



## Waltham Deed Restriction Buy-Down

### Information for Landlords

#### **What does the program do?**

The program creates a mutually beneficial relationship between low-income tenants, landlords, and the city of Waltham. Landlords who choose to participate are substantially compensated in exchange for placing a *temporary* deed restriction on their property making it affordable for low-income households for a period of 10 years. The program would be funded by Waltham's Community Preservation fund.

#### **How do landlords benefit from participating in the program?**

Landlords will rent to low-income households for 10 years. Tenants will pay a portion of the rent, based on their income category. To make up for the landlord's loss of income incurred by renting below fair market value, the City of Waltham will pay each landlord a lump sum at the beginning of the ten years. Landlords may make use of these funds however they choose, including using it to repair a property that may need maintenance. The grant amounts vary, depending on the size of the property and the tenants' income level.

#### **How can landlords participate?**

To participate, landlords will submit an application to the organization managing the program. The organization will review the applications and inspect landlords' units to confirm they meet state housing code. A total of 20 landlords will be selected to participate in the program.

#### **What is the landlord responsible for once they've been selected for the program?**

Based on the size of their unit, landlords will have a choice of what income level they are interested in renting to. They may begin advertising the unit at its affordable rate and screen tenants;\* the tenants will have their income qualifications confirmed by the program manager. At the landlord's request, the program manager may help the landlord locate and screen tenants.

#### **What about landlords' current tenants?**

If a landlord's current tenants meet the qualifications for the income level they have elected to rent to, those tenants may remain in the unit, now benefitting from lower rent. However, if the current tenants do not meet the income limits, the landlord must honor their lease

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\* Landlords may not select family members as tenants and must follow fair housing practices.

and can rent to a new, qualifying tenant after it expires. The program manager will assist the current tenants in their housing search.

**What about rental turnover?**

It is expected that units will experience turnover during the 10-year deed restriction. When this occurs, the landlord will re-lease the unit to another household at the same income limit. They may ask the program manager for assistance in finding a tenant.

**Are there any lease restrictions?**

All tenants must be given a one-year lease. All other variations from a standard lease must comply with fair housing law.

**Are there any ongoing obligations?**

All tenants must undergo income recertification and inspection every two years. For the duration of the program, the landlord must notify the program manager if their unit experiences turnover or vacancy. All new tenants must be approved as income eligible.

**Subsidy Breakdown:**

	Bedrooms	110% FMR		Affordable Rent†		Subsidy per unit per month	Subsidy per unit for year 1	Total subsidy for 10 years
30% AMI‡	1 Br	\$1,563	*minus*	\$547	*equals*	\$1,016	\$12,192	\$146,378
	2 Br	\$1,914		\$625		\$1,289	\$15,468	\$185,710
	3 Br	\$2,400		\$704		\$1,696	\$20,352	\$244,348
1 Br	\$1,563	\$912		\$651		\$7,812	\$95,745	
50% AMI	2 Br	\$1,914		\$1,042		\$872	\$10,464	\$129,992
	3 Br	\$2,400		\$1,173		\$1,227	\$14,724	\$179,232
80% AMI	3 Br	\$2,400		\$1,876		\$524	\$6,288	\$75,494

**For more information or to show your interest, please contact:**

Daria Gere, WATCH Executive Director  
 Phone: 781-891-6689  
 Email: [daria@watchcdc.org](mailto:daria@watchcdc.org)

**Next Steps: CPC Public Hearing, Tuesday, April 9, 2019 at 7pm at Waltham City Hall  
 Come show your support!**

† Will increase an average of 4% each year, based on HUD’s rates.  
 ‡ AMI = Area Median Income, as established by HUD.