
INFORMATION AND APPLICATION FOR AFFORDABLE HOUSING

**Affordable Housing Unit available for households earning up to
110% of the Boston Area Median Income
Town of Concord, MA**

This packet contains specific information for the resale of the affordable unit located at **87 Elm Brook Lane** for those earning up to 110% of the Boston AMI. This unit is available to any households which meet the income eligibility requirements and is open to both first time homebuyers and households which have owned a home within the last three years.

We invite you to read this information and submit an application. Submittal of an application does not guarantee a home. Applications will be reviewed in the order that they are submitted and the first income – qualified household will be given an opportunity to enter into a purchase and sale agreement with the current owners within ten days. Applicants must secure approval for a mortgage loan and submit evidence of such approval together with the application.

Only one application per household will be accepted, there is no need to submit multiple applications.

Please contact the Department of Planning & Land Management for further information:

Lara Kritzer
Town of Concord
Department of Planning & Land Management
141 Keyes Rd
Concord, MA 01742
Phone: (978) 318-3290
lkritzer@concordma.gov

Project description

The home at 87 Elm Brook Lane was built in 2002 as part of the Elm Brook condominium project and is being listed at \$354,403. It is a detached single-family house governed by a Condominium Association, with monthly dues of \$184. The unit is conveyed with a 9.98% interest in the common areas and facilities. It is on a paved road, with public water and private shared septic. The heating fuel is gas and the heating system is forced hot water. Appliances to be sold with the unit include a gas stove, a new dishwasher, microwave, washer and dryer, mounted wall TV stand, and updated lighting and bathroom fixtures.

The unit is 2 stories with an asphalt shingled gable roof and 1,696 square feet of living space. The first floor has a living room, kitchen, and dining room, as well as the master bedroom with a full bath. The second floor includes two bedrooms and a full bath. The basement is partially finished and a deck provides outdoor living space at the rear of the house.

Application Process

1. Applications will be sent to anyone interested in the unit and are available online and in the Planning Division offices at 141 Keyes Road.
2. Applications received by the Planning Division will be date stamped, and then checked for completion of all required components. An application will be considered complete when all required items on the checklist have been provided.
3. The applicant's current gross income will be verified and compared to the income limits below. The applicant household is required to be at or less than the 110% of Boston Area Median Income (AMI) as published by HUD. This includes all wages prior to any deductions from all adult household members. Income is determined using the method as in HUD Section 8 program defined at 24 CFR 5.609. Household income limits are:
Household of 1 - \$ 72,688, Household of 2 - \$ 83,072, Household of 3 - \$ 93,456,
Household of 4 - \$103,840, Household of 5 - \$112,147, Household of 6 - \$120,454
4. Household assets shall not exceed \$110,000 in net cash value. Additionally, income from household assets is included in the household income, imputed at the greater of 1% of the asset value or the actual income from the assets. Assets include, but are not limited to, all cash, cash in savings accounts, checking accounts, certificates of deposit, bonds, stocks, value of real estate holdings and other capital investments. Include the value of the asset, with a deduction for the reasonable cost of selling the asset. The value of necessary personal property (furniture, vehicles) and any retirement accounts (IRA, 401K, Pension) are excluded from asset values. Waivers to these requirements may be requested.
5. Applicants must agree to live in the unit as their primary residence.
6. Applicants will be notified for incomplete application packages by email first and letter second.
7. The first applicant to be determined to meet all eligibility requirements will be given the opportunity to proceed with a Purchase and Sale Agreement for the unit. Applicants who have been deemed ineligible will be notified in writing of the decision.
8. In the event that the first qualified applicant is unable to obtain financing, withdraws for any other reason, or does not comply with guidelines, the next qualified applicant will be offered the opportunity to purchase the unit.
9. A Purchase and Sale Agreement will be signed within 10 calendar days and the qualified applicant must provide a deposit of at least 1.5% (\$5,316) in the form of a certified or bank check, which is applied to the overall purchase amount.
10. The Town of Concord requires at least two weeks for approving the signed P&S and firm financing commitment letter and to prepare the deed rider. The Town follows the State's DHCD current mortgage requirements for LIP program include:
 - The loan must have a fixed interest rate through the full term of the mortgage.
 - The loan must have a current fair market interest rate, no more than 2 percentage points above the current MassHousing rate.
 - The loan can have no more than 2 points.
 - The buyer must provide a down payment of at least 3%, and half of this amount must come from the buyer's own funds.
 - The buyer may not pay more than 38% of their monthly income for the mortgage.
 - Non-household members shall not be permitted as co-signers of the mortgage.
11. The Fair Housing Act prohibits discrimination in housing because of Race or color, National origin, Religion, Sex, Familial status (including children under the age of 18 living with parents or legal custodians); pregnant women and people securing custody of children under 18. An applicant who believes that they have been discriminated against in the buyer selection and sales process may contact: the Massachusetts Commission Against Discrimination (617) 994-6000; and/or the United States Department of Housing and Urban Development (617) 994-8300.

AFFORDABLE HOUSING APPLICATION

Applicant Legal Name _____ Phone Number _____ E-mail _____

Address _____ City _____ State/Zip _____

Co-Applicant Legal Name _____ Phone Number _____ E-mail _____

Address _____ City _____ State/Zip _____

I learned of this lottery from:

Website: _____ Letter: _____

Advertisement: _____ Other: _____

THIS APPLICATION IS NOT COMPLETE IF NOT SUBMITTED WITH:

- _____ Completed application signed by all individuals over the age of 18
- _____ Copy of 2011 and 2012 Federal and State tax returns, as filed, and the most recent year's (2012) 1099's, W-2's and schedules, for every current or future person living in the household over the age of 18
- _____ Copy of last consecutive three months of pay documentation
- _____ Current statements and documents that indicate the payment amounts from all other sources of income of all members listed on the application, such as alimony and/or child support, Social Security benefits, all types of pensions, employment, Unemployment Compensation, Workman's Compensation, alimony, disability or death benefits and any other form of income
- _____ Current statements of all assets showing current value including all bank accounts, investment accounts, cash life insurance policies, and retirement accounts. Include copies of all pages from the last three months of each asset statement
- _____ Mortgage pre-approval and proof of adequate assets to cover down payment and closing costs
- _____ No Income Statement, signed and notarized, for any household member over 18 with no source of income, if applicable

TOWN OF CONCORD AFFORDABLE HOUSING OPPORTUNITY

Household Information - List all members of your household including yourself

Number of Bedrooms Needed: _____

Names of all Persons to Reside in Dwelling (First Name, Middle Initial, Last Name)		Relation to Head	Age	Date of Birth	Social Security Number	Minority Category * (Optional)
HEAD						
2						
3						
4						
5						

*Minority preference categories include only Native American or Alaskan Native, Black, Cape Verdean, Asian, Hispanic and require a separate self-declaration document.

Property - Do you own or have an interest in any real estate, land and/or mobile home? Yes () No ()

Address: _____ Current Value: _____

Have you sold real estate or other property in the past three years? Yes () No () If yes, attach settlement statement

When: _____ Address: _____ Sales Price: _____

TOWN OF CONCORD AFFORDABLE HOUSING OPPORTUNITY

Income - List all income of all members over the age of 18 listed on application to reside in the unit, such as wages, child support, Social Security benefits, all types of pensions, employment, Unemployment Compensation, Workman's Compensation, alimony, disability or death benefits and any other form of income; including rental income from property. Adults with no income are required to submit a notarized statement. If additional space is needed, please attach another sheet.

#	Source of Income	Address/Phone# of Source	Amount per Year
1			
2			
3			
4			
5			
TOTAL			

Assets - List all checking, savings accounts, CD's, stocks, bonds, retirement accounts, savings bonds and any other investments below. If additional space is needed, please attach another sheet. Household assets do not include necessary personal property.

#	Type of Asset	Account No	Value, Balance
1	Checking account		
2	Savings account		
3	Retirement account		
4	Other: _____		
5	Other: _____		
6	Other: _____		
TOTAL			

APPLICANT(S) CERTIFICATION

I/We certify that our household size is _____ persons, as documented herein.

I/We certify that our total household income equals \$ _____, as documented herein.

I/We certify that our household has assets totaling \$ _____, as documented herein.

I/We certify that the information in this application and in support of this application is true and correct to the best of my/our knowledge and belief under full penalty of perjury. I/We understand that false or incomplete information may result in disqualification from further consideration.

I/We certify that no member of the household has a criminal record which would disqualify them from eligibility for public housing under the rules and regulations of the Department of Housing and Community Development and understand that the same rules and regulations will apply to this lottery.

I/We certify that I am/we are lawfully present in the United States, and we, or our family, are not related to the owner of 87 Elm Brook Lane, the Monitoring Agent or any party of this project.

I/we understand that it is my/our obligation to secure the necessary mortgage for the purchase of the home and all expenses, including closing costs and down payments, are my/our responsibility.

I/We understand that if I/we do not obtain a mortgage commitment and sign a purchase and sale agreement within forty-five that the unit will be offered to the next eligible applicant on the waiting list.

I/We have read and understand the provisions restricting capital improvements and resale restrictions and agree to the restriction. I/We have been advised that a copy of the Deed Rider is on file at the Town of Concord Office of Planning and is available on the Town's website.

I/We understand that if I/we are selected to purchase a home, I/we must continue to meet all eligibility requirements of the Town of Concord and any participating lender(s) until the completion of such purchase. I/We understand that I/we must be qualified and eligible under any and all applicable laws, regulations, guidelines, and any other rules and requirements.

Your signature(s) below gives consent to the Town of Concord or its designee to verify information provided in this application. The applicant agrees to provide additional information on request to verify the accuracy of all statements in this application. No application will be considered complete unless signed and dated by the Applicant/Co-Applicant.

Applicant Signature

Date

Co-Applicant Signature

Date

THIS IS APPLICATION IS ONLY FOR THIS SPECIFIC DEVELOPMENT.

COMMONLY ASKED QUESTIONS**WHAT ARE THE INCOME LIMITS?**

The following figures are the maximum gross income limits: 1 Person – \$72,688; 2 Person - \$83,072; 3 Person - \$93,456; 4 Person - \$103,840; 5 Person - \$112,147; 6 Person - \$120,454. Households must earn enough income to qualify for a mortgage loan in an amount, together with available resources for a down payment, equal to the purchase price plus closing costs

WHAT ARE THE ASSET REQUIREMENTS/LIMITS?

The asset limits for this development is \$110,000. This means the total current value of all assets that you have including but not limited to bank accounts, stocks, and real estate holdings. Any retirement accounts such as 401K plans, IRA's etc. are excluded. Applicants will be required to demonstrate that at the time of purchase they will have unencumbered assets in an amount sufficient to cover the required down payment and closing costs, and that at closing they will have no more than \$110,000.

CAN I QUALIFY TO APPLY IF I ALREADY OWN A HOUSE/CONDO?

This unit is being made available to any applicant who meets the income eligibility requirements and have owned a property the past but is not available to any current homeowners. Any applicant interested in this housing opportunity must have already sold their previous home before submitting an application.

WHAT IS CONSIDERED INCOME?

You must report any type of income that you receive, which includes all income. Some examples are public assistance, employment wages, social security, child support, alimony, annuities, tips, pensions, income from a business such as daycare etc. and any other type of payments that you receive including lottery winnings. The Town will calculate your income which will include any income derived from your assets pursuant to the formula set by the Department of Housing and Community Development. Assets are bank accounts, certificates of deposit, stock and bonds, ownership of a business, Savings Bonds, property held by someone else in your name etc. Retirement accounts do not need to be included. This formula takes the greater of the actual income from an asset or the current market value of any asset multiplied by 1%. The amount derived from this calculation is then added to your income.

WHAT TYPE OF VERIFICATION DO I NEED TO SUBMIT WITH THE APPLICATION?

You must provide all documentation and statements as outlines on the checklist on page one. Incomplete information will prevent your application from being entered in the lottery. The application process requires time to complete all the pieces. Please take the time necessary.

WHY ARE THERE SPECIAL CONDITIONS ON THE USE AND RESALE OF THESE HOMES?

The Town of Concord has made a commitment to provide affordable homeownership opportunities to the residents of Concord. Using special financing assistance and relief from regulation granted through Chapter 40B, housing is made affordable by reducing the purchase price to below market values, thus reducing monthly mortgage payments and requiring lower down payments. With this help, many families who could not afford to purchase a home in the private market will be able to own their own home. To preserve these benefits for future buyers, certain conditions are placed on the use and resale of the property. They are designed to balance the interests of initial and future owners fairly.

HOW MUCH WILL THE CONDO FEES BE?

Condominiums fees for 87 Elm Brook Lane are \$184 a month, and cover all elements of the common septic system located outside of the unit and all improvements on the land other than the units (including roads, driveways, culverts and underground utilities) – not including the house or personal property.

WHEN I WANT TO SELL MY UNIT HOW MUCH WILL I BE ABLE TO SELL IT FOR?

When you sell your home, the sale price must be no more than the "Maximum Resale Price". The Maximum Resale Price is set in accordance with a formula that gives a limited return on your investment but keeps the house affordable to the next buyer. Please refer to the sample Deed Rider for more information.

CAN I MAKE IMPROVEMENTS – WILL I BE ABLE TO SELL THE UNIT FOR MORE?

The unit will be sold as a base unit and the resale price of your unit is based upon the formula set in determining the maximum resale price. You will not be reimbursed for upgrades such as granite counters or high end bath tubs when your unit is sold. Upgrades to your unit do not have the same impact as if you were living in a regular market rate unit. Allowable upgrades must be approved first by the Monitoring Agent and the Municipality. Please refer to the sample Deed Rider available at the Town of Concord Department of Planning and Land Management for more information.

TO WHOM CAN I SELL MY HOME?

When you sell your home, you must notify the Town of Concord in writing as specified in the deed rider. The Town will have the right to market your unit for the first 120 days once the Maximum Resale Price is determined by their office. If a qualified family is not identified within the 120 day period, the unit can be sold to someone in the private sector at the Maximum Resale Price.

CAN I RENT MY HOME TO SOMEONE ELSE?

You must agree to live in this property as your primary residence. You cannot rent out your unit without the written consent of the Town of Concord.

HOW LONG DO THESE RESTRICTIONS APPLY TO THE PROPERTY?

The use and resale restrictions described here apply to the property in perpetuity. This means as long as the unit exists, it will remain affordable.

WHAT LEGAL DOCUMENTS DO I NEED TO REVIEW?

The property restrictions are described in a document that you should review carefully before you sign a Purchase and Sale Agreement. This document is called the Deed Rider and it will be recorded at the Middlesex Registry of Deeds along with the deed to your unit. AN ATTORNEY'S ADVICE SHOULD BE SOUGHT IN REVIEWING THIS DOCUMENT.