



your resource for Affordable Housing



Damon Farm Norwell, MA Lottery Information

Damon Farm is a new 32-unit townhome development located in Hingham and Norwell, MA. Located on Damon Farm Way in Norwell, Damon Farm is offering the final 3 affordable townhomes, by lottery, for income eligible, first time homebuyers (certain exceptions apply). The remaining three townhomes are all in Norwell.

These homes feature two bedrooms, 1 1/2 baths, one car garage in approximately 1,500 square feet of living space. Refrigerator, Stove/oven and microwave will be provided. The sale price is \$241,400 with a monthly condo fee of \$300. The 2020 tax rate is \$16.63. The monthly fee includes Master Insurance, Landscaping, Snow Removal, Refuse Removal and Replacement Reserve.

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

These units will be sold by lottery as outlined in the attached package. Please review this information packet in detail and complete the application and attached disclosure statement and required financial document list 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 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.

KEY DATES:

Public Information Meeting

6:00 p.m., Thursday, August 27, 2020

Via Zoom

<https://us02web.zoom.us/j/86418251224?pwd=aUJyUE03SEZHRjlvNFg2UEU1Wm5OUT09>

Meeting ID: 864 1825 1224

Passcode: 315845

Application Deadline

MUST BE POSTMARKED or received on or before:

September 23, 2020



Lottery

11:00 a.m., Friday, October 2, 2020

Via Zoom

<https://us02web.zoom.us/j/88034174316?pwd=bzZ5c3BhTDhxSmt3K2VWbTFkWEZnUT09>

Meeting ID: 880 3417 4316

Passcode: 873185

Go to Zoom.com, click on Join A Meeting and enter the meeting code and password when asked, or use the links provided above.

If you have questions and cannot attend the Zoom Public Information Meeting, the recorded meeting will be posted on our website for future viewing or listening. We will not be conducting an Open House but the buyers will have the opportunity to view the unit(s) before committing to the sale. If you have any questions contact MCO Housing Services at 978-456-8388 or email us at lotteryinfo@mcohousingservices.com. Good Luck!



Damon Farm

IMPORTANT LOTTERY APPLICANT REQUIREMENTS & QUALIFICATIONS

1. **Household income can not exceed the following maximum allowable gross income limits, per household size.**

Household Size	1	2	3	4
Max Allowable Income	\$67,400	\$77,000	\$86,650	\$96,250

2. **Household must be a "First-time Homebuyer" - this is defined as not having owned a residential property for at least three years, including homes in a trust.**

**** The following exceptions apply:**

- "Displaced homemakers". Defined as 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, they owned a home with his or her partner or resided in a home owned by the partner;
- "Single parent". An individual who owned a home with his or her partner or resided in a home owned by the partner and is now a single parent (is unmarried or legally separated from a spouse and has custody or joint custody of one or more children, 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 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.
- 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.

Detailed Income and Asset Guidelines are available online at www.mcohousingervices.com.

4. **A MORTGAGE PRE-APPROVAL LETTER from a bank experienced with deed-restricted properties, IS REQUIRED TO PARTICIPATE IN THE LOTTERY**

- The Affordable home must be principal residence of the owners and **can not be rented or leased.**
- Additional important mortgage guidelines are as follows:**
 - Must secure a 30year fixed rate mortgage.
 - The loan must have a current fair market interest rate. No more than 2% points above the current MassHousing Rate
 - The buyer must provide a down payment of at least 3%, 1.5% of the purchase price must come from



the buyer's own funds.

(4) The loan can have no more than 2 points.

(5) The sales price of the unit is set by DHCD to be affordable to an income-eligible household paying no more than 30% of their monthly income for housing costs. Generally, the buyer may not pay more than 38% of their monthly income for housing costs.

(6) Non-household members are not permitted to be co-signers on the mortgage.

(7) FHA and VA loans will not be accepted as they will not close on deed restricted properties.

It is recommended applicants consider the One Mortgage Program through Massachusetts Housing Partnership (mhp.net) or a MassHousing loan for their financing.

5. *There are preferences for local residents!*

Two of the remaining homes are designated for households who meets at least one of the Local Preference criteria.

NORWELL LOCAL PREFERENCE

- Individuals or families who live in Norwell.
- A household with a family member who works in Norwell, has been hired to work in Norwell, or has a bona fide offer of employment in Norwell.
- Household who works for the Town of Norwell or the Norwell Public Schools.
- Households with a family member who attends a public school in Norwell.

6. *There are preferences based upon Household size.*

Preference will be given to households that require two bedrooms over households 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.

7. *Minority Preference.*

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.



8. There are Deed Restrictions which control the process and future price of the homes to ensure they ALWAYS stay affordable.

Deed restrictions are used to ensure the units are affordable for future buyers. If you are selected and have the opportunity to purchase, at closing you will be required to sign a deed rider which requires you live in the home, ensures affordability in perpetuity for future buyers and requires prior approval from the Town and the Monitoring Agent for capital improvements & refinancing.

If/when you choose to sell your affordable home you will need to notify the Town and the Monitoring Agent and they will determine the allowable sales price and outline the sales process you must adhere to. The maximum resale price is determined by the Monitoring Agent using a Resale Price Multiplier, a figure calculated by taking your initial sales price and dividing it by the area median income. **For example**, if the initial price is \$241,400 and the current area median income is \$119,000, the Resale Price Multiplier would be $\$241,400/\$119,000 = 2.02$. Upon resale, the Resale Price Multiplier is multiplied by the updated area median income number to determine the maximum resale price. A resale fee will be added to the price.

All selected applicants are urged to review the deed rider with their own attorney. A copy of the deed rider can be found in the DOCUMENTS section 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.

The 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 2 bedrooms townhomes are available in second and final lottery at Damon Farm. All of the remaining townhomes are located in Norwell, MA. The lottery will have two pools Norwell 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	1

Local Pool applicants will have two opportunities to purchase as they are included in both the Local and Open Pool.

Applicants included in the lottery will receive a lottery code which is what will be announced during the lottery. 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 townhome distribution. There will be two pools of applicants, one for local applicants only and the second for local and non-local applicants (Open Pool). The highest ranking Norwell Local Pool applicant that meets the household size preference criteria would have the first opportunity to purchase, then the second until the Local Pool units are filled. The highest ranked applicant from the Open Pool that meets the household size preference



criteria would have the opportunity to purchase.

Note: If we are unable to fill the units with the appropriate bedroom size from the local pool, we will then offer the units to the open pool. If all appropriate size households between the local and open pool are exhausted then we will begin offering units to smaller households, one bedroom households, to fill the units. The same will happen when filling the open pool unit.

Projected Availability of Homes

Damon Farm is under construction and the homes will be available as they are completed. Please be advised, being selected in the lottery does not guarantee you will be able to purchase a home. If you are selected in the lottery and have the opportunity to purchase a home you will speak with an MCO Housing Services representative to review your application. All applicants must be determined income/asset eligible BEFORE they are entered into the lottery. The final eligibility will be determined by the Monitoring Agent. The initial Monitoring Agent approval is valid for 60 days. If the closing exceeds 60 days from Monitoring Agent approval, then program eligibility will need to be redone which means you will need to submit updated financial documentation. If you are over income then you be unable to purchase.

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

Norwell

Home Price	\$ 241,400.00
<i>Interest Rate</i>	3.51%
<i>Down Payment (%)</i>	5%
Down Payment (\$)	\$ 12,070.00
Mortgage Amount	\$ 229,330.00
Monthly Expenses	
<i>Principal & Interest</i>	\$ 1,031.00
<i>Real Estate Taxes</i>	335.00
<i>Private Mortgage Insurance</i>	149.00
<i>Hazard Insurance</i>	80.00
<i>Estimated HOA Fee</i>	300.00
TOTAL Monthly Expenses	\$ 1,895.00

NOTES:

ALL values are estimates and are subject to change.

Norwell 2020 Residential Tax Rate = \$16.63 per thousand

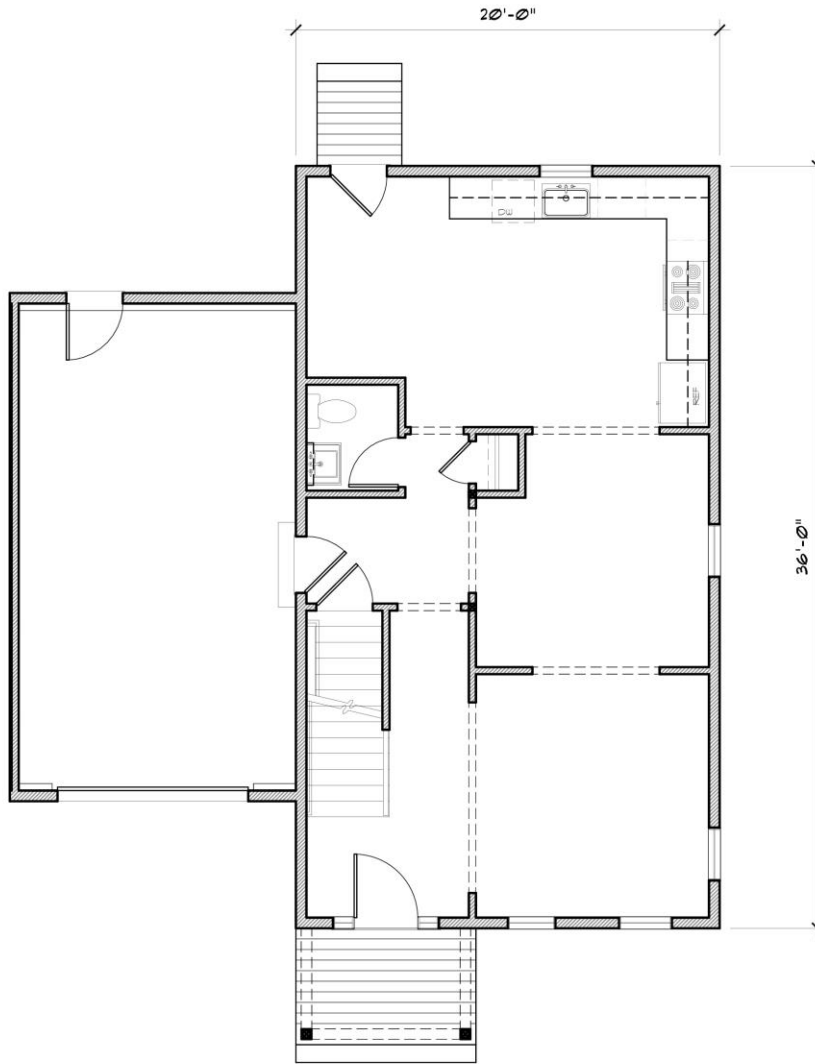


Unit Availability and Distribution

Unit #	Town	Pool	Estimated Availability*
#17, 17 Damon Farm Way	Norwell	Local	Fall 2020
#24, 18 Damon Farm Way	Norwell	Open	Late 2020
#32, 31 Damon Farm Way	Norwell	Local	Mid 2021



UNIT A



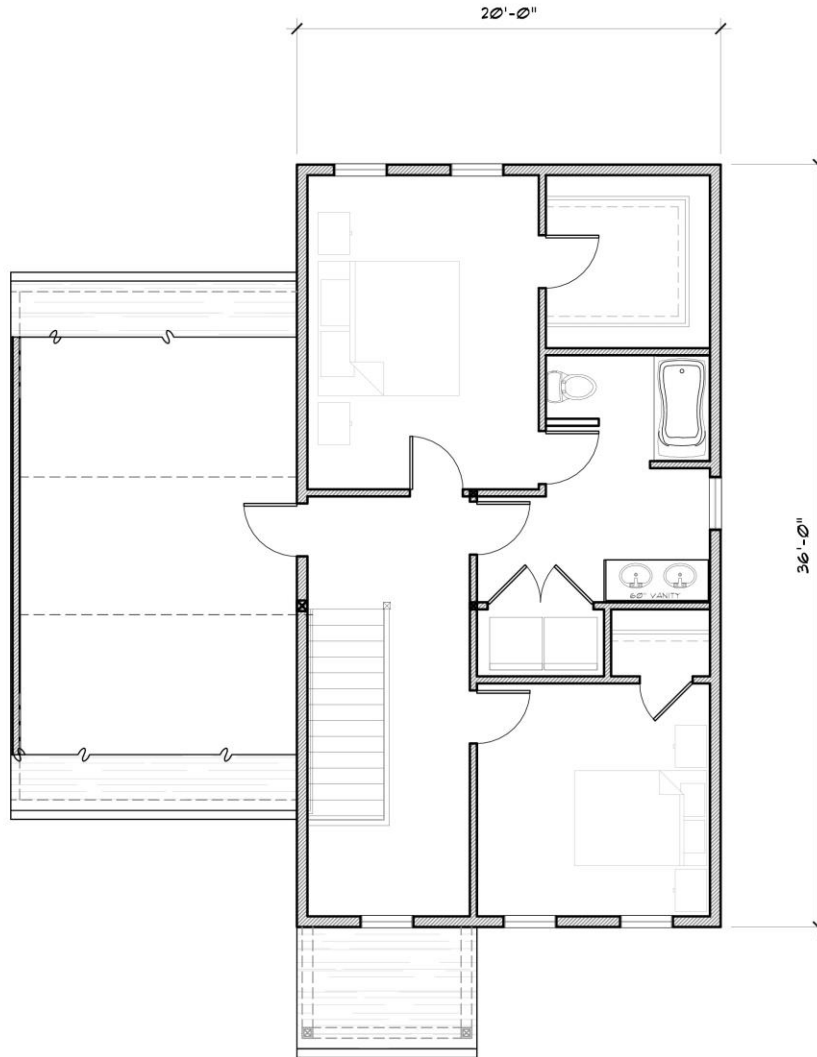
SCALE= 3/16"=1'-0"

Damon Farm
HINGHAM NORWELL

1st Floor



UNIT A



SCALE= 3/16"=1'-0"

Damon Farm
HINGHAM NORWELL

2nd Floor



Damon Farm Norwell

LOTTERY APPLICATION

For Office Use Only:

Date Appl. Rcvd: _____

Local: Y / N

Household Size: _____

Lottery Code: _____

APPLICATION DEADLINE: September 23, 2020

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 Norwell to be in the local pool. Please check the appropriate category(s) that applies to your household*:

NORWELL LOCAL PREFERENCE

- Individuals or families who live in Norwell.
- A household with a family member who works in Norwell, has been hired to work in Norwell, or has a bona fide offer of employment in Norwell.
- Household who works for the Town of Norwell or the Norwell Public Schools.
- Households with a family member who attends a public school in Norwell.

*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 Norwell.

Household Composition: Include all that will be living in the unit, including yourself

Name _____ Relationship _____ Age _____

Name _____ Relationship _____ Age _____

Name _____ Relationship _____ Age _____

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 3 months) _____

Savings _____

Stocks, Bonds, Treasury Bills, CD or _____



Affidavit & Disclosure Form

I/We understand and agree to the following conditions and guidelines regarding the distribution of the affordable home at Damon Farm in Norwell, 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	\$67,400	\$77,000	\$86,650	\$96,250

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 at less than fair market value within two years of application will be counted a 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 will 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), Masshousing and the Town of Norwell. 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 homes at Damon Farm in Norwell. I/We am qualified based upon the program guidelines and agree to comply with applicable regulations.

Applicant

Co-Applicant

Date:



**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.

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 meet the Local Preference criteria, you must provide documented proof, i.e. utility bill, voter registration, etc.
3. _____ 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.
4. _____ Federal Tax Returns –2017, 2018 and 2019 (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.
5. _____ W2 and/or 1099-R Forms: 2017, 2018, 2019
6. _____ 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 the last 12 months, 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.
7. _____ 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.
8. _____ 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.
9. _____ Interest, dividends and other net income of any kind from real or personal property.
10. 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

11. _____ 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.

12. _____ 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.

13. _____ 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.

14. _____ 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.

15. _____ 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 and closing costs 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.

Print Applicants Name(s): _____

Applicants Signature

DATE

Co-Applicants Signature

DATE

Return completed and signed Application, Affidavit and Disclosure Form, Required Financial Documentation Form, Mortgage preapproval and ALL required financial documentation to:

MCO Housing Services

P.O. Box 372

Harvard, MA 01451

Email: lotteryinfo@mcohousingservices.com

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

FINAL REMINDER

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.

