

# *Church Street Village*

*c/o MCO Housing Services  
P.O. Box 372  
Harvard, MA 01451  
(978) 456-8388*

March 2009

Dear Friend:

Attached is the information you requested regarding affordable housing initiatives at **Church Street Village** in Northborough, Massachusetts.

**Church Street Village** has one new affordable two bedroom town home unit for a qualified first time homebuyer. The 40-unit town home development is located on Church Street in Northborough, MA, less than ½ mile from Route 290. The unit features 2.5 bathrooms and a one car garage in +/- 1550 square feet of living space.

The sales price for the affordable town home unit is \$147,200. This remaining unit is available on a first come first serve basis. This means the first applicant to send in the application, deposit, two copies of all financial documentation and a mortgage pre-approval will have the opportunity to purchase.

Thank you for your interest in affordable housing at **CHURCH STREET VILLAGE**. We wish you the best of luck. If you have questions please contact MCO Housing Services at 978-456-8388 or email us at [lotteryinfo@mcohousingservices.com](mailto: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  
Northborough Church Street Village Development LLC



# Church Street Village

## Question & Answer

### What are the qualifications required for Prospective Buyers?

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

| Household Size       | 1        | 2        | 3        | 4       |
|----------------------|----------|----------|----------|---------|
| Max Allowable Income | \$44,650 | \$51,000 | \$57,400 | \$3,750 |

### LOTTERY APPLICANT QUALIFICATIONS:

- Maximum allowable income limits can not exceed the above limits.
- Must be a first time homebuyer (never owned or not owned a home as a principal residence for a period of three years.)  
Exception for displaced homemakers.
- Household assets can not exceed \$50,000, retirement accounts **DO NOT** apply.

Other program highlights for Lottery applicants:

- Units must be owner occupied. They cannot be rented or leased.

### Are there mortgage guidelines that we need to follow?

- Yes, they are:
- (1) Encouraged to secure a fixed rate mortgage, typically 30 year.
  - (2) Non-household members are not permitted to be co-signers on the mortgage.
  - (3) Buyers responsible for down payment and closing costs.

### Are there any restrictions?

YES. Deed restrictions are used to ensure the units are affordable for future buyers and are attached to the property in perpetuity. If you choose to sell your unit, there is a limit on the resale price. The maximum resale price is determined using a Resale Price Multiplier, a figure calculated by taking the initial sales price and dividing it by the area median income. **For example**, the initial 2 bedroom affordable town home unit price is \$147,200 and the current area median income is \$71,700, the Resale Price Multiplier would be  $\$147,200/\$71,700 = 2.05$ .

Upon resale, the Resale Price Multiplier is multiplied by the updated area median income number to determine the maximum resale price. **For example**, if the original buyer decides to sell the unit in 5 years and (we assume) the then current area median income has increased to \$75,000 the resale price would be determined as follows:  $\$75,000 \times 2.05 = \$153,750$ .

In addition, the Monitoring Agent receives a resale fee than can be added to the maximum resale price. The fee is equal to 2.5% of the set new purchase price ( $\$153,750 \times 2.5\% = \$3,844$ ). The total resale price would be \$157,594.

### How much money do I need to make to afford the town home units?

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

## DEPOSIT INFORMATION

A \$2,208 deposit, payable to MCO Housing Services, must be sent with the application, financial documentation and mortgage pre-approval. If you have the opportunity to purchase and are eligible for the unit the deposit will be placed in a non interest bearing escrow account until a Purchase and Sale Agreement has been issued. At that point it will be counted as your deposit on the unit. If you do not have the opportunity to purchase the check will be returned to you.

Your deposit, financial documentation and mortgage pre-approval must be mailed to:

**MCO Housing Services, P.O. Boxes 372, Harvard, MA 01451**

### Required Income Verification Documents

Provide **two copies** of all applicable information. Failure to provide complete information can delay the approval process and put your ability to buy an affordable unit in jeopardy. If you have any questions please call, Maureen O'Hagan at 978-456-8388.

1. Federal Tax Returns – 2005, 2006, 2007, 2008{if available} (**DO NOT SEND STATE TAXES**)
2. W2 and/or 1099 Forms: 2006, 2007, 2008
3. Asset Statement(s): Three months full statements (every page, front and back) including checking accounts, saving accounts, retirement investment accounts, certificate of deposit, property, down payment gift amount etc. *(An imputed interest rate of ½% will be used to calculate interest and dividend income on bank accounts and other assets over \$5,000 and added to household income to determine total gross income.)*
4. Five (5) **consecutive** pay stubs ending within one month for all jobs (check/direct deposit stubs). For unemployment, copies of unemployment checks or DOR verification stating benefits received.
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. IRA or other income derived from assets: statement indicating regular amounts received and total amount received from latest tax year.
8. Child support and alimony: document indicating the payment amount.
9. Proof of student status for dependent household members over age of 18 and full-time students.
10. 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. The gift amount is considered part of the \$50,000 asset limit.
11. If you owned a home within the past 3 years but it was sold due to a divorce provide copy of divorce or separation papers and proof of the home sale showing equity received (HUD Settlement Sheet).

### 55+ Applicants

12. If you are selling a home provide document from a real estate company with the anticipated selling price. Also include a mortgage statement showing balance of mortgage or other loans attached to home, if applicable.



# Church Street Village

Northborough, Massachusetts

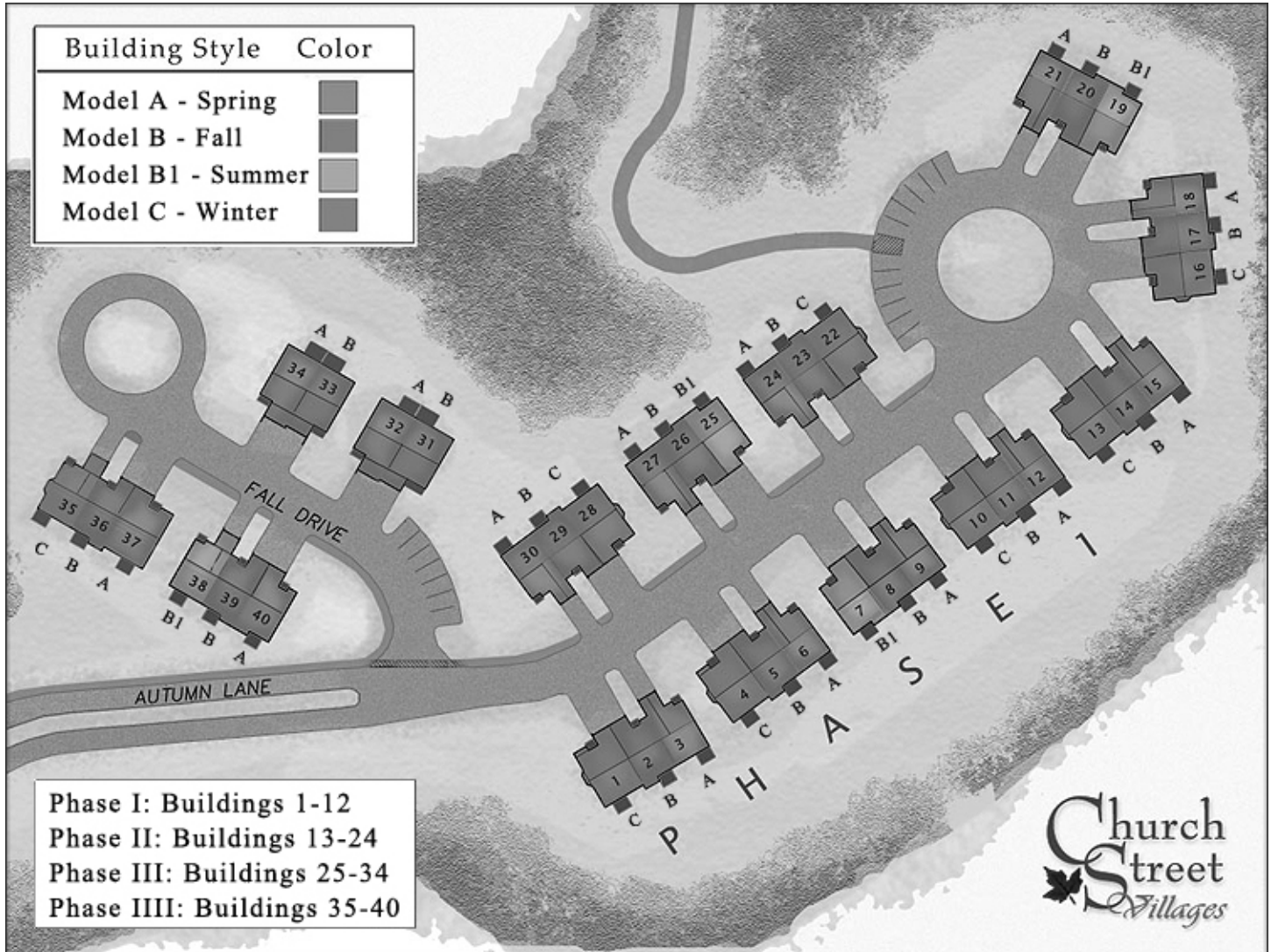
## HOME AVAILABILITY & DISTRIBUTION SCHEDULE

| Unit # | Unit Style | # of Bedrooms | Estimated Availability* |
|--------|------------|---------------|-------------------------|
| 19     | A          | 2             | SOLD                    |
| 23     | B          | 2             | SOLD                    |
| 26     | B          | 2             | TBD                     |

Local - Local Pool Applicants

ALP - At Large Pool Applicants

\*All Dates are Estimates



# Church Street Village

Northborough, Massachusetts

## SAMPLE AFFORDABILITY ANALYSIS

|                                   |                    |
|-----------------------------------|--------------------|
| <b>Home Price</b>                 | \$ 147,200.00      |
| <i>Interest Rate</i>              | 5.75%              |
| <i>Down Payment (%)</i>           | 5.00%              |
| <b>Down Payment (\$)</b>          | \$ 7,360.00        |
| <b>Mortgage Amount</b>            | \$ 139,840.00      |
| <b>Monthly Expenses</b>           |                    |
| <i>Principal &amp; Interest</i>   | \$ 816.07          |
| <i>Real Estate Taxes</i>          | 162.90             |
| <i>Private Mortgage Insurance</i> | 90.31              |
| <i>Estimated Association Fee</i>  | 100.00             |
| <b>TOTAL Monthly Expenses</b>     | <b>\$ 1,169.28</b> |
|                                   |                    |

### NOTES:

ALL Values are estimates and are subject to change.

Northborough Residential Tax Rate = \$13.28 per thousand

\*Minimum Income required based upon 30% Housing Ratio, 5.75% interest rate and using traditional bank underwriting practices.

# Church Street Village

## APPLICATION

**For Office Use Only:**

Date Appl. Rcvd: \_\_\_\_\_

Local: Y / N

Household Size: \_\_\_\_\_

Lottery Code: \_\_\_\_\_

**PERSONAL INFORMATION:**

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_ Town: \_\_\_\_\_ Zip: \_\_\_\_\_

Home Telephone: \_\_\_\_\_ Work Telephone: \_\_\_\_\_ Cell: \_\_\_\_\_

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:** \_\_\_\_\_ (A)

Principal & Interest "See Attached Affordability Analysis" \_\_\_\_\_

Real Estate Taxes \_\_\_\_\_

Private Mortgage Insurance \_\_\_\_\_

Association Fee \_\_\_\_\_

**TOTAL PROJECTED MONTHLY HOUSING EXPENSE:** \_\_\_\_\_ (B)

Monthly Installment Loans (Car, Student, Personal, etc.)\* \_\_\_\_\_ (1)

Revolving Credit (Credit Cards) Use 5% of Balances \_\_\_\_\_ (2)

**TOTAL MONTHLY OBLIGATIONS:** (B)+(1)+(2) = \_\_\_\_\_ (C)

**RATIOS:** (Use Values from above to calculate)

\*\* Monthly Housing Ratio: \_\_\_\_\_ (B) / (A)

\*\*\* Total Obligations Ratio: \_\_\_\_\_ (C) / (A)

\* You do not need to include any installment loans that have less than 10 payments remaining.

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

Employer: \_\_\_\_\_

Street Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Date of Hire (Approximate): \_\_\_\_\_

Annual Wage - Base: \_\_\_\_\_

Additional: \_\_\_\_\_ (Bonus, Commission, Overtime, etc.)



**CONTINUED ON BACK**



**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 |
| White                             | _____     | _____        | _____             |
| African American                  | _____     | _____        | _____             |
| Hispanic/Latino                   | _____     | _____        | _____             |
| Asian or Pacific Islander         | _____     | _____        | _____             |
| Native American or Alaskan Native | _____     | _____        | _____             |
| Cape Verdean                      | _____     | _____        | _____             |

The total household size is \_\_\_\_\_

|                       |            |                    |           |
|-----------------------|------------|--------------------|-----------|
| Household Composition | Name _____ | Relationship _____ | Age _____ |
| (include applicant)   | Name _____ | Relationship _____ | Age _____ |
|                       | Name _____ | Relationship _____ | Age _____ |
|                       | Name _____ | Relationship _____ | Age _____ |

**ADDITIONAL INFORMATION:**

The MAXIMUM allowable annual income is as follows:

|                             |                 |                 |                 |                |
|-----------------------------|-----------------|-----------------|-----------------|----------------|
| <b>Household Size</b>       | <b>1</b>        | <b>2</b>        | <b>3</b>        | <b>4</b>       |
| <b>Max Allowable Income</b> | <b>\$44,650</b> | <b>\$51,000</b> | <b>\$57,400</b> | <b>\$3,750</b> |

These income limits are FIRM and cannot be adjusted. 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 5% 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. I (we) understand if we have the opportunity to purchase all information provided shall be verified for accuracy at the time of bank application.

|                 |             |
|-----------------|-------------|
| Signature _____ | Date: _____ |
| Applicant       |             |
| Signature _____ | Date: _____ |
| Co-Applicant    |             |

**Return with SIGNED Affidavit & Disclosure Form, deposit, two copies financial documentation and mortgage pre-approval to:**

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



# Church Street Village

## *Affidavit & Disclosure Form*

I/We understand and agree to the following conditions and guidelines regarding the distribution of the affordable homes at Church Street Village in Northborough, 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 | \$44,650 | \$51,000 | \$57,400 | \$3,750 |

Income from all family members must be included.

2. I/We have not individually or jointly owned a single family home, town home, condo or co-op as a principal residence within the past three (3) years. Exception for displaced homemakers.
3. I/We certify that my/our total assets do not exceed the \$50,000 asset limit.
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 perjury will result in disqualification from further consideration.
6. 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 for the purchase of the home through a bank experienced with first time homebuyer programs and 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 for Church Street Village.
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.
10. Program requirements are established by the DHCD and Town of Northborough. 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 project monitoring agent is final.
11. I/We certify that no member of our family has a financial interest in Church Street Village.
12. I/We understand there are differences between the market and affordable unit and accept those differences.

I/We have completed an application and have reviewed and understand the process that will be utilized to distribute the available home at Church Street Village. 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, deposit, 2 copies financial documentation and mortgage pre-approval to:**

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

