

Town of Sudbury

Sudbury Housing Trust

Flynn Building
278 Old Sudbury Rd
Sudbury, MA 01776
978-639-3387

Housing@Sudbury.Ma.US

Information and Application for Affordable Housing Lottery

JEFFERSON DRIVE TOWNHOMES

at LIBERTY RIDGE

Lexington, MA 02420

3 Townhouses, new construction

3BR Units: 7, 11 and 18 Jefferson \$276,600

This packet contains specific information for the lottery for three affordable homeownership units at the Jefferson Drive development in Lexington, MA, including eligibility requirements, the selection process, and a lottery application.

The key milestones for this housing opportunity:

- Application Period opens July 11, 2019
- Information Session August 7, 2019, 7 pm, *Cary Memorial Building, Estabrook Hall, 1605 Mass Ave, Lexington MA*
- Application Deadline September 11, 2019, 1 pm
- Lottery September 24, 2019 7pm, *Cary Memorial Building, Estabrook Hall, 1605 Mass Ave, Lexington MA*

This application is a first step in the lottery process and does not assure you a home. Applicants must secure approval for a mortgage loan and submit evidence of such approval together with the application.

Please contact the agent below for any questions or to **submit your application**:

Lara Plaskon
Sudbury Housing Trust
278 Old Sudbury Rd
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(978) 639-3387
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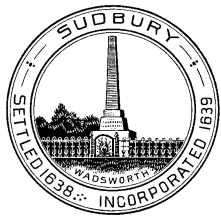
Project description

The **Jefferson Drive** development is a development approved by the Lexington Planning Board on July 21, 2017.

LIBERTY RIDGE is a private, picturesque residential development in the lovely community of Lexington, MA and consists of twenty-nine (29) new construction, quality crafted homes, with three (3) affordable homes available to eligible households through this lottery process.

With easy access to Rte 95 (128), it is situated within a rural corner of Lexington on 12+ acres. It is surrounded by extensive natural wooded conservation land with several walking trails, yet still only a short distance from schools, local dining and shopping.

The units are attached townhouses and are all three bedroom, 2.5 bath, on two floors, with finished square footages varying from 2,060 square feet (7 Jefferson), 1,407 (11 Jefferson) and 1,396 (18 Jefferson). The first floor has an open floor plan with kitchen, dining room and family room. The bedrooms are upstairs, with a shared and master bath – both with tiled floor. The



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units have gas fireplace in the family room, hardwood floors, and have stainless refrigerator, gas stove, microwave and dishwasher. Each unit has a garage, patio or deck, and unfinished basement.

Each townhome will have central AC and forced hot air heat, separate connections and separate meters for water and sewer, Eversource electricity, propane gas, cable and telephone, installed underground. Heating, hot water and cooking are fueled by propane gas, with each home having its own private underground propane tank. While gas cost will vary with usage and other factors, a similar project with townhouses the same sizes approximated \$1,500 per year for heat, hot water and cooking.

Units 7 and 11 should be ready for occupancy by September 1, 2019 - Unit 18 by December 2-19; subject to change without notice. Lottery winners should be ready to purchase the units.

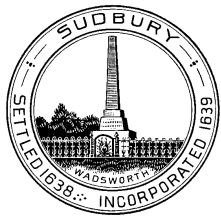
The monthly Condominium fee of \$93 represents a proportional share of the total condominium expenses covering landscaping and snow removal, taxes, insurance and contribution to reserve based on the square footage of the unit. The homeowner will also pay monthly real estate taxes using Lexington's 2018 tax rate of \$14.30 or \$330 per month.

The affordable unit will be offered under the Local Initiative Program (LIP), administered by Department of Housing and Community Development (DHCD), as a Local Action Unit (LAU). Local Action Units are created through local municipal action, in this case via the Town of Lexington's Special Permit for Public Benefit Development. Sale prices of LAUs are set so that a household earning 70% of area median income would not expend more than 30% of income for housing.

The units will be available to income eligible first-time homebuyers, with some exceptions permitted under the program, as noted in this application.

Lottery description:

1. The applications for this housing opportunity will be generally available, including on-line, in hardcopy at the Lexington Town Offices, and Lexington Public Library, sent to anyone interested in the lottery. Notice of the lottery will be advertised, and communicated widely through local, regional and state channels.
2. Applications must be received in hardcopy and will be checked for completion of all required components. An application will be considered complete when all required items on the checklist have been provided. Applicants are encouraged to complete the checklist as an aide to the process. We do not accept email or fax submission of applications.
3. For all units, the applicant's household size will be determined from the application, and required number of bedrooms as indicated on the application. Within each lottery pool, priority shall be given to households requiring at least the number of bedrooms for that unit. Smaller households are encouraged to apply.
4. The applicant's income will be verified and compared to the income limits published by HUD for the Boston Metropolitan Statistical Area. Income includes all income prior to any deductions from all adult household members, and are determined using the method as in the HUD Section 8 program defined at 24 CFR 5.609. An imputed income amount of 0.06% of assets will be added to income for assets over \$5,000. The current income limits will be used, currently the 2019 limits:
1 person- \$62,450, 2 person- \$71,400, 3 person- \$80,300
4 person- \$89,200, 5 person- \$96,350, 6 person - \$103,500.
5. Household assets shall not exceed \$75,000 in value. Assets include but are not limited to all cash, cash in savings accounts, checking accounts, certificates of deposit, bonds, stocks, the cash value of retirement accounts, value of real estate holdings and other capital investments. The value of necessary personal property (furniture, vehicles) is excluded from asset values. Equity from the sale of any home will be included with other household assets that cannot exceed the household asset value limits noted above.
6. Eligible applicants must be a First-time Homebuyer. This is further defined as a household that has not owned a home within three years, including in trust, preceding the application, with the exception of displaced homemaker, single parents and senior households (at least one household member is 55 or over). Any previously or currently owned home must be sold prior to purchase of the affordable unit.



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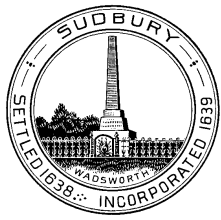
A displaced homemaker is an individual who is an adult, who has owned a home only with a spouse, who is legally separated from a spouse, and who does not currently own the home previously owned with a spouse.

Single parents are individuals who 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 whom the individual has custody or joint custody, or is pregnant);

Additional exceptions are made for households that owned a principal residence not permanently affixed to a permanent foundation, and households that owned a property that was not in compliance with State, local or model building codes.

Eligible applicants cannot own residential property, whether for primary, secondary or investment purposes.

7. Persons must submit all the necessary information by the application deadline. Late applications (applications mailed and/or received after the above date) and applications that are incomplete will not be accepted. No faxed or emailed applications will be accepted.
8. All applicants will be screened for eligibility. Applicants who have been deemed ineligible will be notified in writing of the decision and given time to contact the lottery agent in writing to disagree with the determination. A final lottery eligibility letter will be mailed to each applicant indicating their final eligibility determination, preferences and the lottery specifics (date/time).
9. The Town is committed to providing equal access to all applicants. The Local Pool will be balanced to avoid any disparate impact, ensuring that the local pool reflects the racial/ethnic balance of the HUD defined Metropolitan Statistical Area ("MSA"). Specifically, if the percentage of minority local resident households in the local preference pool is less than the percentage of minorities in the surrounding HUD-defined area (27%), minority applicants will then be included from the general pool through a minority pre-balancing to the local preference pool. Applicants are able to claim minority preferences if they include self-declarations as proof.
10. Applicants that qualify for a local preference will be placed in the local pools. Two of the units are available for local residents. Applicants will be entered into all the pools for which they qualify; so a local resident will be included in both general and local pools. Local resident includes:
 - Current Lexington residents
 - Families with children enrolled in the Town of Lexington's schools;
 - Lexington municipal employees; or
 - People employed by businesses located in the Town of Lexington, including with a bona fide offer of employment.
11. There will be two lottery pools created for these opportunities.
 - 1) General Pool (1 unit): 11 Jefferson
 - 2) Local Pool (2 units): 7 and 18 Jefferson
12. The lottery numbers will be pulled randomly by an independent third party in a public setting. Lottery numbers will be assigned a number in the sequence in which they are drawn and recorded in the order of selection on the Lottery Drawing Lists. The list of numbers drawn will be posted and letters will be mailed within three business days to the winners.
13. Once the tickets have been randomly drawn and listed in the drawn order, the unit is then ranked based on bedroom size. The top ranked household needing at least three bedrooms will be offered the opportunity to purchase the unit. The household size preference shall be given to households based on the following criteria.
 - There is at least one occupant per bedroom.
 - 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.



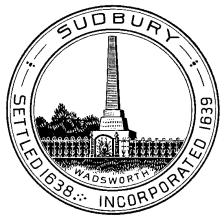
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14. The lottery agent shall maintain all Lottery Drawing Lists. In the event that any of the applicants withdraw for any reason, or do not comply with guidelines, the next qualified applicant in the lottery pool ranked by bedroom size need, will be offered the unit.
15. If there are more local units than local applicants needing all of the bedrooms of the unit, the local unit will be offered to the next ranked applicant in the general list needing all of the bedrooms in the unit. The ranked local applicants needing one fewer bedroom will then be considered in drawing order, followed by the ranked general applicants needing one fewer bedroom than in the unit.
16. Top ranked applicants are offered the next available unit. If any applicant is offered a unit and opts not to proceed within 2 weeks, they will be moved to the bottom of the list, unless there are extenuating circumstances related to hardship.
17. The winners will sign a reservation form and provide a \$1,000 deposit in the form of a certified or bank check within a mutually agreed upon timeframe. This is applied to the overall purchase amount.
18. Final qualification against all requirements will be verified before the execution of Purchase and Sale, and eligible applicants must be approved by DHCD before signing a P&S and again before closing (if closing is longer than 60 days from the Purchase and Sale) as determined by the Lottery Agent.
19. There are specific closing and financing requirements for loans on these units, which are listed below. We strongly encourage households to apply through banks who are aware of the resale restrictions and guidelines for affordable housing programs. These banks will likely have access to additional first-time homebuyer programs that may be of great assistance and increase your buying power such as the Massachusetts Housing Partnership's ONE Mortgage Program or MassHousing no-MI product.
 - 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.
 - The interest rate must be locked in – not floating.
 - The buyer must provide a down payment of at least 3%, 1.5% of which must come from the buyer's own funds.
 - The loan can have no more than 2 points.
 - The buyer may not pay more than 38% of their monthly income for monthly housing costs.
 - Mortgage co-signers are not accepted.
 - Loans from non-institutional lenders will not be accepted.
 - FHA will no longer accept the deed rider that survives foreclosure.
20. The Fair Housing Act prohibits discrimination on the basis of race, creed, color, sex, age, disability, marital status, familial status, veteran status, sexual orientation, and/or national origin, or any other basis prohibited by law and is specifically prohibited in the sale of these units. An applicant who believes that they have been discriminated against in the buyer selection and sales process may contact: the Massachusetts Commission Against Discrimination; and/or the United States Department of Housing and Urban Development.
21. Disabled persons are entitled to request reasonable accommodation of rules, policies, or services, or reasonable modification of housing.
22. Resale process: The Monitoring Agent has up to 90 days after you give notice of your intention to sell the home to close on a sale to an Eligible Purchaser, or to close on a sale to a Monitoring Agent, or to a buyer that one of them may designate. This time period can be extended, as provided in the Deed Rider, to arrange for details of closing, to locate a subsequent purchaser if the first selected purchaser is unable to obtain financing, or for lack of cooperation on your part. If you attempt to sell or transfer the home without complying with the Deed Rider requirements, the Monitoring Agents may, among their other rights, void any contract for such sale or the sale itself.



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AFFORDABLE HOUSING APPLICATION

Must Be Completed and Returned to Sudbury Housing Trust Office by **September 11, 1 pm**

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 (check all that applies):

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 2016, 2017 and 2018 Federal tax returns, as filed, with W-2's and schedules for 2018 tax return, for every current or future person living in the household over the age of 18. State returns are not required.

- ***If you do not have copies of your Federal tax returns, you must complete form 4506-T & submit to the IRS for transcripts of your tax return or verification of non-filing. Obtain a copy of the form at irs.gov.***

_____ Copy of five most recent consecutive pay stubs.

_____ Current statements and documents that indicate the payment amounts from all other sources of income of all members listed on the application, such as family support, alimony, child support, Social Security benefits, pensions, unemployment compensation, workman's compensation, disability and any other form of income. Equivalent of IRS form Schedule C for self-employment income for 2018.

_____ Current statements (last 3 consecutive months) of all assets, including international assets, showing current value including all bank accounts, investment accounts, cash life insurance policies, retirement accounts:

- ***On financial institution letterhead, include all pages***
- ***Please explain any non-payroll deposits over \$500 by notation on the statement.***

_____ Mortgage pre-approval and proof of adequate assets to cover down payment and closing costs. These units are not eligible for FHA or family loans, and applicants cannot spend more than 38% of their monthly income for monthly housing costs.

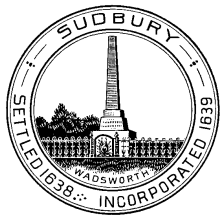
_____ Documentation regarding current interest in real estate, if applicable.

_____ No Income Statement, signed and notarized, for any household member over 18 with no source of income, if applicable, containing the language "Under penalties of Perjury."

_____ No Child Support Statement, signed and notarized, if applicable, containing the language "Under penalties of Perjury."

_____ Gift Letter, signed by donor, if applicable, indicating that there is no expected repayment of the gift.

_____ Minority Self-Declaration Statement, signed and dated, if applicable, containing the language "Under penalties of Perjury."



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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	Married? (Y/N)	Full Time Student? (Y/N)	Age	Date of Birth	Minority Category * (Optional)
HEAD						
2						
3						
4						
5						
6						

*Minority preference categories include only Native American or Alaskan Native, Black or African American, Asian, Native Hawaiian or Pacific Islander; or other (no n-White); and the ethnic classification Hispanic or Latino. Requires a separate self-declaration document.

Local Preference – Check all that apply, and attach documentation:

- 1) current Lexington resident, address: _____
- 2) Families with children enrolled in the Town of Lexington's schools, school/grade: _____
- 3) Lexington municipal employee, title: _____
- 4) employee of businesses located in the Town of Lexington/Business Name: _____

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

Address: _____ Current Value: _____

[Provide current assessment information, and current mortgage statement]

Have you disposed of any property for less than its value in the past two years? Yes () No () If yes, attach a description

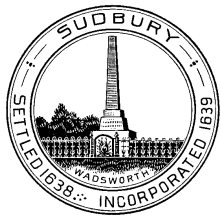
Have you sold real estate or other property in the past three years? Yes () No () If yes, attach settlement statement

When: _____ Address: _____

Sales Price: _____

Purchase Price plan - Purchase price: _____

- Amount and source of Down Payment: _____
- Amount and source of Gift: _____
- Amount of Mortgage: _____
- Amount and source available for Closing Costs: _____



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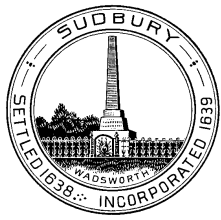
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Income - List all income of all members over the age of 18 listed on application to reside in the unit, such as wages, child support, Social Security benefits, all types of pensions, employment, Unemployment Compensation, Workman's Compensation, alimony, 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: _____		
7	Other: _____		
TOTAL			



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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 I am/we, or our family, are not related to the Developer of The Jefferson Drive property, the Lottery Agent, 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 days after the lottery the unit will be offered to the next eligible applicant on the waiting list.

I/We understand that this property will have a deed restriction which specifies the resale, refinance and other provisions of the property as outlined below. The restriction ensures that the unit remains affordable for future purchasers of the property.

- The property must be the owner's principal residence.
- The property can't be refinanced without prior approval of the Monitoring Agent (DHCD). Affordable units may not be refinanced for more than 97% of their Maximum Resale Price.
- There is a limit on the resale price of the unit so that the unit will always be affordable. The formula for calculating the maximum resale price will be established at the time of purchase and will be based on the Area Median Income at the time of resale. If an owner wants to sell their affordable unit, they are required to notify the Massachusetts Department of Housing and Community Development (DHCD) and the Town.
- No capital improvements can be made without the Monitoring Agent's pre-approval.

I/We have been advised that a copy of the Local Initiative Program Affordable Housing Deed Rider is available with the Lottery Agent and on the DHCD website: <http://www.mass.gov/hed/docs/dhcd/hd/lip/lipdeedrider.pdf>

I/We understand that if I/we are selected to purchase a home, I/we must continue to meet all eligibility requirements of the Monitoring Agent 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 Lottery Agent 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.

I/We consent to the disclosure of such information for the purpose of income, asset and any other verification related to my/our 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.