



your resource for Affordable Housing



Lottery Information Coppersmith Way Townsend, MA

Located at Lois Lane in Townsend, MA, Coppersmith Way is a 41unit housing development with 11 new construction three bedroom single family homes to be built. Three affordable three bedroom homes will be available, by lottery, for eligible first time homebuyers. The homes include 3 bedrooms, 1 bath and a one car garage in approximately 1,100 sq. ft. of living space.

Potential tenants will not be discriminated against on the basis of o race, color, national origin, disability, age, ancestry, children, familial status, genetic information, marital status, public assistance recipiency, religion, sex, sexual orientation, gender identity, veteran/military status, or any other basis prohibited by local, state or federal law.

The maximum sales price for the affordable units is \$259,000. These units will be sold by lottery as outlined in the attached package. Please review the enclosed information packet in detail and complete the application and disclosure statement at the rear of the packet.

Language assistance will be available, at no charge, by appointment. Call 978-456-8388 to schedule an appt.

PLEASE NOTE: All applicants must include a mortgage pre-approval letter, from an institutional lender familiar with affordable deed restrictions, and complete financial documentation with the application. An application will be considered incomplete and will not be included in the lottery if a mortgage pre-approval letter and all documentation is not received on or before the application deadline. Applicants who submitted an incomplete application will be notified after the application deadline and will NOT be included in the lottery. An FHA or VA loan are not acceptable as they do not close on Deed Restricted properties.

Applicants may drop off their complete application with all financial documentation and a mortgage pre-approval to our Harvard office or bring to the Public Information Meeting or Open House. We will review your application for completeness while you wait. If you are missing documentation you will have the opportunity to provide prior to the application deadline.

OPEN HOUSE

Saturday November 23, 2019

10:00 a.m. -12:00 p.m.

A Public Information Meeting will be held Wednesday, November 20, 2019 at 6:30 p.m. in the Selectman Chambers at the Townsend Town Hall, 272 Main Street, to answer specific questions and provide an overview of the process. If you cannot attend this meeting you may call MCO Housing Services at 978-456-8388.

Applications may be mailed to MCO Housing Services, P.O. Box 372, Harvard, MA 01451. The application deadline is Thursday, December 19, 2019. All applications must be submitted postmarked on or before December 19th to be included in the lottery. The lottery will be held 6:30 p.m. Monday, December 23, 2019 in in the Selectman Chambers at the Townsend Town Hall.

Thank you for your interest in the affordable housing at Coppersmith Way, Townsend. We wish you the best of luck. If you have questions and cannot attend the Public Information Meeting, please contact MCO Housing Services at



978-456-8388 or email us at lotteryinfo@mcohousingservices.com. We encourage you to advise other people or organizations that may be interested in this program and make copies of the relevant information as needed.

Coppersmith Way Townsend, MA

AFFORDABLE HOMES through the Local Initiative Program
Question & Answer

LOTTERY APPLICANT QUALIFICATIONS:

1. Household income cannot exceed the following maximum allowable gross income limits.

Household Size	1	2	3	4	5	6
Max Allowable Income	\$62,450	\$71,400	\$80,300	\$89,200	\$96,350	\$103,500

(Note: This represents 80% of the annual household median income for the area and is subject to adjustments. This assumes a household size of 1-6 people. This income limit is subject to change.)

2. Household must be a first time homebuyer defined as not having owned a residential property for three years, including a home in a trust. ** The following exceptions apply:
 - a. displaced homemakers, where the displaced homemaker (an adult who has not worked full-time, full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family), while a homemaker, owned a home with his or her partner or resided in a home owned by the partner;
 - b. single parent, where the individual owned a home with his or her partner or resided in a home owned by the partner and is a single parent (is unmarried or legally separated from a spouse and either has 1 or more children of who the individual has custody or joint custody, or is pregnant);
 - c. households where at least one household member is 55 or over;
 - d. households that owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; and
 - e. households that owned a property that was not in compliance with State, local or model building codes and that cannot be brought into compliance for less than the cost of construction a permanent structure.

** A home owned by one of the above exceptions must be sold prior to closing on the affordable unit.

3. Total household assets shall not exceed \$75,000. Liquid retirement assets are counted.
 - a. Individual retirement, 401K and Keogh accounts are included and may have an account value at 100%.
 - b. The value of Retirement and Pension Funds differ if you are employed or are no longer working. If still employed by the company, the value is determined using the amount you can withdraw less any penalties or transaction costs. At retirement, termination of employment or withdrawal periodic receipts from pension and retirement funds are counted as income. Lump sum receipts are counted as assets.
 - c. Assets divested for less than their fair market value within the last two years will be counted at their full Fair Market Value to determine eligibility.

Complete Income and Asset Guidelines will be provided upon request, if you have an opportunity to purchase or you can view online at www.mcohousingservices.com.

Additional restrictions;

- Units must be principal residence of the owners and cannot be rented or leased.
- Non-household members are not permitted to be co-signers on the mortgage.



Complete Income and Asset Guidelines will be provided upon request or you can view online at www.mcohousingervices.com.

Are there mortgage guidelines that we need to follow?

Yes, they are:

1. Be a fully amortizing fixed rate mortgage with a down payment of at least 3%, at least half of which must come from the buyer's own funds.
2. Be made by an institutional lender.
3. Have a fixed interest rate through the full term of the mortgage that is a current fair market interest rate.
4. No more than 2 points.
5. Monthly housing (inclusive of principal, interest, property taxes, hazard insurance, private mortgage insurance and condominium or homeowner association fees) may not exceed 38% of the buyers monthly income for the mortgage.
6. Non-household members shall not be permitted as co-signers of the mortgage.

The mortgage must be from an institutional lender familiar with affordable deed restriction guidelines.

Preferences for local residents?

No. There is the Open Pool available for all applicants.

Unit preferences are based on the following:

- a. There is a least one occupant per bedroom.
- b. A husband and wife, or those in a similar living arrangement, shall be required to share a bedroom. Other household members may share but shall not be required to share a bedroom.
- c. A person described in (b) shall not be required to share a bedroom if a consequence of sharing would be a severe adverse impact on his or her mental or physical health and reliable medical documentation is provided substantiating the adverse impact.
- d. A household may count an unborn child as a household member. The household must submit proof of pregnancy with the application.
- e. If the applicant is in the process of a divorce or separation, the applicant must provide proof that the divorce or separation has begun or has been finalized, as set forth in the application.

Persons with disabilities are entitled to request a reasonable accommodation of rules, policies, practices, or services or to request a reasonable modification of the housing, when such accommodations or modifications are necessary to afford the person(s) with disabilities equal opportunity to use and enjoy the housing.

Are there any restrictions?

Deed restrictions are used to ensure the units are affordable for future buyers. The deed rider requires principal residency, affordability for perpetuity and prior approval from the Town and DHCD for capital improvements and refinancing. If you choose to sell your unit you must notify the town and DHCD in writing. There is a limit on the resale price. The maximum resale price is determined by DCHD using a Resale Price Multiplier, a figure calculated by taking the initial sales price and dividing it by the area median income. **For example**, if the initial price is \$259,000 and the current area median income is \$113,300, the Resale Price Multiplier would be $\$259,000/\$113,300= 2.28$.

Upon resale, the Resale Price Multiplier is multiplied by the updated area median income number to determine the maximum resale price. All selected applicants are urged to review the deed rider with their own attorney. All buyers will be provided with a copy at the time of Purchase and Sale Agreement. Email maureen@mcohousingervices.com for a copy of the Deed Rider or you can find online at www.mcohousingervices.com.



How much money do I need to make to afford the unit?

The minimum income required to purchase is based upon an applicant's ability to secure a mortgage. Attached is a "Sample Affordability Analysis" based upon current interest rates and anticipated real estate taxes and related housing expenses.

Lottery Process

Due to the nature of the affordable units' availability it is important for everyone to understand the procedure. Please understand the allowable income guidelines are adjusted based upon your household size. Also be advised that the program and its requirements are subject to changes in local, state or federal regulations.

Lottery Pools

Three affordable 3 bedroom homes are available by lottery at Coppersmith Way. All units will be distributed through the Open Pool, open to all applicants.

Household size preference for three bedroom units will be given to households that require three bedrooms, second preference is for households requiring two bedrooms and preference for one bedroom units will be given to households that require one bedroom.

Unit preferences are based on the following:

- a. There is a least one occupant per bedroom.
- b. A husband and wife, or those in a similar living arrangement, shall be required to share a bedroom. Other household members may share but shall not be required to share a bedroom.
- c. A person described in (b) shall not be required to share a bedroom if a consequence of sharing would be a severe adverse impact on his or her mental or physical health and reliable medical documentation is provided substantiating the adverse impact.
- d. A household may count an unborn child as a household member. The household must submit proof of pregnancy with the application.
- e. If the applicant is in the process of a divorce or separation, the applicant must provide proof that the divorce or separation has begun or has been finalized, as set forth in the application.

All of the applicants will be pulled and their lottery code announced at the time of the lottery. This order of selection will establish the rankings for the home distribution. The first three applicants that meet the preference criteria would have the opportunity to purchase the homes, and the remaining Open Pool applicants would establish the waiting list for the homes.

Time Frames

It is anticipated that the first affordable unit will be available for immediate occupancy.

If you are selected and have the opportunity to purchase the unit you will speak or meet with a representative to review your application to verify all information. The Applicants selected for the units will start working with their lender immediately to secure the necessary mortgage. Please be advised that the final income verification will be done at the time you have an opportunity to purchase a unit. All applicants must be determined income/asset eligible BEFORE they are entered into the lottery. The selected applicants' financial documents are verified again just before closing.

Acceptance of Home

If you choose not to purchase the property, you will go to the bottom of the list and will likely NOT have another opportunity.



Summary

We hope this helps explain the process by which the units will be distributed. It can be a lengthy and sometimes complicated process. We greatly appreciate your participation and wish you the best of luck in the lottery process.

SAMPLE AFFORDABILITY ANALYSIS

Home Price	\$ 259,000.00
<i>Interest Rate</i>	3.94%
<i>Down Payment (%)</i>	5%
Down Payment (\$)	\$ 12,950.00
Mortgage Amount	\$ 246,050.00
Monthly Expenses	
<i>Principal & Interest</i>	\$ 1,166.00
<i>Real Estate Taxes</i>	417.00
<i>Private Mortgage Insurance</i>	160.00
<i>Hazard Insurance</i>	86.00
<i>Monthly Fee</i>	0.00
TOTAL Monthly Expenses	\$ 1,830.00

NOTES:

ALL values are estimates and are subject to change.

Townsend 2019 Residential Tax Rate = \$19.33 per thousand

Unit Availability and Distribution

Unit #	Availability
16	Immediate
36	4-6 months
40	4 – 6 months



Coppersmith Way, Townsend
LOTTERY APPLICATION
Application Deadline: December 19, 2019

For Office Use Only:

Date Appl. Rcvd: _____

Household Size: _____

Lottery Code: _____

Date: _____

PERSONAL INFORMATION:

Name: _____

Address: _____ Town: _____ Zip: _____

CELL: _____ Work: _____

Email: _____

Have you or any member of your household ever owned a home? _____ If so, when did you sell it? _____

FINANCIAL WORKSHEET: (Include all Household Income which includes gross wages, retirement income (if drawing on it for income), business income, veterans benefits, alimony/child support, unemployment compensation, social security, pension/disability income, supplement second income and dividend income.)

Borrowers Monthly Base Income (Gross) _____
 Other Income _____
 Co-Borrowers Monthly Base Income (Gross) _____
 Other Income _____

TOTAL MONTHLY INCOME: _____

Household Assets: ******(The full list of required assets are included in this package and must be provided with your completed application to be included in the lottery. Note: Assets divested for less than their value within one year of application will be counted at full value toward asset limit. Complete all that apply, below, with current account balances)

Checking _____
 Savings _____
 Stocks, Bonds, Treasury Bills, CD or
 Money Market Accounts and Mutual Funds _____
 Individual Retirement, 401(k) and Keogh accounts _____
 Retirement or Pension Funds _____
 Revocable trusts _____
 Equity in rental property or other capital investments _____
 Cash value of whole life or universal life insurance policies _____
 Down-payment Gift _____

TOTAL ASSETS _____

****Note: If self-employed, additional documentation may be required.**



EMPLOYMENT STATUS: (include for all working household members. Attach separate sheet, if necessary.)

Employer: _____
Street Address: _____
Town/State/Zip: _____
Date of Hire (Approximate): _____
Annual Wage - Base: _____
Additional: _____ (Bonus, Commission, Overtime, etc.)

ABOUT YOUR FAMILY: OPTIONAL

You are requested to fill out the following section in order to assist us in fulfilling affirmative action requirements. Please be advised that you should fill this out based upon family members that will be living in the home. Please check the appropriate categories:

	Applicant	Co-Applicant	(#) of Dependents
Black or African American	_____	_____	_____
Asian	_____	_____	_____
Hispanic/Latino	_____	_____	_____
Native Hawaiian / Pacific Islander	_____	_____	_____
Native American or Alaskan Native	_____	_____	_____
Other, Not White	_____	_____	_____

The total household size is _____

Household Composition: Include Applicant(s)

Name _____ Relationship _____ Age _____
Name _____ Relationship _____ Age _____
Name _____ Relationship _____ Age _____
Name _____ Relationship _____ Age _____
Name _____ Relationship _____ Age _____
Name _____ Relationship _____ Age _____

ADDITIONAL INFORMATION:

Please be advised that the income to be used should include income for all members of the household that are to be residing in the home. Applicants will be responsible for all closing costs associated with the purchase of a home. The down payment must be a minimum of 3%, 1/2 of which must come from the buyer's own funds, based upon standard underwriting procedures. Some of the down payment may be in the form of a gift depending on the lending institution.



SIGNATURES:

The undersign warrants and represents that all statements herein are true. Income and assets must be verified and a pre-approval letter from a bank submitted before entry into lottery to have an opportunity to purchase the affordable home at Coppersmith Way in Townsend, MA. I (we) understand if selected all information provided shall be verified for accuracy at the time of bank application prior to closing.

Signature _____

Date: _____

Applicant

Signature _____

Date: _____

Co-Applicant

Return with SIGNED Affidavit & Disclosure Form, mortgage pre-approval letter and complete financial documentation to:

**MCO Housing Services
P.O. Box 372
Harvard, MA 01451
Drop Off: 206 Ayer Road, Suite 5, Harvard, MA**



Affidavit & Disclosure Form

I/We understand and agree to the following conditions and guidelines regarding the distribution of the affordable home at Coppersmith Way in Townsend, MA.

1. The annual household income for my family does not exceed the allowable limits as follows:

Household Size	1	2	3	4	5	6
Max Allowable Income	\$62,450	\$71,400	\$80,300	\$89,200	\$96,350	\$103,500

Income from all family members must be included.

2. I/We have not individually or jointly owned a single family home, town home, condominium or co-op within the past three (3) years, including homes in a trust. We understand the exceptions that apply.
3. I/We certify that my/our total household assets do not exceed the \$75,000 asset limit and we understand full documentation must be provided with the application to be included in the lottery. I/We understand that assets sold for less than full market value within the past two years will be counted at full market value when determining program eligibility.
4. The household size listed on the application form includes only and all the people that will be living in the residence.
5. I/We certify all data supplied on the application is true and accurate to the best of my/our knowledge and belief. I/We understand that providing false information will result in disqualification from further consideration.
6. I/We understand that by being selected in the lottery does not guarantee that I/we will be able to purchase a home. I/We understand that all application data will be verified and additional financial information may be required, verified and reviewed in detail prior to the lottery.
7. I/We understand that it is my/our obligation to secure the necessary mortgage pre-approval for the home purchase through a bank experienced with deed-restricted housing. I/We understand all expenses, including closing costs and down payments, are my responsibility.
8. I/We further authorize MCO Housing Services to verify any and all income, assets and other financial information, to verify any and all household, resident location and workplace information and directs any employer, landlord or financial institution to release any information to MCO Housing Services and consequently the project's monitoring agency, for the purpose of determining income eligibility..
9. I/We understand that if selected I/we will be offered a specific home. I/We will have the option to accept the available home, or to reject the available home. If I/we reject the available home I/we will move to the bottom of the waiting list and will likely not have another opportunity to purchase an affordable home.
10. Program requirements are established by the Dept. of Housing and Community Development (DHCD), MassHousing and the Town of Townsend. I/We agree to be bound by whatever program changes that may be imposed at any time throughout the process. If any program conflicts arise, I/we agree that any determination made by the Monitoring Agent is final.
11. I/We certify that no member of our family has a financial interest in the project.
12. I/We understand there may be differences between the market and affordable units and accept those differences.
13. I/We understand these are deed restricted units and acknowledge that it is recommended we consult an attorney.

I/We have completed an application and have reviewed and understand the process that will be utilized to distribute the available home at Coppersmith Way, Townsend. I/We am qualified based upon the program guidelines and agree to comply with applicable regulations.

Applicant

Co-Applicant

Date:

Return with completed and signed application, a mortgage pre-approval letter and all financial documentation to:

MCO Housing Services, P.O. Box 372, Harvard, MA 01451



**Required Personal Identification and Income Verification Documents
TO BE RETURNED WITH APPLICATION**

Provide one copy of all applicable information. Complete financial documentation is required and must be sent with your application to participate in the lottery. Incomplete applications will not be included in the lottery and the applicant will be notified after the application deadline. You may drop off your application at MCO Housing Services Harvard Office. If you drop off and wait while we review your application, you would have the opportunity to provide the missing documents prior to the deadline.

Initial each that are applicable, and provide the documents, or write N/A if not applicable and return this sheet with your application.

1. _____ Mortgage Pre-approval Letter
2. _____ If you require a reasonable accommodation you must request at time of application and provide any supporting documentation, if needed, i.e. letter from doctor.
3. _____ Federal Tax Returns –2016, 2017 and 2018 (NO STATE TAX RETURNS)
 - **NOTE:** Provide all pages that are submitted to the IRS. For example, if a Schedule C is submitted to the IRS and not part of your application, your application will be considered incomplete.
 - **NOTE:** If you filed but do not have copies of your Federal Income Tax returns, you can obtain a copy of your transcripts using form 4506-T that you can obtain at irs.gov.
 - **NOTE:** If you have not filed tax returns you must provide a letter from the IRS verify non-filing of your tax return(s). Request using form 4506-T that you can obtain at irs.gov.
4. _____ W2 and/or 1099-R Forms: 2016, 2017 and 2018
5. _____ The most recent last five (5) **consecutive** pay stubs for all jobs (check/direct deposit stubs). For unemployment, copies of unemployment checks or DOR verification stating benefits received. Same for disability compensation, worker’s compensation and/or severance pay.
 - **NOTE:** If you have obtained a new job within the last 12 months you must provide a copy of the Employment Offer Letter.
 - **NOTE:** If you are no longer working for an employer you worked for in 2018, you must provide a letter from the employer with your separation date.
 - **NOTE:** You need to provide 5 pay stubs whether you are paid weekly, bi-weekly or monthly.
6. _____ Current year Benefit letter providing full amount of gross periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts.
7. _____ Child support and alimony: court document indicating the payment amount and/or DOR statement. If you do not receive child support provide a letter stating, that you are not receiving child support or complete the attached form.
8. _____ Interest, dividends and other net income of any kind from real or personal property.



9. Asset Statement(s): provide **current** statements of all that apply, unless otherwise noted:

- _____ Checking accounts – Last **three (3)** months of statements – EVERY PAGE – FRONT AND BACK.

NOTE: If you have cash deposits or non payroll or income deposits you MUST identify where the funds have come from. If you fail to explain they will be counted as income, which may put you over the income limit.

NOTE: Do NOT provide a running transaction list of activity. You must provide the individual statements.

- _____ Pre-paid debit card statements – current month.

NOTE: This is NOT your ATM/Debit card. This is usually a separate debit card statement showing income deposited directly onto the debit card, i.e. Social Security, child support or other regular income.

NOTE: If Social Security payments are deposited on a Direct Express card it is your responsibility to provide proof. You can print a statement from the Direct Express website at

<https://www.usdirectexpress.com/>.

- _____ Saving accounts – last three months of full statements
- _____ Revocable trusts
- _____ Equity in rental property or other capital investments
- _____ Investment accounts, including stocks, bonds, Treasury Bills, Certificates of Deposit, Mutual Funds and Money Market Accounts including all individual retirement accounts, 401K, Keogh accounts and Retirement and Pension funds.
- _____ Cash value of Whole Life or Universal Life Insurance Policy.
- _____ Personal Property held as an investment
- _____ Lump-sum receipts or one-time receipts

10. _____ Proof of current student status for dependent household members over age of 18 and full-time students. Letter from High School or College providing student status, full time or part time for current **and** next semester.

11. _____ A household may count an unborn child as a household member. The household must submit proof of pregnancy with the application, i.e. letter from doctor.

12. _____ If the applicant is in the process of a divorce or separation, the applicant must provide legal documentation the divorce or separation has begun or has been finalized. Information must be provided regarding the distribution of family assets. If you are unable to provide then both parties income/assets and first time homebuyer status will be used in determining eligibility.

13. _____ If you are self-employed you MUST provide a detailed expense and income spreadsheet for the last 12 months and three months of business checking and savings accounts. Working for Uber/Lyft or other taxi service is considered self-employment.

14. _____ If you will be receiving a gift for down payment and closing costs you need to provide a letter stating who is providing the gift and the amount. All applications will be checked for downpayment funds at time of application. We must see proof of those assets at time of application. If not, you will not be included in the lottery.



We understand if we do not provide all applicable financial documentation and a mortgage pre-approval we will not be included in the lottery. We also understand we will be notified after the application deadline that our application is incomplete. We also acknowledge that MCO Housing Services will not make any changes to our application, before the deadline date, unless we came to the Harvard office to make the necessary changes.

Print Applicants Name(s): _____

Applicants Signature

DATE

Co-Applicants Signature

DATE

Return application and ALL required financial documentation to:

MCO Housing Services

P.O. Box 372

Harvard, MA 01451

Drop Off: 206 Ayer Road, Harvard, MA

Email: lotteryinfo@mcohousingservices.com

Phone: (978) 456-8388/Fax: 978-456-8986

