



**City of Boulder
Housing Division**
**Homeownership Program
Orientation Test**

Please complete this test of your knowledge while or after you view the orientation video.

Check all that apply. There may be more than one correct answer for each question.

1. The Permanently Affordable Program (Homeworks)

- Offers homes at below market rate prices
- Offers a loan for down payment on a home in Boulder
- Offers homes that, after a 15 year affordability period, can be sold at a market rate price

2. The Solution Grant

- Needs to be repaid
- Can be used to buy any home in Boulder
- Covers the gap between money the buyer has and money needed to close
- Remains invested in the home in the form of a lower resale price

3. The Shared Appreciation Loan (H2O or House to Homeownership)

- Is used to purchase a market rate home in the City of Boulder
- Covers the gap between money the buyer has and money needed to close
- Does not require monthly payments
- Is due in full at 15 years or when the home is sold

4. When calculating income which of the following can be deducted from income?

- Taxes paid by applicants
- Child care expense incurred to work
- Money paid out of your wages for benefits (health care, retirement contributions, ect.)

5. How does the program evaluate retirement assets?

- They are all included in an applicant's asset total
- They are all excluded from an applicant's asset total
- Some are excluded depending on the applicant's age

6. Which of the following are subtracted from an applicant's asset total?

- Money planned for downpayment on the home (up to 20% of homes value)
- Valuable baseball card collections (newer than 1940)

7. Which of the following do applicants need to meet to qualify for the programs?

- Work 30 hours/week unless retired or disabled
- Debt-to-income ratio of 42% or less in most cases
- Live and work in Boulder
- Not own another home at the time of *application*

8. Which are limitations on owners in the Permanently Affordable Program (Homeworks)?

- They must occupy the home unless renting under the program guidelines
- They can only sell to city qualified buyers
- The resale price is regulated by the covenant
- They need to sell their home if their income rises too high

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9. Which of the following are part of the resale price calculation?

- Approved capital improvements and updates
- Marketing/realtor fees
- Between 1% - 3.5% annual appreciation
- HOA transfer fee
- Sales transaction taxes

10. Which of the following are allowable capital improvements for which an owner can get credit in the resale price of their home?

- Paint
- Caulking exterior walls
- Replacing carpet with new carpet
- Updating lighting
- Radon gas mitigation

11. What is the maximum debt-to-income ratio allowed for the program?

- 42%
- 42% in most cases
- 42% unless retired

12. Who helps applicants arrange to finance their home purchase?

- The City of Boulder
- A lender
- Applicant's family

13. Do buyers need to use a realtor?

- No
- No, the City of Boulder will advocate for the buyer in the same way a realtor would
- Yes

14. Winning a lottery is always the first step in buying one of the Permanently Affordable Homes.

- True
- False

15. Within 24 hours of winning a lottery an applicant needs to

- Let the seller know they are interested
- Submit a written contract to the seller
- View the property

16. Your name _____ Phone or e-mail _____

I have viewed the orientation video and understand the information presented

Signature _____ Date _____

17. Questions you have _____

We will review the answers provided and follow-up with information in areas we feel need additional education. In some cases, we will request you view the video and take the test again.

When complete please return this test with you application packet. If you have already turned in your application you may e-mail the test to homeownership@bouldercolorado.gov or call 303-441-3157