Woodland Meadows, located at 9-11 Oak Hill Road in Southborough, is a new 16 unit development with one remaining affordable unit from the lottery for an eligible first time homebuyers (certain exceptions apply). These homes include two bedrooms, 1 ½ baths, and a one car garage in approximately +/- 1320 sq. ft.

The purchase price has been set at $169,600. Please review the enclosed information packet in detail and complete the application and disclosure statement at the rear of the packet. The monthly HOA fee is $125 and the 2016 tax rate is $15.82 per thousand.

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 loan programs are not accepted.

Applications may be mailed to MCO Housing Services, P.O. Box 372, Harvard, MA 01451.

Thank you for your interest in affordable housing at Woodland Meadows. If you have questions, 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 Woodland Meadows, LLC
What are the qualifications required for Prospective Buyers?

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

<table>
<thead>
<tr>
<th>Household Size</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Max Allowable Income</td>
<td>$46,000</td>
<td>$52,600</td>
<td>$59,150</td>
<td>$65,700</td>
<td>$71,000</td>
</tr>
</tbody>
</table>

APPLICANT QUALIFICATIONS:

1. Household income cannot 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 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.mcohousingservices.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 to participate in this lottery.

Are there mortgage guidelines that we need to follow?

Yes, they are:
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.
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.

Unit preferences are based on the following:

a. There is at 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 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 $169,600 and the current area median income is $101,300, the Resale Price Multiplier would be $169,600/$111,300= 1.52.

Upon resale, the Resale Price Multiplier is multiplied by the updated area median income number to determine the maximum resale price.

All 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.

Time Frames

Woodland Meadows will be available for occupancy beginning in 2016. If you 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 income verification will be done at the time you have an opportunity to purchase a unit. All applicants are required to be determined income/asset eligible at time of closing. The applicants’ financial documents are verified again just before closing.
**SAMPLE AFFORDABILITY ANALYSIS**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Home Price</strong></td>
<td>$169,600.00</td>
<td></td>
</tr>
<tr>
<td><strong>Interest Rate</strong></td>
<td>4.15%</td>
<td></td>
</tr>
<tr>
<td><strong>Down Payment (%)</strong></td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td><strong>Down Payment ($)</strong></td>
<td>$8,480.00</td>
<td></td>
</tr>
<tr>
<td><strong>Mortgage Amount</strong></td>
<td>$161,120.00</td>
<td></td>
</tr>
<tr>
<td><strong>Monthly Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal &amp; Interest</td>
<td>$783.00</td>
<td></td>
</tr>
<tr>
<td>Real Estate Taxes</td>
<td>$224.00</td>
<td></td>
</tr>
<tr>
<td>Private Mortgage Insurance</td>
<td>$105.00</td>
<td></td>
</tr>
<tr>
<td>Hazard Insurance</td>
<td>$57.00</td>
<td></td>
</tr>
<tr>
<td>HOA Monthly Fee</td>
<td>$125.00</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL Monthly Expenses</strong></td>
<td>$1,293.00</td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**

All values are estimates and are subject to change.

Southborough 2016 Residential Tax Rate = $15.82 per thousand
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.
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Woodland Meadows

First Come First Serve APPLICATION

PERSONAL INFORMATION:

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? ________________

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 ____________________________

Down-payment Gift ____________________________

TOTAL ASSETS ____________________________

For Office Use Only:

Date Appl. Rcvd: _______________

Household Size: ________

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.
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:

<table>
<thead>
<tr>
<th>Category</th>
<th>Applicant</th>
<th>Co-Applicant</th>
<th>(#) of Dependents</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>________</td>
<td>________</td>
<td>________</td>
</tr>
<tr>
<td>African American</td>
<td>________</td>
<td>________</td>
<td>________</td>
</tr>
<tr>
<td>Hispanic/Latino</td>
<td>________</td>
<td>________</td>
<td>________</td>
</tr>
<tr>
<td>Asian or Pacific Islander</td>
<td>________</td>
<td>________</td>
<td>________</td>
</tr>
<tr>
<td>Native American or Alaskan Native</td>
<td>________</td>
<td>________</td>
<td>________</td>
</tr>
</tbody>
</table>

The total household size is ________

Household Composition: Include Applicant(s)

Name __________________________ Relationship ________ Age ________ Name __________________________ Relationship ________ Age ________
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%, ½ 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 Woodland Meadows in Southborough, 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

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

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 loan program is not accepted.

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.
Affidavit & Disclosure Form

I/We understand and agree to the following conditions and guidelines regarding the distribution of the affordable home at Woodland Meadows in Southborough, MA.

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

<table>
<thead>
<tr>
<th>Household Size</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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<tbody>
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<td>$46,000</td>
<td>$52,600</td>
<td>$59,150</td>
<td>$65,700</td>
<td>$71,000</td>
</tr>
</tbody>
</table>

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. 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 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 determined eligible 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 Mass Housing and the Town of Southborough. 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 Woodland Meadows. 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

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REQUIRED FINANCIAL DOCUMENTATION

Please provide a copy of all applicable information.


2. W2 and/or 1099-R Forms: 2013, 2014 and 2015

3. Asset Statement(s): **Current** statements including 6 months checking accounts (full statement showing activity/every page front and back). **Current** saving accounts (full statement), investment accounts including retirement, certificate of deposit, property, down payment gift amount etc.

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.

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.

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 divorce or separation papers and proof of the home sale showing equity received such as the HUD Settlement Statement.

11. If you are self-employed you must provide detailed income and expense spreadsheet for the 6 months prior to application and 6 months of business checking and current savings account.

Please bring a copy of the following Mortgage Guidelines to your lender. As a reminder the Guidelines are:

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.

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

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

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