



your resource for Affordable Housing



Craftsman Village Grafton Grafton, MA Application

Craftsman Village Grafton, located at 123 Ferry Street in South Grafton, is a new 24 townhome development offering 3 affordable three bedroom townhomes, on a first come first serve, for eligible first time homebuyers (certain exceptions apply). This project is adjacent to Fisher Park and the Ferry Street Baseball Complex. These homes include three bedrooms, 2 1/2 baths and a one car garage in approximately +/- 1900 sq. ft.

The purchase price has been set at \$223,300. The 2020 Grafton tax rate is \$16.50 and the monthly Condo fee of \$122. The remaining units are available on a first come first serve basis. 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. FHA and VA loans are not allowed.

Thank you for your interest in affordable housing at Craftsman Village Grafton. 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.

Sincerely,

Maureen M. O'Hagan
MCO Housing Services for
Ferry Street Grafton LLC



Potential 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.



Craftsman Village Grafton

AFFORDABLE HOMES through DHCD 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	5	6
Max Allowable Income	\$54,950	\$62,800	\$70,650	\$78,500	\$84,500	\$91,100

APPLICANT QUALIFICATIONS:

- Household income cannot exceed the above maximum allowable income limits.
- Household must be a first time homebuyer defined as not having owned a residential property for three years, including homes in a trust. ** The following exceptions apply:
 - 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;
 - 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);
 - households where at least one household member is 55 or over;
 - households that owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; and
 - 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.
- Total household assets shall not exceed \$75,000. Liquid retirement assets are counted.
 - Individual retirement, 401K and Keogh accounts are included at 100% of the account value.
 - 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.
 - 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.mcohousingervices.com.

Other program highlights for applicants:

- Unit 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.
- A mortgage pre-approval letter, from a bank experienced with deed-restricted properties, is required with the application.

Are there mortgage guidelines that we need to follow?

Yes, they are:

- 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.
- Be made by an institutional lender.
- Have a fixed interest rate through the full term of the mortgage that is a current fair market interest rate.



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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. The FHA and VA will not close on Deed Restricted properties so you are not able to use those programs. USDA loans are fine.

Are there preferences for those with families?

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

Household size 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. All request must be made at application and documentation provided, i.e. letter from doctor.

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 the Monitoring Agent 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 \$223,300 and the current area median income is \$97,700, the Resale Price Multiplier would be $\$223,300/\$97,700= 2.28$.

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@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.



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SAMPLE AFFORDABILITY ANALYSIS

Home Price	\$ 223,300.00
<i>Interest Rate</i>	3.61%
<i>Down Payment (%)</i>	5%
Down Payment (\$)	\$ 11,165.00
Mortgage Amount	\$ 212,135.00
Monthly Expenses	
<i>Principal & Interest</i>	\$ 966.00
<i>Real Estate Taxes</i>	\$ 307.00
<i>Private Mortgage Insurance</i>	\$ 138.00
<i>Hazard Insurance</i>	\$ 74.00
<i>HOA Monthly Fee</i>	\$ 122.00
TOTAL Monthly Expenses	\$ 1,607.00

NOTES:

ALL values are estimates and are subject to change.

Grafton 2020 Residential Tax Rate = \$16.50 per thousand

Home Availability and Distribution

Unit #	# of Garages	# of Bathrooms	Estimated Availability
5	1	2 1/2	6 months



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The dimensions, size, configurations and other information contained on these plans are meant to be illustrative only and are subject to change without notice.

Craftsman Village Grafton

First Come First Serve

APPLICATION

For Office Use Only:

Date Appl. Rcvd: _____

Household Size: _____

PERSONAL INFORMATION: PRINT LEGIBLY

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? _____

Please list unit numbers in order of preference: 1st: _____ 2nd: _____ 3rd: _____

How many people will be living in the home? _____

Household Composition: Include Applicant(s)

Name _____ Relationship _____ Age _____

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 _____



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Affidavit & Disclosure Form

I/We understand and agree to the following conditions and guidelines regarding the distribution of the affordable home at Craftsman Village Grafton in Grafton, 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	\$54,950	\$62,800	\$70,650	\$78,500	\$84,500	\$91,100

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 understand additional asset guidelines will be provided if we have an opportunity to purchase. Assets divested for less than full market value within the last two years will be counted at fair and full market value for eligibility purposes.
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 or withholding 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 DHCD and the Town of Grafton. 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.
14. I/We understand that we must be program eligible at time of application and at time of closing in order to purchase. If we are ineligible at time of closing, then we will not be able to purchase the property.

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

Applicant

Co-Applicant

Date:



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**Required Financial Documentation Form
TO BE RETURNED WITH APPLICATION**

Provide one copy of all applicable information

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. _____ Federal Tax Returns –2016, 2017, 2018 and 2019 – If complete (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.
3. _____ W2 and/or 1099-R Forms: 2016, 2017, 2018, 2019
4. _____ 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 past year, 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.
5. _____ 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.
6. _____ 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.
7. _____ Interest, dividends and other net income of any kind from real or personal property.
8. 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.



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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
9. _____ 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.
10. _____ 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.
11. _____ 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.
12. _____ 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.
13. _____ 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 or you will not be considered for a unit.

We understand if we do not provide all applicable financial documentation and a mortgage pre-approval our application will not be reviewed until all information is received. We also understand MCO will not hold a unit while waiting for missing documentation.

Print Applicants Name(s): _____

Applicants Signature

DATE

Co-Applicants Signature

DATE



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Return the complete application, Mortgage Pre-Approval, Signed Affidavit and Disclosure Form, Signed and completed and signed Required Financial Documentation Form to:

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



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Custody & Child Support Affidavit

Applicant/Tenant: _____ **Unit #:** _____

Please complete a separate form for each minor in this unit not living with both biological or adoptive parents:

Child Name/SSN(last four digits)/DOB : _____ / _____ / _____

Name of Absent Parent: _____

Will this child live with you in the tax credit apartment at least 50% of the time?

YES NO

Was there a legal marriage to the other parent? YES NO STILL LEGALLY MARRIED

- If **YES**, please submit a copy of the divorce decree, separation agreement, or other document outlining custody arrangements.
- If **NO**, please submit documents such as tax return, school records, court order, or DHS records showing placement of child

Who claimed the child as a dependant on their most recent tax return?

I did The absent parent Other: _____ No one

Do you receive support (monetary or not) for this child? YES NO

If **YES** list amount \$ _____ per _____

Have you ever been awarded an amount of child support for this child through the courts or an informal agreement? YES NO

If awarded but not paid, have you taken legal action to collect child support?

YES NO

If so, please describe efforts _____

Do you expect to receive child support for this child in the next 12 months?

YES NO

Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. The undersigned further understand that providing false representation herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of a lease agreement.

(Signature of Tenant)

Date

(Signature of Manager)

Date

Spectrum Enterprises 2013



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