

TOWN OF VAIL EMPLOYEE HOUSING LOTTERIES FAQ

I'm interested in applying for upcoming employee housing lotteries. What is my first step?

- First, please understand the general eligibility requirements listed below. However, your homebuying process begins with finding a trusted, reliable mortgage lender and receive your pre-qualification letter. We recommend using a local lender that is familiar with the deed restrictions and this Eagle County market.

Do I have to work within the Town of Vail in order to qualify for the application process?

- No, you need to work within Eagle County in order to apply as a qualified buyer. However, you will get an additional ticket going into the lottery if you work in Town of Vail at the time of the lottery.

What is a qualified buyer?

- Applicants must be a qualified buyer. A **Qualified Buyer** means the Town or a person who, upon purchase of the Property, will be a Qualified Owner.
- **Qualified Owner** means an Owner who is an individual who works an average of 30 hours or more each week over the course of a year at a business in Eagle County, Colorado that holds a valid and current business license, or pays sales taxes, or is otherwise generally recognized as a legitimate business.

What exactly is a deed restriction?

- The deed restriction runs with the property and is binding upon every future owner. The deed restriction is not interchangeable once it's been recorded. A property can have a variety or multiple deeds on the home.
- Resident Occupied Deed Restriction has limits on owning other real estate, must be a primary residence, must be occupied by a household who works for a business located in Eagle County, requires Annual Recertification, requires the buyer complete an application and be approved prior to purchase.
- Price Capped Deed Restriction has limits on owning other real estate, must be a primary residence, must be occupied by a household who works for a business located in Eagle County, requires Annual Recertification, requires the buyer complete an application and be approved prior to purchase, has an appreciation cap and policy for capital improvements, and must be resold using The Valley Home store's resale lottery process.

Okay, I live and work in Eagle County. What are the basic eligibility requirements to qualify?

- The following are basic eligibility requirements to qualify:
 - Shall be prequalified for the maximum resale price with a mortgage lender who accepts the terms of the deed restriction,
 - and file a complete application with the Town on forms provided by the Town.
 - The residence must be used as an owner-occupied primary home;

- Applicants must be employed at an Eagle County business and must work a minimum of 30 hours each week over the course of a year and continue working that same amount until the sale of the property or retirement;
- 75 percent of the applicant's total income must be earned by working at an Eagle County business; and
- Applicants must agree to an annual maximum resale price appreciation cap percentage as stated in the deed restriction.
- Neither the applicant nor any member of the applicant's immediate family may own improved residential real estate in Eagle County at the time of closing, except where that real estate is deed-restricted as a Town of Vail employee housing unit

My significant other and I both qualify, separately, to apply for the home for sale via lottery. Does that mean we have the opportunity to add more than 5 tickets into the lottery?

- No. We are accepting 1 application per household, per home.

Do I qualify if I commit to taking and complete the First Time Homebuyer Class on September 27, 2022 through the Valley Home Store?

- Yes. That fits the requirement. Please know, if you are seeking first time homebuyer down payment assistance as guided through your mortgage lender, you may be required to take a different online first time homebuyer class. This will not cover our requirements but it will be helpful.

I plan to apply for the lottery with my relative or significant other. Can we combine our tickets into the lottery for better chances?

- No. If two individuals are applying jointly, the years of employment and/or residency shall not be combined. The single individual with the longest record of employment and/or residency shall use his or her record for the purposes of determining longevity.
- However, if you each qualify and meet all eligibility requirements on your own, separately, you may both apply for the lottery and increase your chances to be drawn.

What if I don't have all W2s or paystubs to prove my employment in hopes of getting the extra tickets for working in Vail 5+ years?

- This is a key factor in your application process. You may use a signed and notarized employment verification letter from the employer on their letterhead, including hire date, position, position information (salaried position, part-time, full-time, seasonal, year-round etc.) end date and contact information for the person completing the form.

What if I have already applied for another lottery within the Town of Vail in the past?

- You will need to re-submit your application, paperwork and bid for each property lottery that you wish to enter.

What if I have already applied for other home lotteries within Eagle County? Is that application valid?

- No. You must apply separately for each new home lottery and through the directions and qualifications for the specific residence/lottery.

Will I be expected to provide any additional forms in the application process?

- Nothing herein shall prevent the Town from requesting and requiring the submission of reasonable additional information to assist the Town in determining eligibility.

What is the maximum # of tickets that someone can receive for the lottery?

- Applicants may be eligible for a maximum of five (5) lottery tickets, one ticket for each category meeting the following criteria:
 - Submit a complete and signed lottery application = 1 ticket
 - At time of application work in Vail = 1 ticket
 - At time of application live in Vail = 1 ticket
 - At time of application has worked in Vail five (5) years or more = 1 ticket
 - At time of application has lived in Vail five (5) years of more = 1 ticket
- Reminder, earlier on this page, only 1 application will be accepted per household, per home that you are applying to purchase.

How is my employment and residency added up and applied towards the lottery tickets?

- For the purposes of determining the standing of each applicant, each year of residency or employment reflects one year. For the portion of time in excess of a complete year, the Town will round to the next highest number if the time exceeds six months and one day. If the time is less than six months, the Town will round down.

What can be the biggest challenge for applicants in the lotteries within Eagle County?

- You will need time to gather your residency and employment verification, which often take applicants a few lotteries to provide complete applications. All claims will be verified by Town of Vail staff. Claims of residence or employment that do not check out or are un-verifiable will not be counted in determining your eligibility.

Going into the lottery, will I know how many tickets I will have entered?

- Yes. You will be notified via email.

What are the next steps/timeline if I am the winner?

- You will be notified by a representative from the Valley Home Store regarding next steps in the contractual process. If the winner of the lottery does not proceed to contract within three (3) business days after notification, the next in line will be notified and so on, until the unit is under contract for purchase. Back-up contracts in the priority order set forth in the lottery will be accepted.

Are all deed restrictions the same in way of capital improvement caps, maximum sales price caps and more?

- No. Deed restrictions vary from building to building and even residence to residence. Review the deed restriction, specific to the property lottery that you are applying for each time. You will want to read it carefully in advance of applying for the home purchase and again prior to signing on the home purchase. At the time of closing, you will be asked to initial front and back of the deed restriction pages to make certain you have read the document thoroughly.

Upon purchasing the residence, may I rent it to a local employee?

If an Owner leases a room within the Property, the lease shall include a clear reference to the Deed Restriction and a brief summary of the Deed Restriction, and shall by reference incorporate the terms and conditions of this Deed Restriction. Copies of all leases shall be filed with the Town during the annual verification process. Reminder, the owner of the residence must reside full time in the residence in order to continue to qualify and be in compliance with the deed restriction.

Upon purchasing a deed restricted home, are there measures I need to do on an annual basis?

- Yes, in addition to paying your monthly HOA dues, an annual verification is needed, as provided in the Deed Restriction. No later than February 1st of each year, every Owner shall submit a sworn affidavit, on a form provided by the Town, verifying that the Property is occupied in accordance with the Deed Restriction and these Guidelines.

Is there a fee or penalty associated with failure to comply with the above annual compliance process?

- Yes, there is a mandatory fee of \$250 if compliance is not met but the form is quick and the deed restriction lists exactly which forms of back-up will be needed each year. You will complete the form and upload your documents electronically at the start of each new year.

I work with a trusted broker in the area and would like to work with them again. What is their commission?

- You will not need to contract a licensed broker when seeking a home purchase through the Town of Vail Housing Lottery program. Town staff are not licensed brokers, but instead, act as representatives of the Town and its interests. The Valley Home Store is contracted by the Town of Vail to serve as your transaction broker for deed restricted housing sales.

What happens the day of the lottery, do I need to be present at the lottery in order to win and what are the next steps?

- On the date and at the time selected by the Town, the Town shall conduct a random drawing from the pool of eligible applicants. Applicants are welcome to join but are not required. The Town will notify the selected Qualified Buyer as soon as practicable after the lottery. Within 5 days of notification from the Town, the selected Qualified Buyer shall make a written, binding offer to the selling Owner, using Colorado standard real estate forms.
- The final list and order of the winner followed by the order of reserve applicants will be posted in the Vail Daily.

If I am the winner of the lottery, am I locked in or owe anything?

No. If the selected Qualified Buyer and the selling Owner are successful in their negotiations, they will enter into a purchase and sale contract, using Colorado standard real estate forms. If the negotiations fail, the Town will notify the next selected Qualified Buyer based on the alternative list. This process will continue until the Property is under contract for sale. Price is not negotiable.

If I submit my application in time for the deadline but locate an important supporting document after the deadline, will it be accepted?

No. All application submittals and documentation is do before the application deadline. The program that you will upload your files to will time stamp it. Thank you for planning ahead. Any work you do, now towards the lottery, will be helpful for you in the future. Please be sure to save and keep a copy for your files as you will re-submit materials each time you apply for a new lottery.