



SELF CHECK LIST

- I have a stable and durable income.
- My household income meets the income requirement. *See income criteria on inside panel.*
- I live *OR* work in Anne Arundel County.
- I do not currently own a home.
- I desire to own my own home and intend to live in the property as my principal residence.
- I have the ability to pay a Commitment Fee of 1% of purchase price of the home that is due at the beginning of the lease period.
- I will attend and complete the Homebuyer Education and Counseling Program.
- I understand that if my credit score is below 580, I can still qualify. I will provide 12 months rent payment history and will show a commitment to clearing up any delinquent credit obligations.
- I will demonstrate a record of on-time rental payments for a minimum of 24 months during the lease period.



Download Application
Online Today!

www.keychoices.org

Or call 410-222-6200 ext. 203
to request an application



**The Housing
Commission of Anne
Arundel County**

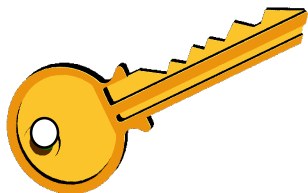
**7477 Baltimore-Annapolis Blvd.
Glen Burnie, MD 21060-2817
410-222-6200 ext. 123**

KEY CHOICES - a Journey to Homeownership

**THE KEY TO YOUR
FUTURE IS IN
THE CHOICES
YOU MAKE TODAY**



Do you dream of owning
your own home?
Does poor credit history
or the upfront costs with
purchasing a home keep
your dream—just a
dream?



Let your keys open the door to your own home

HOW DOES THE PROGRAM WORK?



Families who have experienced credit difficulties, or who have never established a credit history will benefit most from this Lease-Purchase program.

Qualified participants (Purchaser) will work through the Key Choices Program to select the home of their choice in Anne Arundel County. The Housing Commission of Anne Arundel County (HCAAC) buys the house and leases it to the Purchaser for a period of up to 36 months. The Purchaser is counseled by HCAAC to ensure that they are ready to purchase the home at end of the lease period.

By making timely lease payments and resolving all outstanding credit issues during the lease period, the Purchaser can exercise the purchase option and assume the first and second mortgages from HCAAC.

DOES MY INCOME QUALIFY?



Household Income needed to qualify
\$58,250 - \$101,938*

There may be certain situations where household incomes that fall below the income range may qualify, such as supplemental financial gifts from other sources (family members, employers, etc.) These will be reviewed on a case-by-case basis.

*Income range is based on 80% to 140% of the Current Baltimore Area Median for a four person household. Median income may be adjusted periodically.

WHAT KIND OF HOUSE CAN I BUY?



Your household income will be evaluated to determine the mortgage loan and house price you can afford.

New or existing single-family homes, townhouses & condominiums located within Anne Arundel County and the City of Annapolis will be eligible.

Properties must appraise at contract purchase price or above.

The maximum purchase price under the lease-purchase program is \$417,000 (current Freddie Mac loan limit is adjusted periodically).



Questions & Answers

Q How can I buy a home if my credit score is low?

A Under the Lease-Purchase Program you demonstrate your commitment to managing your budget plan and improving your credit score while leasing the home you select. After a period of up to 36 months, you then purchase the home.

Q Why must I meet with a credit counselor?

A Applicants with credit scores lower than 580 must agree to participate in a credit & budget counseling program and debt repayment plan.

Q What if I don't make the lease payments on time?

A If the reason is mismanagement of your budget then the lease-purchase agreement will be terminated and you must vacate the property.

Q How will I know the amount of the home mortgage that I can afford?

A You will meet with a participating Mortgage Lender who will determine your mortgage affordability.

Q When do I begin looking for a home?

A Once you know what you can afford, you will select a participating Realtor to work with. They will then guide you through the process of selecting a home to purchase.

Q When I find the house that I can afford and want to purchase, what happens next?

A The Housing Commission will purchase the home and will cover all closing costs with a second mortgage. The house must appraise for at least the purchase price. As part of the contract to purchase, a home inspection will be done. The Housing Commission reserves the right to reject the purchase should significant defects be found. In some cases another home might have to be selected.

Q During the lease period, can I make improvements to the house?

A Generally only cosmetic changes such as paint, flooring, landscaping, fencing, etc. will be allowed under the lease.