

## City of Corona Neighborhood Stabilization Program (NSP) Homebuyer Selection Lottery For year 2010

The City of Corona has funded the purchase and rehabilitation of foreclosed upon and vacant single-family homes using an NSP grant it received from the U.S. Department of Housing and Urban Development (HUD). Homebuyers will be selected for the property using a lottery.

The lottery will be open to all eligible households. Eligibility for purchase of a home through the City of Corona NSP must be determined prior to the lottery closing date. The lottery closing date will be made known to all current applicants no less than 3 business days prior to the closing date.

The eligibility criteria are as follows:

- a. The homebuyer's household income cannot exceed 120 percent of the area median income as established by the HUD.
- b. The homebuyer must be a U.S. citizen or have legal resident status.

The lottery is a preference-based lottery. Based on membership in the following groups, eligible households will receive different numbers of tickets to be entered into the lottery drawing.

Preference Group	Number of Tickets
HOAP NOW I or II applicants	4
Section 8 Self-Sufficiency Program Participants living in Corona	3
Residents of the City of Corona	3
Households with at least one member employed in the City of Corona	3
Disabled households (at least one permanently disabled member)	2
All other households	1

No household may receive more than 4 tickets. Membership in a preference group will determine the maximum number of tickets. Membership in multiple groups does not entitle a household to receive additional tickets. For example, a household with a disabled member residing in Corona will receive 3 tickets, not 5. A household that both resides and works in Corona will receive 3 not 6 tickets. Eligible HOAP NOW applicants residing in Corona will receive 4 tickets, not 7.

A household is comprised of individuals who have applied to purchase the home, who have been determined to be eligible as a household, are qualified to purchase the home as a household, and all of whom intend to occupy the home. For the purpose of this lottery, individuals may not belong to more than one household. A household may be comprised of related or non-related individuals.

Evidence of membership in a preference group will be by providing the following documentation.

<b>Preference Group</b>	<b>Documentation</b>
HOAP NOW I or II applicants	Copy of HOAP NOW commitment letter.
Section 8 Self-Sufficiency Program Participants living in Corona	Eligibility letter from the housing authority.
Residents of the City of Corona	Utility bill for an address in Corona dated within 60 days of the lottery entry deadline and an executed lease for same.
Households with at least one member employed in the City of Corona	Pay stub from employer dated within 60 days of the lottery entry deadline and letter from employer indicating address of place of work.
Disabled households (at least one permanently disabled member)	Eligibility letter for federal SSI benefits or letter from physician.

Documentation of preference group membership must be provided during the application period. All documentation will be subject to verification of identity and to third-party verification if the household's ticket is drawn. The City considers all verification documentation to be confidential and will use its best efforts to keep such information confidential unless the City reasonably determines pursuant to state or federal law the information must be released or the City is compelled by a court to release such information.

The City's Housing Manager will determine the number of tickets to be issued in the case that membership in a preference group is unclear.

Lottery tickets will be issued the day after the application closing date. The lottery will be held no less than five (5) business days after the date tickets are issued.

Lottery tickets will be drawn one at a time. Drawings will be held in a public place at a time and place determined and announced in advance. Information on the time and place of the lottery will be posted at TBD no less than five (5) business days prior to the lottery. Information on the time and place may also be obtained by calling the City of Corona Redevelopment Agency at (951) 736-2260.

The drawing will be recorded using a video camera. A copy of the recording will be provided to the City of Corona. Buyers do not need to be present at the drawing. Up to 10 tickets will be drawn at the drawing. Each ticket drawn will be issued a priority number in the order drawn to establish the order in which the loan application process will be done.

The drawing will establish the order in which households will be considered for purchase of the home. The selection of a household through the lottery is not a guarantee of purchase or even the opportunity to purchase. Selection by lottery merely establishes the order in which the opportunity to purchase will be afforded to applicants.

The selected household must be able to obtain financing and meet all other typical conditions of purchase within 17 calendar days. Those conditions will be set out in the Purchase Agreement. If a household is not able to meet the conditions of the Purchase Agreement, the household next in the order of the tickets drawn will be considered. This process will continue until the property is sold or all applicants selected by lottery have been considered at which time another lottery would be held.

The opportunity to be considered to purchase the home will be in the order in which lottery tickets are drawn. A single lottery ticket drawn will entitle a household to be considered. Drawing a subsequent ticket held by the same household will not entitle a household to another place in the queue, such tickets will be discarded.

Persons who wish to protest the results of the drawing must submit their objections to the City of Corona, Redevelopment Director in writing no later than 5:00 p.m. on the 5<sup>th</sup> business day following the drawing (not including the date of the drawing).

The results of the drawing to establish the order of priority to purchase the property will be final 5 business days after the drawing is held unless a written protest is received. In which case the results will be final at the discretion of the City of Corona, Redevelopment Director.

For more information on the process, persons should be directed to the City's Housing Manager at (951) 736-2260. A list of households selected through the lottery may be obtained from the City of Corona Redevelopment Agency by calling (951) 736-2260 or sending an e-mail to

\_\_\_\_\_ .

Persons who are directly involved in the administration or implementation of City of Corona's NSP-funded housing programs, or who are immediate family members of such persons are not eligible to purchase homes purchased or rehabilitated with City of Corona NSP funds. As such, they are not eligible to participate in the lottery. This includes employees and contractors of the City of Corona and Mary Erikson Community Housing.