



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

March 2009

Dear Friend:

Thank you for your interest in Day Mill Townhouses. Following is the application and list of required financial documentation that needs to be provided with your application.

The sales price for the affordable condominiums is \$125,500 for a two-bedroom or \$141,000 for a three-bedroom unit. You will need to let us know what size unit you are interested in purchasing.

Thank you for your interest in affordable housing at **DAY MILL TOWNHOUSES**. 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).

Sincerely,

*Maureen M. O'Hagan*

Maureen M. O'Hagan  
MCO Housing Services for  
Day Mill Townhouses LLC

# Day Mill Townhouses

AFFORDABLE HOMES through NEF

## 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	\$43,450	\$49,700	\$55,900	\$62,100

(Larger households are allowed slightly higher income limits. Call for details, if applicable.)

### GENERAL APPLICANT QUALIFICATIONS:

- Meet the above maximum allowable income limits.
- Be a first time homebuyer (never owned or not owned a home as a principal residence for a period of three years.)
- Have less than \$50,000 in household assets, portions of retirement assets may apply.

Other program highlights for General Lottery applicants:

- Units must be owner occupied. They cannot be rented or leased.
- Non-household members are not permitted to be co-signers on the mortgage.

### AGE QUALIFIED APPLICANT QUALIFICATIONS

(Applicant must choose which lottery they are to be included and complete the appropriate application):

- Meet the above maximum allowable income limits.
- One household member must be 55 years old or older.
- The applicant may own a home, which must be sold to acquire the affordable unit, in which the applicant has no more than \$150,000 in equity.
- Have less than \$50,000 in household assets, portions of retirement asset may apply.

Other program highlights for Age Qualified Lottery Applicants:

- Units must be owner occupied. They cannot be rented or leased.
- If selling home to purchase a unit, there is no limit to the down payment.

### Are there any restrictions?

YES. Deed restrictions are used to ensure the homes are affordable for future buyers and are attached to the property in perpetuity. If you choose to sell your home, 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 home price is \$125,500 and the current area median income is \$66,200, the Resale Price Multiplier would be  $\$125,500/\$66,200 = 1.89$ .

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 home in 5 years and (we assume) the then current area median income has increased to \$70,000 the resale price would be determined as follows:  $\$70,000 \times 1.89 = \$132,300$ .

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 ( $\$132,300 \times 2.5\% = \$3,300$ ). The total resale price would be \$135,600.

# DAY MILL TOWNHOUSES

The available units are on a first come first serve basis and the following documents must be submitted in full.

1. A fully refundable \$1000 deposit payable to MCO Housing Services. If we have a unit for you and you are approved the check will be deposited in a non-interest bearing escrow account. When the Purchased and Sale Agreement is executed a check will be sent to the builder as your deposit on the unit. If you do not qualify for the program or we do not have a unit for you we will return your check.
2. A mortgage pre-approval letter showing you are able to secure a mortgage for the unit. The pre-approval must be based on your credit score and must be from a MassHousing approved Lender. An online pre-approval letter will not be accepted.
3. The following financial documents:

Provide **two copies** of all applicable information.

1. Federal Tax Returns –2005, 2006, 2007 DO NOT SEND STATE TAXES
2. W2 and/or 1099-R Forms: 2005, 2006, 2007
3. Asset Statement(s): **Current** full statements (showing activity) including checking accounts (2 months of statements), saving accounts, investment accounts (including retirement), annuities, certificates of deposit, property, down payment gift amount etc.
4. Five (5) **consecutive** current pay stubs 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.
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.

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.

***If you have any questions on the above please call Maureen at (978) 456-8388 or email at [Maureen@mcohousingservices.com](mailto:Maureen@mcohousingservices.com).***



Templeton, Massachusetts

**AFFORDABILITY ANALYSIS**

	2 Bedroom Unit	3 Bedroom Unit
<b>Home Price</b>	\$ 125,500	\$ 141,000
<i>Interest Rate</i>	6.0%	6.00%
<i>Down Payment (%)</i>	5.00%	5.00%
<b>Down Payment (\$)</b>	\$ 6,275.00	\$ 7,050.00
<b>Mortgage Amount</b>	\$ 119,255.00	\$ 133,950.00
<b>Monthly Expenses</b>		
<i>Principal &amp; Interest</i>	\$ 714.81	\$ 803.10
<i>Real Estate Taxes</i>	98.73	110.92
<i>Private Mortgage Insurance</i>	77.00	86.51
<i>Association Fee</i>	100.00	100.00
<b>TOTAL Monthly Expenses</b>	<b>\$ 990.54</b>	<b>\$ 1,100.53</b>

**NOTES:**

ALL Values are estimates and are subject to change.

Templeton Residential Tax Rate = \$9.44 per thousand

A 20% Down Payment will eliminate Private Mortgage Insurance

Minimum Income required based upon 30% Housing Ratio



# APPLICATION

<b>For Office Use Only:</b>
Date Appl. Rcvd: _____
LOCAL Pool: Y / N
Household Size: _____
Lottery Code: _____

**PERSONAL INFORMATION:**

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

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

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

Home Telephone: \_\_\_\_\_ Work Telephone: \_\_\_\_\_ SS#: \_\_\_\_\_

Email: \_\_\_\_\_ Have you ever owned a home? \_\_\_ If so, when did you sell it? \_\_\_

Preferred Unit Size: \_\_\_\_\_ Two Bedroom \_\_\_\_\_ Three Bedroom

**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, specify \_\_\_\_\_

Co-Borrowers Monthly Base Income (Gross) \_\_\_\_\_

Other Income, specify \_\_\_\_\_

**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.  
 \*\* Should NOT exceed 30%      \*\*\* Should NOT exceed 38%

(Please complete reverse side)

**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.)

**ABOUT YOUR FAMILY:**

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 condominium. 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 \_\_\_\_\_ (This is very important to determine the maximum allowable income for your household.)

Household Composition	Name _____	Relationship _____	Age _____
(including applicant(s))	Name _____	Relationship _____	Age _____
	Name _____	Relationship _____	Age _____
	Name _____	Relationship _____	Age _____

**ADDITIONAL INFORMATION:**

The MAXIMUM allowable annual income is as follows:

Household Size	1	2	3	4
Max Allowable Income	\$43,450	\$49,700	\$55,900	\$62,100

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.

**SIGNATURES:**

The undersign warrants and represents that all statements herein are true. It is understood that the sole use of this application is to establish the preliminary requirements for placement into a lottery to have an opportunity to purchase an affordable condominium at Day Mill Townhouses in Templeton, MA. I (we) understand if selected all information provided shall be verified for accuracy at the time of bank application.

Signature \_\_\_\_\_ Date: \_\_\_\_\_  
Applicant(s)

Signature \_\_\_\_\_ Date: \_\_\_\_\_  
Co-Applicant(s)

Based upon the preliminary information provided it is my judgment that the applicant should be allowed to participate in the lottery for affordable condominiums at Day Mill Townhouses in Templeton, MA. 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 to:** MCO Housing Services, P.O. Box 372, Harvard, MA 01451

# Day Mill Townhouses

## *Affidavit & Disclosure Form*

I/We understand and agree to the following conditions and guidelines regarding the distribution of the affordable condominiums at Day Mill Townhouses through the NEF program in Templeton, 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	\$43,450	\$49,700	\$55,900	\$62,100

Income from all family members must be included.

2. I/We have not individually or jointly owned a single family home, condominiums, condo or co-op as a principal residence within the past three (3) years. (age qualified applicants are exempt from this regulation.)
3. I/We certify that my/our total liquid assets do not exceed the \$50,000 asset limit. Age Qualified applicants are limited to \$150,000 in equity if there is a home to sell.
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 by being selected in the lottery does not guarantee that I/we will be able to purchase a condominium. 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 condominium.
7. I/We understand that it is my/our obligation to secure the necessary mortgage for the purchase of the condominium through the designated bank 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 Day Mill Townhouses.
9. I/We understand that if selected I/we will be offered a specific condominium. I/We will have the option to accept the available condominium, or to reject the available condominium. If I/we reject the available condominium I/we will move to the bottom of the waiting list and will likely not have another opportunity to purchase an affordable condominium at Day Mill Townhouses.
10. Program requirements are established by the DHCD and Templeton Zoning Board of Appeals and are enforced by CHAPA, the Projects Monitoring Agent I/We agree to be bound by whatever program changes that may be imposed at any time throughout the process. If any program conflicts arrive, I/we agree that any determination made by CHAPA is final.
11. I/We certify that no member of our family has a financial interest in Day Mill Townhouses.

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

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Co-Applicant

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

**Return with completed application to:**

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