

ARBOR REAL BELOW MARKET RATE (BMR) HOMES

Arbor Real's 170 town homes will include 34 two-, three-, and four-bedroom BMR units for low- to moderate-income buyers. The Arbor Real BMR units, which are priced from \$242,250 to \$383,450, will be offered for sale under the City of Palo Alto's BMR Housing Purchase Program.

The Palo Alto BMR Housing Purchase Program is administered by PAHC Housing Services, LLC (PAHC), an affiliate of the Palo Alto Housing Corporation. Buyers for all BMR units are selected from a general Waiting List maintained by PAHC. Persons who meet the BMR program income and other eligibility requirements are offered an opportunity to purchase BMR units that come up for sale in the order in which they are ranked on the Waiting List. Ranking is based solely on the date a person applies to be on the Waiting List, subject to a preference given to persons who live or work in Palo Alto. (At this time there are more than 300 persons on the PAHC Waiting List.)

You must be on the PAHC Waiting List to be eligible to purchase an Arbor Real BMR home or any other BMR property. To join the Waiting List please complete the attached Waiting List Application and return it to PAHC at the address shown below together with a check or money order for \$15.00 made payable to PAHC Housing Services, LLC.

PAHC Housing Services, LLC
725 Alma Street
Palo Alto, CA 94301
Phone: (650) 321-9709 Fax: (650) 321-3441

Only persons whose household income and assets do not exceed specified limits may purchase BMR units (see attached Arbor Real BMR Income Limits). Also, BMR units are subject to special restrictions on occupancy and resale. Among other things:

- BMR units must be owner-occupied and must be the owner's principal residence.
- BMR units may not be rented or leased to others.
- When a BMR owner wishes to sell the unit must be sold through the BMR Program to another BMR eligible purchaser selected by PAHC from the BMR Housing Purchase Waiting List.
- The resale price of BMR units is established in accordance with a formula that significantly limits the appreciation of BMR units compared to market rate units.

For additional information about the Palo Alto BMR Housing Purchase Program visit the PAHC website at www.paloaltohousingcorp.org.

2006 ARBOR REAL BMR INCOME LIMITS

Household Size	100% of Median	120% of Median
2	\$84,400	\$101,300
3	\$95,000	\$113,950
4	\$105,500	\$126,600
5	\$113,900	\$136,750
6	\$122,400	\$146,900
7	\$130,800	\$157,000

NOTE: These are maximum income limits. The BMR program does not have minimum income requirements. However, the purchaser must have sufficient income to qualify for mortgage financing. (See "Mortgage Qualifying Income" column). Purchasers are responsible for locating and securing their own financing.

ARBOR REAL BELOW MARKET RATE (BMR) UNITS

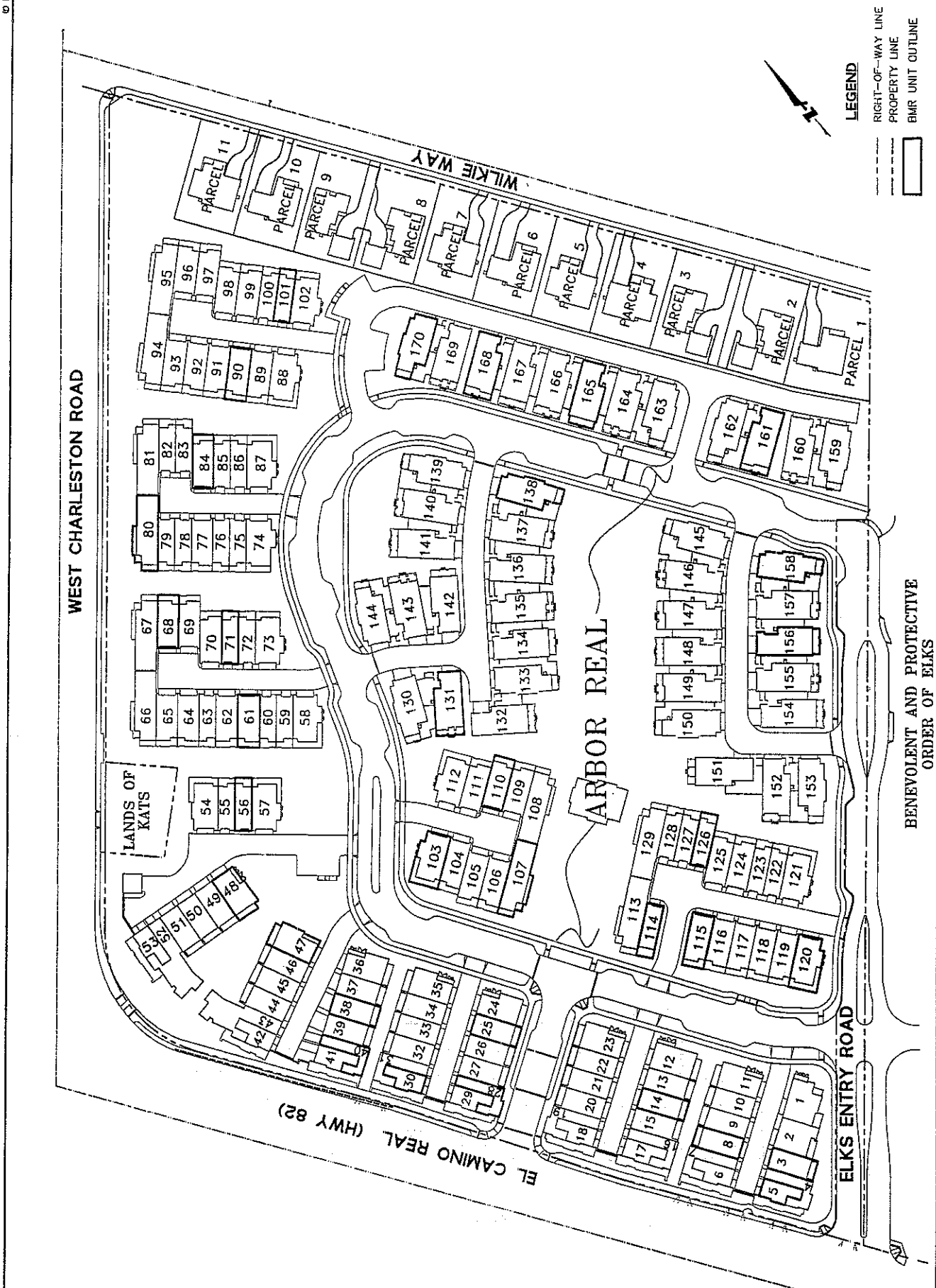
(See attached site map for unit locations)

Unit Number	Bedroom Type	Square Footage*	BMR Sales Price	Income Limit	Mortgage Qualifying Income (5% Down)
40	2BR/2.5BA	1,360	\$242,250	100% of median	About \$80,000
56, 71, 101, 114, 126	2BR+Den/3BA	1,355	\$242,250	100% of median	About \$80,000
28	2BR/2.5BA	1,424	\$242,250	100% of median	About \$80,000
5, 30	3BR/2.5BA	1,466	\$275,850	100% of median	About \$90,000
3, 14	3BR/2.5BA	1,623	\$275,850	100% of median	About \$90,000
8-H, 25-H	3BR/3BA	1,623	\$275,850	100% of median	About \$90,000
61, 68, 84, 90	3BR/2.5BA	1,864	\$275,850	100% of median	About \$90,000
138, 158, 170	3BR/2.5BA	2,050	\$275,850	100% of median	About \$90,000
103, 120	3BR/2.5BA	2,081	\$275,850	100% of median	About \$90,000
131, 161, 138	4BR/FR/Loft/2.5BA	2,893	\$302,750	100% of median	About \$100,000
38-H	3BR/3BA	1,623	\$350,550	120% of median	About \$110,000
110, 115	3BR/2.5BA	1,864	\$350,550	120% of median	About \$110,000
80, 107	3BR/3BA	2,215	\$350,550	120% of median	About \$110,000
47, 48	4BR/3BA	1,881	\$383,450	120% of median	About \$120,000
156, 165	4BR/FR/3.5BA	2,873	\$383,450	120% of median	About \$120,000

*Square Footage is approximate and not guaranteed.

NOTE: A two-bedroom unit can only be purchased by a two person or larger household, a three-bedroom unit can only be purchased by a three person or larger household, a four-bedroom unit can only be purchased by a four person or larger household.

DATE	5/27/04	REVISION TO PLANS	5/19/04
NO. 1			
PROJECT NO.			
DATE			
NO. 1			
PROJECT NO.			
DATE			
NO. 1			



LEGEND
 RIGHT-OF-WAY LINE
 PROPERTY LINE
 BMR UNIT OUTLINE

BENEVOLENT AND PROTECTIVE
 ORDER OF ELKS



PAHC HOUSING SERVICES, LLC
 725 ALMA STREET, PALO ALTO, CA 94301
 PHONE: (650) 321-9709 FAX: (650) 321-4341
 www.paloaltohousingcorp.org

**BELOW MARKET RATE (BMR) HOUSING PURCHASE PROGRAM
WAITING LIST APPLICATION *****

Applicant's name _____
 (Last Name) (First Name) (Middle Initial)

Residence address _____
 (Number and Street) (City, State, Zip Code)

Mailing address _____

E-mail address _____

Telephone Numbers (daytime) _____ (evening) _____

I am a: U. S. Citizen Resident Alien Other _____

HOUSEHOLD COMPOSITION (Please attach a separate sheet for additional household members.)
 List yourself as the applicant and first family member. Use a separate line for each member.

#	Name	Relationship	Social Security #	Birth Date	Age	Sex
1		Head of Household				
2						
3						
4						
5						
6						

Does at least one member of the household work in Palo Alto? Yes No If Yes, please state the company/office name and the address. _____

Does any member of the household use a wheelchair? Yes No

UNIT SIZE

Number of bedrooms desired for which household qualifies (*check all that apply*):
 1-Bedroom 2-Bedrooms* 3-Bedrooms** 4-Bedrooms***

* Only households of 2 or more persons are eligible to purchase 2-bedroom BMR units
 ** Only households of 3 or more persons are eligible to purchase 3-bedroom BMR units
 *** Only households of 4 or more persons are eligible to purchase 4-bedroom BMR units

(application continued on back page)

INCOME & ASSETS

Household Gross Income (all household members 18 or over) Income includes all sources of revenue, including wages, interest, commissions, dividends, etc.

Name & Position Held	Employment (Co. Name, Address, Tel. No.)	Gross Income
TOTAL ANNUAL GROSS HOUSEHOLD INCOME		

Assets

Total Household Assets: _____
 (Includes checking and savings accounts, stocks, bonds, equity in real property, boats, planes, etc
 Autos and furniture are not included.)

Total Deferred Tax Plans: _____
 (Includes IRA's, Keoghs, retirement funds, and pension plans)

Approximate amount of household assets available for down payment and closing costs to purchase a BMR unit: \$ _____

Additional gifts from relatives or others to help with the purchase of a BMR unit: \$ _____

Optional

For statistical purposes, the City of Palo Alto has requested that we ask for the racial background of those served by the BMR program. Please indicate below which applies to you:

American Indian/Alaskan Native _____ Asian _____ African American _____ Native Hawaiian or
 Other Pacific Islander _____ White _____ Other _____

How did you learn about the Palo Alto BMR Housing Purchase Program?

News Story Internet Friend/Relative BMR Owner Other _____

Applicant's Certification

I certify that all the information in this Application is true and complete to the best of my knowledge.

Applicant's Signature: _____ Date: _____

*****APPLICATION FEE: THERE IS A \$15.00 WAITING LIST SIGN-UP FEE. PLEASE INCLUDE A CHECK OR MONEY ORDER FOR \$15.00 PAYABLE TO "PAHC HOUSING SERVICES, LLC" WITH YOUR APPLICATION. APPLICATIONS SUBMITTED WITHOUT THE SIGN-UP FEE WILL NOT BE PROCESSED.**

FAIR HOUSING POLICY

PAHC Housing Services, LLC will not discriminate against any person or persons on any basis prohibited by law