATE OF _____)

) ss.

COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____

_____.

Witness my hand and official seal.

Notary Public