



Information and Application for Norfolk Property Housing Lottery Norfolk, MA

This packet contains specific information for housing units offered to first time homebuyer by the Norfolk Municipal Affordable Housing Trust (Trust).

There are four (4) homes to be offered in this lottery - one new construction unit: Located at 234 Main Street, and three existing homes located at 98 Cleveland Street, 47 North Street and 76 North Street.

1. 76 North Street – 3 bedroom existing home \$140,000
2. 98 Cleveland Street – 3 bedroom existing home \$145,000
3. 234 Main Street - 3 bedroom new construction \$150,000
4. 47 North Street – 3 bedroom existing home \$145,000

We invite you to read this information, which contains information regarding the eligibility requirements, the selection process, and lottery application, and submit an application. The key milestones for these housing opportunities:

- Application Period opens September 10, 2013
- Information Session October 9, 2013 @ The Norfolk Public Library
- Open House October 19, 2013
- Application Deadline November 25, 2013
- Lottery December 12, 2013
- This application is a first step in the lottery process and starts the process. Applicants must secure approval for a mortgage loan and submit evidence of such approval together with the application.

This application can be downloaded from the website at: <http://www.virtualnorfolk.org>, and are available at the Norfolk Town Hall, and Norfolk Library 139 Main Street, Norfolk, MA 02056 or by calling the Norfolk Affordable Housing Coordinator, Susan Jacobson at 508-440-2801. Applications with the required components must be returned to our office by the deadline. The office is available to assist you in this process.

Please return the application to, or contact the Affordable Housing Coordinator below for any questions.

Susan Jacobson, Affordable Housing Coordinator
Norfolk Town Hall
One Liberty Lane,
Norfolk, MA 02056
508-440-2812
<http://www.sjacobson@virtualnorfolk.org>

Project description

The Trust is offering four homes in this affordable housing lottery.

1. 1 home at 76 North Street, 1 home at 98 Cleveland Street and 1 home at 47 North Street. The Trust purchased these existing homes in 2013, and is offering them as affordable units after completing the required maintenance and renovations. These units are the first to be offered under the Trust's Scattered Site Program. In this Program, the Trust plans to purchase existing single family home, and then sell them to qualified buyers as affordable homes with perpetual deed restrictions. The Trust plans to offer more homes in

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this Program, and will use the ranked eligible buyer list from this marketing effort for this and future homes for the next 18 months.

- 1 home at 234 Main Street: The Trust purchased the property at 234 Main Street in April of 2013, and will demolish the existing home and construct a 3 BR home.

All homes will be sold with their land, and are not condominiums. The parcels are of varying sizes, as shown below.

Address	#BR	\$Price	Lot Size	Living Space (Sq Ft)
47 North Street	3	\$145,000	34,848	1040 square feet
76 North Street	3	\$140,000	15,085	1188 square feet
98 Cleveland Street	3	\$145,000	42,693	960 square feet
234 Main Street	3	\$150,000	43,636	1632 square feet

The construction for 234 Main Street is expected to be completed in the spring of 2014. The three additional homes located at 76 North, 47 North and 98 Cleveland Street will be available for purchase after the lottery.

All homes will be public ways; with Town water and each unit has its own private septic, water and electric meter.

In all three existing properties, the heating system is forced hot air heating systems and there is a digital thermostatic control within the unit. There will be Energy Star rated appliances including stove, refrigerator, dishwasher, microwave, disposal, washer and dryer. The units will promote sustainable living being built to Energy Star standards, and the Town's adopted Stretch Building Code.

The unit at 76 North Street has three bedrooms and 1 full bath. The first floor has an open floor plan with a fireplace. It has a rear deck and a one care garage. It has energy efficient appliances (stove, refrigerator, microwave and washer/dryer).

The unit at 47 North Street has three bedrooms and 1 full bath. It is a three bedroom ranch. It has a finished basement and central air conditioning. There will be energy star rated appliances including a stove, refrigerator, microwave and washer and dryer.

The unit at 98 Cleveland Street has three bedrooms, and 1 full baths. The first floor has an open floor plan that includes the dining area, kitchen and living room, and three bedrooms and full bath. There will be Energy Star rated appliances including a stove, refrigerator, dishwasher, microwave, disposal, washer and dryer.

These units are the second set of homes to be offered under the Trust's Scattered Site Program. In this Program, the Trust plans to purchase existing single family homes, or construct new single family home on vacant parcels and then sell them to first time qualified buyers as affordable homes with perpetual deed restrictions. Buyers must be first time homebuyers with allowed exceptions. The Trust plans to offer more homes in this Program, and will use the ranked eligible buyer list from this marketing effort for this and future homes for the next 18 months or through February 28, 2015. All future homes to be constructed will be advertised and separate lotteries held for them.

These units will be sold under the DHCD Local Initiative Program, and in accordance with those 40 B Guidelines, initial purchase prices were established so that a household earning 70% of the Boston Area Median Income (AMI) is not required to spend more than 30% of their gross income for housing costs. These properties are sold below the market prices with specific deed restrictions described on pg. 5 and 11. These restrictions protect the property in perpetuity using resale price limitations.

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Lottery description:

1. The applications for this housing opportunity will be generally available, including on-line, in hardcopy at Norfolk offices and 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 received 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.
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. There may be no more than two occupants per bedroom. Smaller households are encouraged to apply.
4. The applicant's household 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. Current income limits are:
 - 1 person household - \$47,150, 2 person household- \$53,900, 3 person household- \$60,650
 - 4 person household - \$67,350, 5 person household - \$72,750, 6 person household - \$78,150,
 - 7 person household - \$83,550, 8 person household - \$88,950
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, cash value of retirement accounts, value of real estate holdings, trusts 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) is excluded from asset values. Equity from the sale of any home will be included with other household assets that cannot exceed a total of \$75,000. Assets sold for less than their fair market value within the last two years will be counted at the FMV.
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 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.

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 and which cannot be brought into compliance for less than the cost of constructing a permanent structure.
7. Persons must submit all the necessary information by the application deadline. No faxed applications will be accepted. Late applications (applications mailed and/or received after the above date) and applications that are incomplete will not 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 will be given 30 days to contact the lottery agent in writing to disagree with the

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determination. The Trust will review the application and notify applicant of the Trust's decision. Individuals related to any member of the Norfolk Municipal Affordable Housing Trust are not eligible for this program.

9. Two units in the lottery are being offered to local applicants with a connection to Norfolk. 47 North Street and 76 North Street. Applicants will be entered into all the pools for which they qualify; and a local resident will be included in both general and local pools. The local pool will be adjusted with minority applicants if the representation of the local pools is less than 27%. This is done by selecting, by lottery if necessary, as many minority applicants from the general pool as needed to augment the local pool. Local resident includes:
 - Current residents of Norfolk,
 - Families with children attending the Norfolk schools,
 - Employees of the King Philip Regional Schools
 - Employees who work in Norfolk,
 - Employees who work for the Town of Norfolk.
10. There will be four lottery pools maintained for this lottery. Applicants will be placed in all pools they are eligible for:

Pool	Unit/s
Two – Local 3BR	76 North Street, 47 North Street
Two – General 3 BR	98 Cleveland Street, 234 Main Street

11. Once the Lottery Agent has verified the information contained in the application and confirmed eligibility, eligible applicants are entered into the appropriate lottery pools and are given the corresponding lottery numbers. Applicants are notified of the lottery pools they are placed in, the number of bedrooms the household is entered for and told the date, time and place of the lottery. Applicants are encouraged, but not required, to attend.
12. At the lottery, the lottery numbers will be pulled for the lottery pool by an independent third party and witnessed by representatives of the Town in a public setting. The Lottery Drawing List will be created from the lottery numbers in the sequence in which they are drawn. All applicants will be informed of their ranking.
13. Once the tickets have been randomly drawn and listed in the drawn order, the units are then awarded based on bedroom size within each lottery pool. The top ranked household needing at least three bedrooms will be offered the opportunity to purchase that specific unit, and then households needing two bedrooms, followed by household needing one bedroom. The household size preference shall be given to households based on the following criteria. If an applicant in more than one pool declines the offer to purchase a home they will be moved to the bottom of the list for that pool and may not have another opportunity to purchase.
 - There is at least one occupant and no more than two occupants 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.
14. The lottery coordinator shall maintain the Lottery Drawing Lists until the unit is closed. In the event that any of the applicants are unable to obtain financing, withdraw for any other reason, or do not comply with guidelines, the next qualified applicant will be offered that particular unit.
15. The winners will sign a reservation form within 15 calendar days of the lottery with \$100 deposit.
16. The Purchase and Sale Agreement will be completed as the unit is constructed. Applicants will be required to recertify eligibility prior to signing the Purchase and Sale agreement if more than 60 days has elapsed

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since the lottery. DHCD must approve each buyer prior to signing a P&S Agreement. An additional \$1,000.00 deposit will be required upon signing of the Purchase and Sale Agreement

17. The State programs and bank products have specific closing and financing requirements. Current mortgage requirements include:
 - The loan must have a fixed interest rate through the full term of the mortgage.
 - The loan from an institutional lender 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.
 - No family loans or FHA mortgages can be accepted.
 - The buyer must provide a down payment of at least 3%; half of which must come from the buyer's own funds.
 - The buyer may not pay more than 38% of their monthly income for housing costs
 - Non-household members shall not be permitted as co-signers of the mortgage.
18. 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; and/or the United States Department of Housing and Urban Development.
19. You must notify DHCD and the Norfolk Municipal Affordable Housing Trust in writing when you intend to sell your home. The provisions regarding resale restrictions include: The unit can't be refinanced without prior approval of DHCD and/or the Monitoring Agent, no capital improvements can be made without DHCD and/or the Monitoring Agent pre-approval; the unit must be owner's primary residence; the resale price is calculated according to the deed rider; and an increase in equity is very minimal to ensure affordability over time; the deed rider remains in effect in perpetuity. All prospective buyers are advised to review the deed rider with their own attorney to fully understand its provisions.
20. Persons with disabilities are entitled to request reasonable accommodation of rules, policies, or services, or reasonable modification of housing.
21. Resale process: The resale price is calculated by DHCD and determined by the formula in the LIP deed rider. After you give written notice to DHCD and the Norfolk Municipal Affordable Housing Trust the Monitoring Agents have up to 90 days to sell the home 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. 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.

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AFFORDABLE HOUSING APPLICATION Must Be Completed and Returned By

Applicant Legal Name _____ Phone Number _____ E-mail _____
Address _____ City _____ State/Zip _____

I learned of this lottery from (check all that apply):

Website: _____ Letter: _____
Advertisement: _____ Other: _____

I am applying for the following specific unit (or all):

Specific Unit Address: _____, or all: _____

THIS APPLICATION IS NOT COMPLETE IF NOT SUBMITTED WITH:

- _____ Completed application signed by all individuals over the age of 18
- _____ Copy (not originals) of 2010, 2011 and 2012 Federal tax returns, as filed, with 2012 1099's, W-2's and schedules, for every current or future person living in the household over the age of 18
- _____ Copy (not originals) of last consecutive three months of pay stubs, for all salaried employed household members over 18. Six months of income for hourly and seasonal workers.
- _____ Copy (not originals) of last consecutive three months statements and documents from all other sources of income of all members listed on the application, on organization letterhead.
- _____ Copy (not originals) of last consecutive three months statements of all assets showing current value including all bank accounts, investment accounts, retirement accounts, on organization letterhead.
- _____ Copy of a mortgage pre-approval letter from an institutional lender and proof of adequate assets to cover down payment and closing costs. Note FHA and family mortgages are not accepted for this project.
- _____ Documentation regarding current or past interest in real estate, if applicable
- _____ Minority Self Declaration, if applicable
- _____ No Income Statement, signed and notarized, for any household member over 18 with no source of income, if applicable
- _____ Copy of school registration for any full time student for any household member over 18, if applicable
- _____ No Child Support Statement, signed and notarized, if applicable, containing the language "Under penalties of Perjury"

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_____ Copy of Divorce settlement or legal separation documents if applicable.

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Household Information - List all members of your household including yourself

Number of Bedrooms Needed: _____

1	Names of all Persons to Reside in Dwelling (First Name, Middle Initial, Last Name)	Relation to Head	Age	Date of Birth		Minority Category * (Optional)
1						
2						
3						
4						
5						
6						
7						
8						

*Minority preference categories include only Native American or Alaskan Native, Black or African American, Asian, Native Hawaiian or Pacific Islander; or other (non-White); and the ethnic classification Hispanic or Latino. Requires 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: _____

[Provide current assessment information, and current mortgage statement]

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

When: _____ Address: _____

Sales Price: _____, [Provide sales settlement form]

You must attach HUD settlement statement.

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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	Bank/Credit Union Name	Account No	Value, Balance
1	Checking account			
2	Savings account			
3	Retirement account			
4	Other: _____			
5	Other: _____			
6	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/we have no legal proceedings in our past which would disqualify me/us from public housing under the rules and regulations of the Department of Housing and Community Development and/or disqualify me/us from obtaining a mortgage.

I/We certify that I am/we are not related to any member of the Norfolk Municipal Affordable Housing Trust.

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 the provisions regarding resale restrictions and agree to the restriction. You must notify DHCD and the Monitoring Agent when you wish to sell. The unit can't be refinanced without prior approval of DHCD and/or the Monitoring Agent, no capital improvements can be made without DHCD and/or the Monitoring Agent pre-approval; the unit must be owner's primary residence; the resale price is calculated according to the deed rider; and an increase in equity is very minimal to ensure affordability over time; the deed rider remains in effect in perpetuity. All prospective buyers are advised to review the deed rider with their own attorney to fully understand its provisions.

You/We have been advised that a copy of the DHCD Universal Deed Rider is available with the Lottery Agent on the DHCD website – <http://www.mass.gov/Ehed/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 Lottery 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. I/We understand that the Lottery Agent makes no representation on the availability or condition of the unit. Deed Rider and the LIP Homebuyer Disclosure Statement are available on the Norfolk Town website – <http://www.virtualnorfolk.org>

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. No application will be considered complete unless signed and dated by the Applicant/Co-Applicant.

Applicant Signature

Date

Co-Applicant Signature

Date