DELPHIC ASSOCIATES LLC

SOUTHBRIDGE COMMONS CONDOMINIUM
37 SOUTH STREET, UNIT 1
BRIDGEWATER, MA

AFFORDABLE HOUSING RESALE INFORMATION PACKAGE AND APPLICATION

Applications being accepted on a **First Come, First Serve** basis

EQUAL HOUSING OPPORTUNITY

Section One

Questions & Answers

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AFFORDABLE HOUSING LOTTERY

Development Name: Southbridge Commons
Location: Unit 38, 14 Mariners Drive, Bridgewater, MA

INTRODUCTION

The development is in accordance with the Department of Housing and Community Developments' Local Initiative Program – Local Action Units ("LIP-LAU"). This development called "Southbridge Commons" consists of 11 (eleven) condominiums.

Southbridge Commons is located at 37 South Street, Unit 1, in Bridgewater. It's close to Route 3 and Route 139, Plymouth Commuter Rail and the Bridgewater Fair fairgrounds. It takes less than 10 minutes to drive to the elementary, middle and high school.

This **AFFORDABLE RESALE UNIT, Unit 1,** will be sold at the resale price of **$201,634.** This home is designated as affordable and must be sold to homebuyers whose incomes are at or below 80% of the area median income.

This affordable unit has 1 bedroom, 1 bath. The unit includes refrigerator, stove, microwave and dishwasher.

All affordable homes will have a "Deed Restriction" that will be recorded with the mortgage at the time of purchase. This deed restriction in part, limits the amount the home can be resold for or refinanced for and requires that it be resold to another affordable buyer.

TRANSLATIONS SERVICES

English - Translation services available upon request by calling 508-994-4100.
Spanish - Servicios de traducción disponibles bajo petición llamando al 508-994-4100.
Arabic - 4100-994-508 خدمات الترجمة متاحة عند الطلب عن طريق الاتصال على.
Chinese - 可應要求撥打 508-994-4100 提供翻譯服務。
French - Services de traduction disponibles sur demande en composant le 508-994-4100.
German - Übersetzungsdienste auf Anfrage unter der Telefonnummer 508-994-4100.
Hebrew - 508-994-4100 -שירותי תרגום הזמינים על פי בקשה ב.
Italian - Servizi di traduzione disponibili su richiesta chiamando il numero 508-994-4100.
Japanese - 508-994-4100に電話して、リクエストに応じて翻訳サービスを利用できます。
Korean - 508-994-4100번으로 전화하여 요청 시 번역 서비스를 이용할 수 있습니다.
Portuguese - Serviços de tradução disponíveis mediante solicitação através do 508-994-4100.
Spanish - Servicios de traducción disponibles bajo petición llamando al 508-994-4100.
Vietnamese - Dịch vụ dịch thuật có sẵn theo yêu cầu bằng cách gọi 508-994-4100.

AVAILABILITY OF APPLICATIONS

Applications are available on the following websites:

- MassAccess Accessible/Affordable Housing Registry www.massaccesshousingregistry.org
- My Mass Home – www.mymasshome.org
- Delphic Associates - www.DelphicAssociates.com

APPLICATIONS WILL BE AVAILABLE FOR PICK UP AT THE FOLLOWING LOCATIONS:

Bridgewater Town Hall
Town Clerk's Office
870 Moraine Street
Bridgewater, MA 02050

Ventress Memorial Library
15 Library Plaza
Bridgewater, MA 02050

If an applicant is unable to download an application from any of the above web sites, an application may be emailed upon request by calling Delphic Associates at 508-994-4100.

Should you not have access to the internet, you may call Delphic Associates at 508-994-4100 and an application will be mailed to you. **TTY: Dial 711, then ask for 508-994-4100**

Q: Who is eligible to apply for Affordable Homes?

A: **Applicants and household members must be age 55+** . A person is a "first-time home buyer" if no person in his or her household has, within the preceding three years, owned a home, including in trust or owned an interest in a home with one or more people, such as through joint ownership with the **exception of**:

- 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
- Single parents 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 whom the individual has custody or joint custody, or is pregnant
- **Elderly households (where all household members are age 55+ or over);**
- Households that owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; and
- 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 constructing a permanent structure.

Individuals who have a financial interest in the development and their families shall not be eligible.

Q. If I presently own a home, could I qualify to purchase an affordable home?

A. Yes, but only if you meet at least one of the exceptions to the First Time Homebuyer rule as listed above. You will not be able to purchase an affordable home until your current home is under agreement. The equity in the home must be determined which is to be included in the determination of assets.

Q. If I am currently in the process of a separation and plan on being legally divorce, can I still apply?

A: Your divorce does not need to be finalized when you apply for the lottery; however, it must be finalized before you purchase the home. You will not be allowed to purchase and affordable home until the terms regarding the allocation of assets and custody of children must be finalized, so you're your income and assets eligibility can be accurately be determined. If you have only filed for separation and your divorce is not finalized, you will not be allowed to purchase one of the affordable homes.

Q: I am disabled; will the home be modified based on my disability?

A: Developer, staff and consultants are committed to the intent and the spirit of both **state and federal fair housing laws** in the selection of lottery applicants. They will not discriminate against any protected class in the selection of applicants.

The developer has pledged that reasonable accommodations will be taken into consideration for an approved qualified disabled applicant, who has received a mortgage commitment, to adapt the home for the applicants' particular disability.

MAXIMUM INCOME - 2022

Q: What is the maximum family income and asset eligibility requirement?

A: To be eligible to purchase an affordable home, annual income and assets of all **household members** must be below the maximum level as adjusted for family size as shown below.

Maximum allowable household, total income cannot exceed:

Household Size	1	2	3	4
Maximum Income	**$62,550**	**$71,500**	**$80,450**	**89,350**

Generally, on an annualized basis the US Department of Housing and Urban Development (HUD) publishes income guidelines. The applicant will be subject to the published guidelines in effect at the time of their application. Incomes as stated above represent 80% of AMI as defined by HUD.

MAXIMUM ASSETS

Household assets shall not exceed **$75,000.**

DEFINITION OF ASSETS

The value of necessary items of personal property, such as furniture or automobiles shall be excluded. Determination of assets shall be based upon a full and fair present cash value of the asset at the time of application to the program. If a potential purchaser divests himself or herself of an asset for less than full and fair present cash value of the asset within one year prior to application, the full and fair cash value of the asset at the time of its disposition must be declared and shall be included for purposes of calculating eligibility.

Household Assets include the following:

1. Cash held in savings and checking accounts, safe deposit boxes, homes, etc: For savings accounts, use the current balance. For checking accounts, use the average balance for the last six months. Assets held in foreign countries are considered assets.

2. Revocable trusts: The cash value of any revocable trust available to the applicant.

3. Equity in rental property or other capital investments: The current fair market value less (a) any unpaid balance on any loans secured by the property and (b) reasonable costs that would be incurred in selling the asset (e.g., penalties, broker fees, etc.).

4. Stocks, bonds, Treasury bills, certificates of deposit, mutual funds, and money market accounts: The value of stocks and other assets vary from one day to another and should be determined within a reasonable time in advance of the applicant's submission of an application to participate in the subject housing program.

5. Individual retirement, 401K, and Keogh accounts: When the holder has access to the funds, even though a penalty may be assessed. If the applicant is making occasional withdrawals from the account, determine the amount of the asset by using the average balance for the previous six months. (Do not count withdrawals as income.)

6. Retirement and pension funds.

   a) While the person is employed: Amounts the applicant can withdraw without retiring or terminating employment. Count the whole amount less any penalties or transaction costs.

b) At retirement, termination of employment, or withdrawal: Periodic receipts from pension and retirement funds are counted as income. Lump-sum receipts from pension and retirement funds are counted as assets. Count the amount as an asset or as income, as provided below. If benefits will be received in a lump sum, include the lump-sum receipt in net household assets. If benefits will be received through periodic payments, include the benefits in annual income. Do not count any remaining amounts in the account as an asset.

If the applicant initially receives a lump-sum benefit followed by periodic payments, count the lump-sum benefit as an asset as provided in the example below and treat the periodic payment as income. In subsequent years, count only the periodic payment as income. Do not count the remaining amount as an asset.

NOTE: This paragraph assumes that the lump-sum receipt is a one-time receipt and that it does not represent delayed periodic payments. However, in situations in which a lump-sum payment does represent delayed periodic payments, then the amount would be considered as income and not an asset.

7. Cash value of life insurance policies available to the applicant before death (e.g., the surrender value of a whole life policy or a universal life policy): It would not include a value for term insurance, which has no cash value to the applicant before death.

8. Personal property held as an investment: Gems, jewelry, coin collections, or antique cars held as an investment. Personal jewelry is NOT considered an asset.

9. Lump-sum receipts or one-time receipts: Inheritances, capital gains, one-time lottery winnings, victim's restitution, settlements on insurance claims (including health and accident insurance, worker's compensation, and personal or property losses), and any other amounts that are not intended as periodic payments.

10. A mortgage or deed of trust held by an applicant: Payments on this type of asset are often received as one combined payment of principal and interest with the interest portion counted as income from the asset. This combined figure needs to be separated into the principal and interest portions of the payment. (This can be done by referring to an amortization schedule that relates to the specific term and interest rate of the mortgage.)

To count the actual income for this asset, use the interest portion due, based on the amortization schedule, for the 12-month period following the certification. To count the imputed income for this asset, determine the asset value at the end of the 12-month period following the certification.

Household Assets DO NOT include the following:

- Personal property (clothing, furniture, cars, wedding ring, other jewelry that is not held as an investment, vehicles specially equipped for persons with disabilities).
- Interests in Indian trust land.
- Term life insurance policies (i.e., where there is no cash value).
- Equity in the cooperative home in which the applicant lives.
- Assets that are part of an active business: "Business" does NOT include rental of properties that are held as investments unless such properties are the applicant's main occupation.
- Assets that are NOT effectively owned by the applicant: Assets are not effectively owned when they are held in an individual's name, but (a) the assets and any income they earn accrue to the benefit of someone else who is not the applicant, and (b) that other person is responsible for income taxes incurred on income generated by the assets.

Q: How do you determine household income?

A: The Lottery Agent will determine a household's income based on all sources of income for all household members ages 18 or older with the exception of full time students.

This includes, but is not limited to, Social Security, alimony, child support, overtime pay, bonuses, unemployment, severance pay, part-time employment, matured bonds, monies to be received in court settlements and imputed interest and dividends on bank accounts and other assets.

Q: What constitutes a household?

A: A household constitutes the number of persons who plan to reside the home regardless of marital status. Gross income from all household members over the age of 18 (except for full time students) shall be considered in determining compliance with income eligibility requirements.

Q. I am expecting a child do I add the child to our household size?

A: You must submit documentation from your Obstetrician/Gynecologist or adoption agency stating you are expecting a child. This will determine if the child can be included in the household.

Q. How will applicants for the affordable homes be selected?

A: Only complete applications will be considered on a FCFS basis.

Q: What documents do I need to submit to determine eligibility?

A:

- Completed and signed application
- Last five pay stubs *(regardless of weekly or bi-weekly pay periods)*
- Last three years Federal tax returns including w-2's, 1099's, etc.
- Pre-Approval letter from a bank stating your household qualifies for a mortgage to purchase an affordable home.
- Any additional income documentation such as but not limited to social security, pension, and alimony.
- Last three months checking and savings account bank statements from each bank that you hold accounts in. (*All financial documents must show the account holders name, address and account number. **All pages** of banking statements must be submitted even if blank.)*
- All asset information including evidence of the value of CDs, brokerage statements, etc.
- Signed Homebuyer Disclosure Statement
- Narrative stating applicant's history for last 2 years including work, and information such as marriage, divorce and personal information you may want us to know. (attach to application)
- Child support documentation

Q. When will the affordable home be available for occupancy?

A: Immediately

Q. Is there a priority or preference for larger households?

A. Preference shall be given to larger households, (within both the Local and At-Large categories, if applicable) requiring the total number of bedrooms in the home based on the following criteria:

a. There is at least one occupant and no more than two occupants 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 the first sentence of (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 the lottery agent receives reliable medical documentation as to such impact of sharing.

Example: *A larger household preference is based on the "need for the number of bedrooms", not the size of the household. For example, a single parent with one child would "need" two bedrooms, whereas a couple with no children would only "need" 1 bedroom. The single parent would have preference over the couple.*

Q: Do I have to be a resident of the Town to apply?

A: No. All households that meet the income guidelines specified above may apply for an affordable home.

FINANCING:

Q: Do I need to attend homebuyer education classes?

A: All financing programs offered by "MassHousing" www.MassHousing.com and "MassHousing Partnership" www. MHP.net require the borrower to complete a pre- homebuyer education course. or www.MAHAhome.org **(**Massachusetts Affordable Housing Alliance **(**MAHA**))**

We strongly suggest that all applicants complete a pre-purchasing homebuyer course prior to Entering the lottery. A schedule of upcoming first-time homebuyer workshops is posted on CHAPA's website at www.massaccesshousingregistry.org under "Looking for Housing?"

Q. Do we need to get a pre-approval from a lender?

A: A pre-approval is required for the application process

Q. How or where do I apply for a mortgage?

A: We strongly recommend that applicants apply for financing with banks that are familiar with the deed restrictions (See Homebuyer Disclosure Statement) guidelines for affordable housing programs.

There are many lenders and mortgage brokers that are familiar with the qualifying process to purchase the affordable homes. We are willing to share theses references upon request by email or phone request. In addition, there are other lenders and mortgage brokers who may participate in this process. Your lender must be a conventional lender.

There are many programs available for First Time Home Buyers including those offered by the MassHousing. We suggest you or your lender refer to the MassHousing website www.MassHousing.com.

There are programs being offered by the MassHousing Partnership (MHP) such as the **"MHP One Mortgage Program"** which is offered to buyers typically at a rate of less than a lenders typical best rate to a conventional buyer. We suggest that you contact a lender who is on the list of lenders participating in the program as shown on the MHP website www.MHP.net.

Q. Are there any requirements on the type of loan I receive?

A. The program requirements are:

- Down payment must be 3% of which 1.5% must come from the buyers own funds. The remaining balance or more can be a gift that does not need to be repaid. (A gift letter signed by donor will be required)
- Mortgage amount cannot exceed 97% of the purchase price. (There are some exceptions such FHLBB grant programs. See below for more information.)
- Mortgage loan must be 30-fixed rate.

- The loan has a current fair market interest rate of no more than 2 percentage points above the current Mass Housing rate. (www.MassHousing.com)
- The Buyer may pay no more than 2 points.

Households should demonstrate availability of sufficient funds for a down payment, closing costs and pre-paids. Applicants should inquire with their lender as to what closing costs will be. Closing costs can include but may not be limited to fees for Loan Origination, Appraisal, Credit Reports, Inspection, Document Preparation, Attorney and Title Insurance. Pre-Paids can include interest that accrues from the date of settlement to the first monthly payment. Pre-Paids can also include insurances such as Hazard, Flood, and Mortgage Insurance.

The Federal Home Loan Bank of Boston's (FHLBB) Equity Builder program has grants of up to $20,000 for down payment and closing cost assistance. Funds are limited. Some banks offer both MHP's One Mortgage Program and the FHLBB's Equity builder Program grants.

Contact Delphic Associates for a list of participating banks.

Non-Household members cannot be co-signers on the mortgage.

Q: What are the minimum income requirements?

A: To qualify for a mortgage loan the total annual household income as determined by the lender must be adequate to support the requested mortgage amount.

Monthly housing costs (inclusive of principal, interest, property taxes, hazard insurance, private mortgage insurance and homeowner association fees shall not exceed 38% of monthly income for a household earning 80% of area median income, adjusted for household size.

Q: Once I am approved by the lender, are there additional approvals required.

A: Yes. Typically, your lender will re-qualify you for the loan a few days prior to closing, including but not limited to an additional credit check, job verification, marital status, etc. As a result your lender could deny your loan even though it may have been previously approved.

Therefore, before any household members decide to make any lifestyle changes, such as but not limited to; job changes, marital status, substantial additional debt for payments for large purchases, etc., consult with your lender as to what effect this could have on your loan.

Q. Are there restrictions on upon resale or refinancing?

A: Yes, the intention of the Affordable Housing Programs is to give persons the opportunity to purchase homes at reduced prices that otherwise may not qualify for a conventional purchase. There is a likely possibility that the home you are purchasing could be worth substantially more on the open market without the deed restriction. However, you would not be able to sell the home at market rate prices and pocket the difference.

All affordable homes will have a "Deed Restriction" that will be recorded with the mortgage at the time of purchase. This deed restriction in part, limits the amount the home can be resold for or refinanced for and requires that it be resold to another affordable buyer. The deed restriction insures that the home stays affordable for perpetuity. You may find a summary of the Deed Restriction herein.

Upon resale or refinance you must notify the community and the Monitoring Agent in accordance with the requirements in the Deed Rider.

The Monitoring Agent will determine the Maximum Resale or refinancing amount. The price you paid for the property will be divided by the Base Income Number (which is the Area

Median Income for a 4-person household). This determines the Resale Price Multiplier which is inserted into your Deed Rider. The Resale Price Multiplier will be multiplied by the Base Income Number at the time of your resale of the Property to determine the Maximum Resale Price. In addition, the resale fee as indicated in the Deed Rider would be added to the Maximum Resale Price along with capital improvements of the home that had been approved by the Monitoring Agent.

Q. What if I do not fully understand the conditions of the Deed Rider?

A: Included in the Q&A section of the lottery package is a Home Buyers Disclosure/Deed Rider Summary explaining some of its key components. If you have further questions and our office is unable to answer those questions to your satisfaction, **we urge that you seek legal counsel**.

The Deed Rider is a critical legal document explaining your responsibility regarding re-sale, re-finance and household improvements.

Q. What if my understanding of the English language is limited?

A. Delphic and the developer are committed to broadening access for persons with limited English proficiency (LEP) as a general Fair Housing principal. Delphic Associates LLC and the developer have the capacity to address matters relating to limited English proficiency (LEP). This capacity includes language access planning and providing reasonable language assistance, at no cost to the applicant.

Persons who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English can be considered a LEP person. The developer, shall upon request, make reasonable accommodations, at no cost to the applicant to assist an LEP applicant of their understanding of important vital documents including but not limited to:

- Application materials
- Consent documents
- Notices concerning program eligibility
- Lease materials
- Other compulsory program materials

KEEP THIS DOCUMENT ACCESSIBLE
IT CONTAINS VALUABLE CONTACT INFORMATION

LOCAL INITIATIVE PROGRAM (LIP)
HOMEOWNER DISCLOSURE STATEMENT

This Homeowner Disclosure Statement summarizes your rights and obligations as the owner of a home located at _____, in _____, Massachusetts (the "Municipality"), which was purchased at less than the home's fair market value under the Local Initiative Program (LIP). When you sell the home, that same opportunity will be given to the new buyer. In exchange for the opportunity to own the home at less than its fair market value, you must agree to certain use and transfer restrictions. These restrictions are described in detail in a LIP Deed Rider that is attached to the deed to _____, which is recorded at the _____ Registry of Deeds in Book _____, Page _____ (the "LIP Deed Rider").

PLEASE REMEMBER:

- You must occupy this home as your primary residence;
- You must obtain consent from the Department of Housing and Community Development (DHCD) and the Municipality [and _____ (if another monitoring agent is listed)] (together they are referred to as the "Monitoring Agents" in this Homeowner Disclosure Statement) before renting, refinancing or granting any other mortgage or making any capital improvements to your LIP home;
- You must give written notice to the Monitoring Agents when you decide to sell your property.
- You may not transfer your LIP property into a trust.

The contact information for the Monitoring Agents is listed in the LIP Deed Rider.

Please read the LIP Deed Rider restriction in its entirety because it describes and imposes certain important legal requirements. It is strongly recommended that you consult an attorney to explain your legal obligations and responsibilities.

Primary Residence

You must occupy your LIP property as your primary residence.

Renting, Refinancing and Capital Improvements

You must obtain the prior written consent of the Monitoring Agents before you do any of the following:

- Rent your LIP home;
- Refinance an existing mortgage or add any other mortgage including a home equity loan; or
- Make any Capital Improvements (for example, a new roof or a new septic system – see attached Capital Improvements Policy) if you wish to get credit for those costs (at a discounted rate) when you sell your home.

Before taking any action, please contact DHCD for instructions on renting, mortgaging, or making capital improvements to your home. If you do not obtain the required consent from the Monitoring Agents, you can be required to pay all of the rents or proceeds from the transaction to the Municipality.

Resale Requirements

When you sell your home, you are required to give written notice to the Monitoring Agents of your desire to sell so that they may proceed to locate an Eligible Purchaser for your LIP home. Your sale price will be computed by DHCD based on the formula set forth in the LIP Deed Rider to reflect the purchase price noted on the Deed that is attached to the LIP Deed Rider plus certain limited adjustments.

The allowed sale price is defined as the "Maximum Resale Price" in the LIP Deed Rider. It is calculated by adjusting the purchase price noted on the Deed that is attached to the LIP Deed Rider to reflect any change in the area median income plus:

(a) The Resale Fee as stated in the LIP Deed Rider;

(b) Approved marketing fees, if any; and

(c) Approved Capital Improvements, if any.

The Maximum Resale Price can never be more than the amount which is affordable to an Eligible Purchaser earning 70% of the area median income, as determined by a formula set forth in the LIP Deed Rider. The sales price will also never be less than the purchase price you paid, unless you agree to accept a lower price.

The Monitoring Agents have 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 LIP 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.

It is your obligation to cooperate fully with the Monitoring Agents during this resale period.

If an Eligible Purchaser fails to purchase the home, and none of the Monitoring Agents (or their designee) purchases the home, you may sell the home to a purchaser who does not qualify as an Eligible Purchaser (in this event, this purchaser is referred to as an ineligible purchaser), subject to the following:

(i) the sale must be for no more than the Maximum Resale Price;
(ii) the closing must be at least 30 days after the closing deadline described above;
(iii) the home must be sold subject to a LIP Deed Rider; and
(iv) if there are more than one interested ineligible purchasers, preference will be given to any purchaser identified by DHCD as an appropriately-sized household whose income is more than 80% but less than 120% of the area median income.

Any sale by you to an Eligible Purchaser, or to an ineligible purchaser (as described in the LIP Deed Rider), is subject to the normal and customary terms for the sale of property, which are set forth in the LIP Deed Rider.

There is no commitment or guarantee that an Eligible Purchaser will purchase the LIP home, or that you will receive the Maximum Resale Price (or any other price) for your sale of the LIP home.

A sale or transfer of the home will not be valid unless (1) the total value of all consideration and payments of every kind given or paid by the selected purchaser do not exceed the Maximum Resale Price, and (2) the LIP Compliance Certificate that confirms that the sale or transfer was made in compliance with the requirements of the LIP Deed Rider is executed by the Monitoring Agents and recorded at the Registry of Deeds.

If you attempt to sell or transfer the home without complying with the LIP Deed Rider requirements, the Monitoring Agents may, among their other rights, void any contract for such sale or the sale itself.

Foreclosure

In the event that the holder of a mortgage delivers notice that it intends to commence foreclosure proceedings, the LIP Deed Rider gives the Municipality an option to purchase the home (or to designate another party to purchase the home) for a period of 120 days after notice of the Lender's intent to foreclose.

If this foreclosure purchase option is exercised, the purchase price will be the greater of (i) the amount of the outstanding balance of the loan secured by the mortgage, plus the outstanding balance of the loans secured by any mortgages senior in priority, up to the Maximum Resale Price as of the date the mortgage was granted, plus any future advances, accrued interest and/or reasonable costs and expenses that the mortgage holder is entitled to recover, or (ii) the Maximum Resale Price at the time of the foreclosure purchase option, except that in this case the Maximum Resale Price may be less than the purchase price noted on the Deed that is attached to the LIP Deed Rider. By accepting the terms of the LIP Deed Rider, you are agreeing that you will cooperate in executing the deed to the Municipality (or its designee) and any other required closing documents.

If the foreclosure purchase option has not been exercised within 120 days of delivery of the foreclosure notice to the Monitoring Agents, the mortgage holder may conduct a foreclosure sale. The mortgage holder or an ineligible purchaser may purchase the home at the foreclosure sale, subject to the LIP Deed Rider.

If the sale price at the foreclosure sale is greater than the purchase price that would have applied for the Municipality's foreclosure purchase option as described above, the excess will be paid to the Municipality. By accepting the terms of the LIP Deed Rider, you are agreeing to assign any rights and interest you may otherwise have in the balance of any foreclosure proceeds available after satisfaction of all obligations to the holder of the foreclosing mortgagee, for delivery to the Municipality.

There is no commitment or guarantee that the Municipality will exercise the foreclosure purchase option, or that your Lender will receive the Maximum Resale Price (or any other price) in any foreclosure sale of the LIP home. In addition, the foreclosing lender retains the right to pursue a deficiency against you.

Violation of Restriction Requirements

If you violate any of the Restriction terms, you will be in default and the Monitoring Agents may exercise the remedies set forth in the LIP Deed Rider.

If one or more of the Monitoring Agents brings an enforcement action against you and prevails, you will be responsible for all fees and expenses (including legal fees) for the Monitoring Agent(s). The Monitoring Agent(s) can assert a lien against the home to secure your obligation to pay those fees and expenses.

Acknowledgements

By signing below, I certify that I have read this Homeowner Disclosure Statement and understand the benefits and restrictions described. I further certify that I have read the LIP Deed Rider and understand the legal obligations that I undertake by signing that document.

I also certify that I have been advised to have an attorney review this document and the LIP Deed Rider with me.

Dated _____, 20___

_____ _____

Homeowner Witness

_____ _____

Homeowner Witness

Local Initiative Program (LIP)
Department of Housing and Community Development
100 Cambridge Street, Suite 300
Boston, MA 02114
617-573-1426

Dear Local Initiative Program (LIP) Homeowner:

Capital improvements *must be approved by DHCD and the local community* in order to be considered and added to the resale price. DHCD defines capital improvement as a necessary maintenance improvement, not covered by a condominium or homeowner association fee, that if not done would compromise the structural integrity of the property. Examples of necessary capital improvements include the following:

New roof	Septic tank replacement
Exterior painting due to deterioration	Heating or plumbing replacement
Structural deficiencies such as termite or other pest damage, water damage, or other maintenance as required	The replacement of siding, shingles or clapboard due to damage or long-term wear
Replacement of windows due to damage or long-term wear and tear	Other improvements identified by the owner and reviewed by DHCD.
Appliance replacement (stove, dishwasher, refrigerator)	

Improvements such as the installation of outdoor decks, flooring (except in cases of replacement due to damage or long-term wear), additions, garages, landscaping, and other items identified by the owner that are upgraded or luxury improvements will *not be* considered capital improvements and cannot be added to the resale price when the property is sold.

If a condominium or homeowners' association has a special assessment, DHCD will take into consideration the cost to the homeowner on a case-by-case basis. Additional documentation may be requested.

At the time of resale, DHCD will determine the current value of the improvement based on the depreciation schedule. For example, if a new heating system is installed for $5,000 and the owner sells the property 5 years later, the full $5,000 will not be added to the resale price. As with market rate properties, the value of the heating system is the greatest when it is new and it depreciates over time.

To begin the review process, please mail the following information to DHCD and your local community:

A letter requesting approval for the cost of a capital improvement, including:

- a description of the work to be done
- an estimate of the cost
- an explanation of why the work is a capital improvement

If the request is approved, DHCD will require a copy of the paid invoice after the completion of the work. DHCD will consider the useful life of the improvement and prepare a depreciation schedule for the cost of the improvement.

Requests for capital improvements or questions can be directed to:

Rieko Hayashi
Department of Housing and Community Development
100 Cambridge Street, Suite 300
Boston, MA 02114
Attn: Division of Housing Development – LIP Program
617-573-1426
617-573-1330 (fax)
Email: rieko.hayashi@mass.gov

Please contact your town or city hall for information on who will review your request for approval of the cost of a capital improvement. You may inquire at the Board of Selectmen's office, the Housing Authority or the Planning Department.

Section Two

AFFORDABLE HOUSING APPLICATION

DELPHIC ASSOCIATES LLC

EQUAL HOUSING OPPORTUNITY

Southbridge Commons
BRIDGEWATER, MA

AFFORDABLE HOUSING APPLICATION

Date_____

Name	**Home Phone** ( )
Address	**Cell Phone** ( )
Address	**Work Phone** ( )
Email Address	**Other Phone** ( )

Number of Household Members (circle one): 1 2 3 4 5 6 7 8

Complete the following section for *each* Household Member

	Applicant	**Member #2**	**Member #3**	**Member #4**
Name				
Age				
D.O.B.				
Employer				
School Name				
Relationship				
	Member #5	**Member #6**	**Member #7**	**Member #8**
Name				
Age				
D.O.B.				
Employer				
School Name				
Relationship				

The developer, staff and consultants are committed to the intent and spirit of both state and federal fair housing laws in the selection of lottery applicants. They will not knowingly discriminate against any protected class in the selection of applicants.

Please refer to the definition in Frequently Asked Questions in this Lottery Package to answer the following questions:

Are you claiming an exception to the "First Time Homebuyer" rule? If so please indicate which exception:

_____Displaced Homemaker
_____Single Parent
_____Elderly household member (55+)
_____Own a property
_____Own a residence not permanently affixed
_____Own a residence not in compliance with Sate or local codes

Please Explain:

_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

Please list the address of any home, land or property that any household member has owned or had joint interest in the past three years. Please include a copy of the Deed or HUD Settlement Sheet for each property.

Property #1_____

Property #2_____

_____

MINORITY STATUS: **This is an optional section that you may complete to assist in meeting Affirmative Marketing Goals.**

	Applicant	Co-Applicant	Dependent	Dependent
Black	_____	_____	_____	_____
Hispanic or Latino	_____	_____	_____	_____
Asian	_____	_____	_____	_____
Pacific Islander	_____	_____	_____	_____
Native Hawaiian	_____	_____	_____	_____
Native American	_____	_____	_____	_____
Alaska Native	_____	_____	_____	_____
Other (non white)	_____	_____	_____	_____

Where/how did you learn about the lottery? Check all that apply.

_____ Newspaper
_____Relative
_____Friend
_____Church
_____Veteran's Agent
_____Lending Institution
_____Email
_____Real Estate Book
_____Co-worker
_____First Time Homebuyers Class
_____Civic/Social Organization
_____Paycheck Insert
_____Flyer
_____Website (Please specify which website)

www._____

MARKETING INFORMATION:

(Write your answer in the space provided and please be as specific as possible)

How did you find out about this affordable housing opportunity?

_____

_____

_____

Have you or will you apply to other housing lotteries? (Circle one) YES NO

Please list the names of the developments and their location for which you are applying for.

_____

INCOME AND ASSET INFORMATION:

Please complete the following section listing income for *ALL* household members including children. Include the most recent statements for each account and all other supporting documentation.

Type of Acct. or Income	Name: Acct. Number	Balance	Amt. Pd. Monthly	Type of Acct. or Income	Name: Acct. Number	Balance	Amt. Pd. Monthly
Checking				Checking			
Savings				Savings			
Unemployment				Unemployment			
Worker's Comp.				Worker's Comp.			
Social Security				Social Security			
SS Disability				SS Disability			
Alimony				Alimony			
Child Support				Child Support			
Type of Acct. or Income	**Name: Acct. Number**	**Balance**	**Amt. Pd. Monthly**	**Type of Acct. or Income**	**Name: Acct. Number**	**Balance**	**Amt. Pd. Monthly**
Checking				Checking			
Savings				Savings			
Unemployment				Unemployment			
Worker's Comp.				Worker's Comp.			
Social Security				Social Security			
SS Disability				SS Disability			
Alimony				Alimony			
Child Support				Child Support			

If you need additional space, please use a separate piece of paper.

Credit Score: Applicant _____ Co-Applicant _____

EMPLOYMENT INFORMATION:

Name:		Name:	
Occupation:		Occupation:	
Employer Name:		Employer Name:	
Employer Address:		Employer Address:	
Employer Phone:		Employer Phone:	
Employer Email:		Employer Email:	
Supervisor's Name:		Supervisor's Name:	
Date of Hire:		Date of Hire:	
Hourly Wage:		Hourly Wage:	
Average Weekly Tips:		Average Weekly Tips:	
Hours per Week:		Hours per Week:	
Weekly Gross Amount:		Weekly Gross Amount:	
Annual Salary:		Annual Salary:	
Avg. Gross Last 4 wks x 52:		Avg. Gross Last 4 wks x 52:	

If Applicant or Co-Applicant has more than one (1) job or other adult household members over the age of 18 that are employed, please attach a separate sheet of employment information.

ASSET INFORMATION:

Include but not limited to stocks, bonds, retirement accounts such as 401K, Keogh, etc. For a comprehensive explanation, please refer to the section of the application title "Frequently Asked Questions".

- **MONETARY GIFTS:** Applicants may receive monetary gifts from friends or relatives to assist with down payment. Applicants must be able to prove that 1.5% of down payment is from their own funds when submitting application.

  Do you expect a monetary gift? (Circle one) **YES** **NO**
  If yes, attach a gift letter, from the person giving the gift, indicating their source of funds and that no repayment is expected.

- **STOCKS, BONDS & CD'S:** Applicant must list the average value and provide documentation such as bank account numbers and value.

  Do you have any stocks, bonds or CD's? (Circle one) YES NO
  If yes, list value $_____ and enclose the last three quarterly portfolio statements.

- **RETIREMENT, 401K AND KEOUGH ACCTS:**

  Do you have any of these accounts? (Circle one) YES NO
  If yes, are you employed or retired? _____

  Are you making occasional withdrawals? (Circle one) YES NO
  If yes, how much are you receiving per month? $_____

  What is the total value of **all** accounts? $_____ *Enclose last 3 quarterly statements.*

ANTICIPATED CHANGES IN INCOME:

Are you expecting a change in any household members income in the next 12 months? (Circle one) YES NO

If yes, please explain. _____

REAL ESTATE:

If you currently own a home, it must be sold prior to the closing on the affordable home and you must maintain income and asset eligibility up to closing on the affordable home. Only exceptions to first time homebuyer are Allowed to own a home within the last 3 years. Please see Page 6 "Who is eligible to apply for Affordable Homes?"

Are you, or anyone on this application, entitled to receive any amount of money from the sale of ANY property currently owned or through an upcoming court settlement? (Circle one) YES NO

If yes, please explain. _____

For property you plan on selling you must submit all of the following:

- Attach a copy of an real estate agents CMA (Comparative Market Analysis) of the property
- Attach a statement from your lender showing your current balance on your mortgage or outstanding loans

HOME BUYER CERTIFICATION

_____ I/We certify that I/We have read the entire information package including the Frequently Asked Questions.

_____ I/We certify that we are first time homebuyers as defined within the Frequently Asked Questions.

_____ I/We certify that our household is _____ persons; and that our household income does not exceed the income limits provided in the Information Packet.

_____ I/We certify that our household is able to provide the minimum down payment required and closing costs.

_____ I/We certify that I/we have read the Homebuyer Disclosure Statement and understand the purchaser obligation there under or shall seek legal or other counsel for further explanation and understanding.

_____ I/We certify that we comply with the maximum asset limitations of $75,000.

_____ I/We certify that Lottery Agent or any other employee shall not be held liable for any decisions made pertaining to the applicants' eligibility or their application.

_____ Information missing from the application, including, but not limited to the following could be considered an incomplete application, thus being ineligible for the lottery.

- Lender pre-approval letter (not pre-qualification)
- Income documentation (as indicated on checklist)

_____ We understand that the **initial determination of eligibility** does not guarantee that we are eligible to purchase one of the affordable homes. A final determination of eligibility will be made by the Monitoring Agent, DHCD. This determination will require additional documentation including but not limited to 3 years tax returns, 5 most recent pay stubs, last 3 months bank statements, etc.

_____ I/We understand that if selected I/we will be offered a specific home. I/we will have the option to accept or reject. If I/we reject the available home I/we will be moved to the bottom of the waiting list and may not have another opportunity to purchase at this development.

_____ Program requirements and guidelines are established by the DHCD and the 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 arise, I/we agree that any determination made by the project-monitoring agent, is final.

_____ I/We certify that no member of our family has a financial interest in this development.

_____ I/We have completed the application and have reviewed and understand the process in qualifying to purchase one of the affordable homes.

_____ I/We believe we are qualified based upon the information in the Information Packet.

_____ 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.

_____ _____

APPLICANT SIGNATURE **DATE**

_____ _____

CO-APPLICANT SIGNATURE **DATE**

AUTHORIZATION TO RELEASE

I/We hereby authorize the developer, Affordable Agent, Monitoring Agent and the Municipality to inquire of credit agencies, employer(s), banking institutions and lending institutions to allow and assist them to determine my/our determination of eligibility for a mortgage loan to purchase a home.

In addition, I/we hereby authorize any lender, Mortgage Company or mortgage broker to whom we apply for a mortgage to release any and all information regarding our loan application.

This authorization includes all mortgage application information provided to the lender including, but not limited to credit reports, bank accounts, stock holdings and any other asset needed to process my loan application.

Authorization also allows the inquiries of my employer regarding employment information.

It is understood that a photo copy of this document shall also serve as an authorization to provide the information requested.

_____ _____

APPLICANT SIGNATURE **DATE**

_____ _____

CO APPLICANT SIGNATURE **DATE**

CHECK LIST

DID YOU REMEMBER TO ENCLOSE THE FOLLOWING:

Your application may not be considered complete without the following documents. Incomplete or ineligible applications will not be entered into the lottery.

- Completed and signed application
- Last five pay stubs *(regardless of weekly or bi-weekly pay periods)*
- Last three years Federal tax returns including W-2's, 1099's, etc.
- Pre Approval letter from a bank stating your household qualifies for a mortgage to purchase an affordable home.
- Any additional income documentation such as but not limited to social security, pension, and alimony.
- Last three months checking and savings account bank statements from each bank that you hold accounts in. (*All financial documents must show the account holders name, address and account number. **All pages** of banking statements must be submitted even if blank.)*
- All asset information including evidence of the value of CDs, brokerage statements, etc.
- Signed Homebuyer Disclosure Statement
- Narrative stating applicant's history for last 2 years including work, and information such as marriage, divorce, legal separation and personal information you may want us to know. (attach to application) Documentation must be included.
- Child support documentation

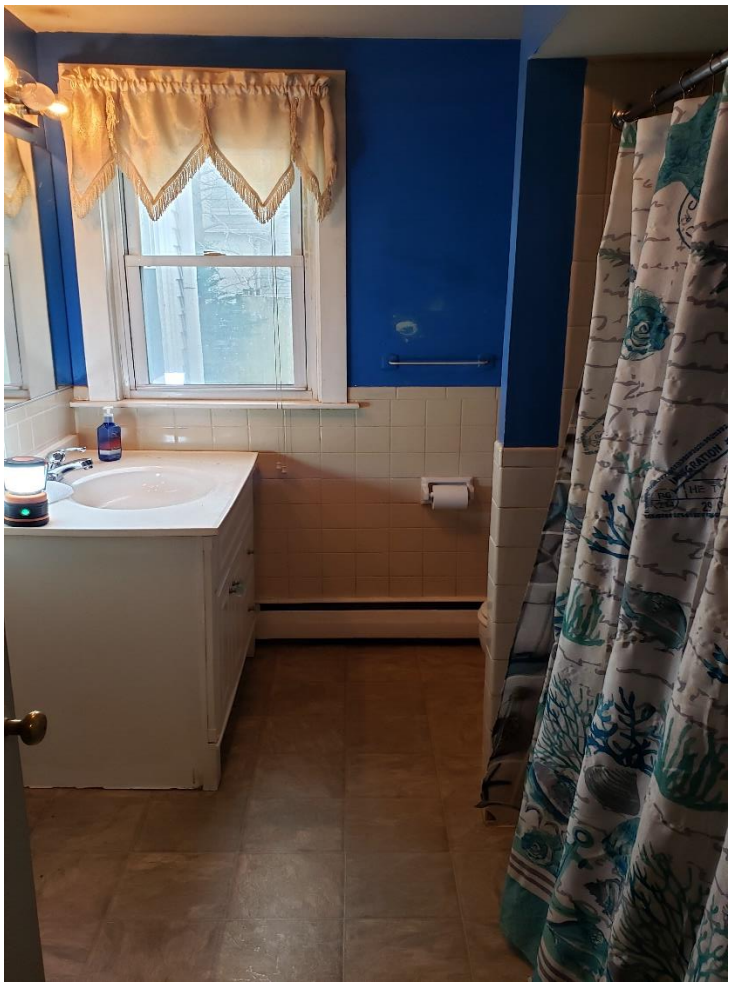
In order to obtain proof of delivery, we suggest that you mail your application and supporting documentation "Certified Return Receipt" or if hand delivered with a request of proof of delivery to:

Delphic Associates, LLC
651 Orchard Street - Suite 308
New Bedford, MA 02744
REF: Southbridge Commons

A "Certified Return Receipt" or proof of hand delivery will provide you proof of when you application was received. We are not responsible for lost or late applications.

Section Three

FLOOR PLANS

SOUTHBRIDGE
37
COMMONS

1
2