



your resource for Affordable Housing



Lottery Information Villages of the Americas Ashland, MA

Villages of the Americas, located on America Boulevard in Ashland, is a new development offering 16 two bedroom townhomes to eligible first time homebuyers. Each unit has two bedrooms, 1 ½ baths and garage with tandem parking in +/-1770 sq. ft. of living space. Each unit includes stove/oven, microwave, refrigerator and washer and dryer hookups. This application is for the third and final lottery for 4 units.

The maximum sales price for the 2-bedroom townhomes is \$201,700. The monthly condo fee is \$96 and the 2017 tax rate is \$16.70/per thousand. These homes 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.

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 will be notified after the deadline if their application is incomplete. FHA and VA loans will not be accepted.

A Public Information Meeting will be held 6:00 p.m., Monday, October 30, 2017 at the Ashland Town Hall located at 101 Main Street on the Lower Level to answer specific questions and provide an overview of the process. If you can not attend this meeting please call MCO Housing Services at 978-456-8388 or email lotteryinfo@mcohousingservices.com with any questions.

Applications must be mailed to MCO Housing Services, P.O. Box 372, Harvard, MA 01451. The application deadline is November 27, 2017. All complete applications must be postmarked on or before November 27th to be included in the lottery. The lottery will be held 6:30 p.m., Wednesday, December 6, 2017, Lower Level, at the Ashland Town Hal.

Thank you for your interest in the affordable housing at Villages of the Americas. We wish you the best of luck. 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.

Sincerely,

Maureen M. O'Hagan
MCO Housing Services for
Ashland Chestnut Realty LLC

Applicants will not be discriminated against on the basis of race, color, religious creed, marital status, military status, disability, national origin, sex, age, ancestry, sexual preference, source of income, presence of children, or any other basis prohibited by local, state or federal law.



Villages of the Americas

AFFORDABLE HOMES through the LAU Program Question & Answer

What are the qualifications required for Prospective Buyers?

- Qualify based on the following maximum income table, which is adjusted for household size:

Household Size	1	2	3	4
Max Income Limit	\$54,750	\$62,550	\$70,350	\$78,150

LOTTERY APPLICANT QUALIFICATIONS:

1. Household income can not exceed the above maximum allowable income limits.
2. Household must be a first time homebuyer defined as not having owned a residential property for three years, including 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 exception 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 at 100% of the account value.
 - b. The value of Retirement and Pension Funds differ if you are employed or are no longer working. If still employed 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 at less than market value within two years of application will be counted at full market value when determining 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.mcohousingervices.com.

Other program highlights for Lottery applicants:

- Unit must be principal residence of the owners and can not be rented or leased.
- Non-household members are not permitted to be co-signers on the mortgage.
- A mortgage pre-approval letter, from a bank experienced with deed-restricted properties, is required to participate in this lottery.

Are there mortgage guidelines that we need to follow?

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. FHA and VA Loans are not accepted as they will not close on deed restricted properties where affordability survives foreclosure.

Are there preferences for local residents and those with families?

Yes. Two of the four units are for households who meet at least one of the Local Preference criteria. Refer to the application for the local preference criteria.

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

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 preferences for minorities?

Yes, if the percentage of minority applicants in the Local Preference Pool is less than the percentage of minorities in the Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area, currently 27%, a preliminary lottery will be held, comprised of all the minority applicants who do not qualify for the Local Preference Pool. Minority applicants would be drawn until their percentage in the local pool at least meets the percentage in the Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area. Applicants not selected for the local pool would be in the open pool only.

Are there any restrictions?

YES. 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 Monitoring Agent for capital improvements and refinancing. If you choose to sell your unit you must notify the town and Monitoring Agent in writing. There is a limit on the resale price. The maximum resale price is determined by 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 \$179,500 and the current area median income is \$103,400, the Resale Price Multiplier would be $\$201,700/\$103,400= 1.95$.

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@mcohousingservices.com for a copy of the deed rider.

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 homes are available by lottery at Villages of the Americas in this lottery. The lottery has two pools – Local and Open. The units and pools breakdown as follows:

<u>Pool</u>	<u>Qualifications</u>	<u># of Units</u>
Local Pool	Must meet at least one of the Local Preference Criteria as listed on the application.	2
Open Pool	All applicants – including local pool	2

Local applicants would have two opportunities to purchase a unit by being in both the Local and Open Pools.

Household size preference for the two bedroom units will be given to households that require two bedrooms, second preference is for household requiring 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 homes distribution. For example, if there are 15 local applicants and 20 non-local the first local applicant that meets the preference criteria would have an opportunity to purchase a home, then the second etc. until all the homes in the local pool are sold. The first applicant for the open pool that meets the preference criteria would have the opportunity to purchase a home, then the second etc. until all the homes are sold.

Please note: Household size preference will override local preference. This means if we exhaust the applicants in the local pool that require three bedroom units we will move to the open pool for household requiring three bedrooms, before offering units to households requiring two bedrooms.

Time Frames

It is anticipated the first affordable units at Villages of the Americas will be available for occupancy immediately following the lottery. The remaining units are to be determined. 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 Applicant selected for the home 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 Homes

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	\$ 201,700
<i>Interest Rate</i>	4.5%
<i>Down Payment (%)</i>	5%
Down Payment (\$)	\$ 10,085.00
Mortgage Amount	\$ 191,615.00
Monthly Expenses	
<i>Principal & Interest</i>	971.00
<i>Real Estate Taxes</i>	281.00
<i>Private Mortgage Insurance</i>	125.00
<i>Hazard Insurance</i>	67.00
<i>Monthly Condo Fee</i>	96.00
TOTAL Monthly Expenses	\$ 1,539.00

NOTES:

ALL values are estimates and are subject to change.

Ashland 2017 Residential Tax Rate = \$16.70 per thousand

Unit Availability and Distribution

Building and Unit #	Unit Address	Designated Winner	Estimated Availability*
75D	27 John Hancock Drive	Local	September 2017
72C	29 John Hancock Drive	Open	October/mid November 2017
74A	36 John Hancock Drive	Local	November/mid December 2017
73B	37 John Hancock Drive	Open	December/mid January 2018

Home availability may change based on the construction schedule and at the discretion of the builder.



Villages of the Americas

LOTTERY APPLICATION

For Office Use Only:

Date Appl. Rcvd: _____

Local: Y / N

Household Size: _____

Lottery Code: _____

APPLICATION DEADLINE: November 27, 2017

PERSONAL INFORMATION:

Date: _____

Name: _____

Address: _____ Town: _____ Zip: _____

Home Tele: _____ Work: _____ CELL: _____

Email: _____

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

You must meet one of the Local Preference Eligibility Criteria established by the Town of Ashland to be in the local pool. Please check the each appropriate category(s) that applies to your household*:

- Current Ashland Resident
- Employed by the Town of Ashland
- Employed by the Ashland School District
- Employee working in the Town of Ashland or attending Ashland Public Schools

*All local applicants will need to provide proof if you have the opportunity to purchase a unit and will be verified by the Town of Ashland.

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: (This is a partial list of required assets. A complete list will be provided should you have an opportunity to purchase. Complete all that apply with current account balances)

Checking (avg balance for 6 months) _____

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 _____

Downpayment Gift _____

TOTAL ASSETS _____



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 _____

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 this 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 Villages of the Americas in Ashland, 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

It is my judgment that the applicant should be allowed to participate in the Villages of the Americas affordable home lottery in Ashland, MA based upon this application. If selected all information provided shall be verified for accuracy at the time of bank application.

Signature _____ Date: _____
Certifying Agent (MCO Housing Services)

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, Harvard/Email: lotteryinfo@mcohousingservices.com



Affidavit & Disclosure Form

I/We understand and agree to the following conditions and guidelines regarding the distribution of the affordable home at Villages of the Americas in Ashland, MA.

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

Household Size	1	2	3	4
Max Allowable Income	\$54,750	\$62,550	\$70,350	\$78,150

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 a home owned 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 understand additional asset guidelines will be provided if we have an opportunity to purchase. Assets divested at less than full market value within the last two years will be counted at full market value when determining 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 under full penalty of perjury. 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 purchasing a home.
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) and the Town of Ashland. 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 Villages of the Americas. 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 FINANCIAL DOCUMENTATION

Please provide one copy of all applicable information. To be included in the lottery you must submit your application with all required financial documentation that applies to you. If you submit an incomplete application you will be notified after the application deadline and will not be included in the lottery. You may drop off your application in our Harvard office and if you wait we will review for completeness and eligibility. If anything is missing you will have time to submit prior to the deadline. This is only available to those who drop off their application. If you have questions please call 978-456-8388.

Initial all that apply and mark N/A if they do not apply.

1. _____ Federal Tax Returns – 2014, 2015, 2016 (**DO NOT SEND MASS STATE TAXES**)
2. _____ W2 and/or 1099-R Forms: 2014, 2015, 2016
3. _____ Asset Statement(s): **Current** statements including 3 months checking accounts (full statement showing activity/every page front and back), saving accounts (full statement), investment accounts including retirement, certificate of deposit, property, down payment gift amount etc. **YOU MUST PROVIDE EXPLANATION FOR ALL UNIDENTIFIED DEPOSITS IN YOUR BANK ACCOUNTS. FOR EXAMPLE – CASH DEPOSITS, OVER THE COUNTER DEPOSITS. FAILURE TO DO THIS AND YOUR APPLICATION WILL BE INCOMPLETE OR THOSE FUNDS WILL BE COUNTED AS INCOME.**
4. _____ Five (5) **consecutive** pay stubs ending within one month of unit application for all jobs (check/direct deposit stubs). For unemployment, copies of unemployment checks or DOR verification stating benefits received. **IF YOU GET PAID WEEKLY, BI-WEEKLY OR MONTHLY YOU STILL NEED TO PROVIDE 5 CONSECUTIVE PAYSTUBS.**
5. _____ Social Security: official statement of monthly amount received for year in review and statement of total amount received for latest tax year.
6. _____ Pension: statements indicating amount received for year in review and statement of total amount received for latest tax year.
7. _____ Child support and alimony: legal document indicating the payment amount or letter if you are not receiving child support.
8. _____ Proof of student status for dependent household members over age of 18 and full-time students.
9. _____ If you intend to utilize a gift from a family member to assist with the down payment, please advise us of the gift amount with the name and telephone number of the person providing the gift.
10. _____ If you owned a home within the past 3 years but it was sold due to a divorce provide copy of legal divorce or separation papers and proof of the home sale showing equity received.
11. _____ Self Employed – you **MUST** provide a detailed 12 month expense and income statement and business bank statements (checking, savings, MM etc.) for 3 months prior to application. Failure to provide and your application will not be considered.

We understand we will not be included in the lottery if our application is determined incomplete.

Applicant

Date

Co-Applicant

Date

Return all documentation, mortgage pre-approval, application and affidavit and disclosure form to:

**MCO Housing Services
P.O. Box 372,
Harvard, MA 01451
Drop off: 206 Ayer Road, Harvard
Email: lotteryinfo@mcohousingservices.com**

