



**City of Newton
Information and Application for
Affordable Homeownership Opportunity
75B Norwood Avenue
Newton, MA 02459**

1 Bedroom Unit - \$209,210

This packet contains specific information regarding the purchase of a one-bedroom affordable condominium located in the Crystal Lake Manor Condominiums at 75B Norwood Avenue in Newton, MA, including the eligibility requirements, the selection process, and a lottery application.

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 Malcolm Lucas below for any questions or to **submit your application**:

Newton City Hall, Planning and Development, 2nd Floor RM 213
Attention: 75B Norwood Avenue
1000 Commonwealth Avenue, Newton, MA 02459
(617) 796-1149, mlucas@newtonma.gov

The key milestones for this housing opportunity:

- Application Period opens November 18, 2020
- Application Deadline 5:00 p.m. – December 18th, 2020
- **Open House 12:00 pm – 2:00 pm – Saturday, November 21 and Sunday, November 22.**
- Lottery December 29th 2020 – time TBD

Unit description

75B Norwood Avenue, unit 11, is a one-bedroom condominium in the Crystal Lake Manor Condominium Trust property. The unit is 528 square feet in one floor, and has 1 bedroom and 1 bath. There is one off street parking space provided. The unit is equipped with refrigerator, stove, microwave, dish washer and garbage disposal, with a common use, coin-operated laundry room conveniently located across the hall. The heating system is gas with forced hot air. There is also a storage space for the unit. The current condominium fee is \$323.75.

This unit is immediately available, and all applicants must be ready buyers.



Lottery description:

1. The applications for this housing opportunity will be generally available, including on-line, in hardcopy at the Newton City Hall and sent to anyone interested in the lottery. Notice of the lottery will be posted through local, regional and state channels.
2. Applications must be received (not postmarked) with all required information by the deadline. Applications can be mailed to the at the address above. Applications that are dropped off should be brought to the Housing and Community Development office on the second floor. Applications may also be emailed, but accompanying documentation should be compiled such that the total submission email/s has no more than 5 attachments, with the applicant consolidating the information. Applicants are encouraged to complete the checklist as an aide to the process.
3. The applicant's household size will be determined from the application, and required number of bedrooms as indicated on the application. Priority shall be given to households requiring 2 bedrooms. Smaller households are encouraged to apply.
4. The applicant's income (for the 90 days prior to the application period) 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 most recent income limits will be used, currently the 2020 limits:

1 person- \$67,400, 2 person- \$77,000, 3 person- \$86,650, 4 person- \$96,250

5. Household assets shall not exceed \$75,000 in value (for the 90 days prior to the application period). 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). Eligible applicants cannot own residential property, whether for primary, secondary or investment purposes.

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.

7. All buyers must complete a first-time homebuyer course before closing on the unit; households are required to submit proof of completing the course with their application prior to final eligibility and signing a Purchase and Sale agreement. If a household has yet to complete the class, please detail when you will be complete the course in the application. Please visit the CHAPA website to schedule: <http://www.chapa.org/looking-for-housing/homebuyer-workshops>



8. 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.
9. 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 to disagree with the determination. A final lottery eligibility letter will be emailed to each applicant indicating their final eligibility determination, preferences and the lottery specifics (date/time).
10. Due to office closures, and in compliance with social distancing guidelines related to Covid-19, the lottery will be conducted using the Zoom online meeting tool. All eligible applicants will be given the information required to join the Zoom meeting. Lottery tickets 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. Letters with the lottery results will be emailed within three business days to the winners and all applicants.
11. Once the tickets have been randomly drawn and listed in the drawn order, the unit is then ranked based on bedroom size. The household size preference shall be given to households based on the following criteria.
 - There is at least one occupant per bedroom. The maximum allowable household size cannot be more restrictive than State Sanitary Code requirements for occupancy of a unit.
 - A husband and wife, or those in a similar living arrangement, shall be required to share a bedroom.
12. 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. If any applicant is offered a unit and opts not to proceed, they will be moved to the bottom of the list,
13. The winners will sign a reservation form which provides a commitment to purchase.
14. Final qualification against all requirements will be verified before the execution of Purchase and Sale, and eligible applicants must be approved by the City 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.
15. 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, with a fair 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, demonstrated at the time of application.
 - 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, and Loans from non-institutional lenders will not be accepted.
 - FHA will no longer accept the deed rider that survives foreclosure.
16. The City of Newton does not discriminate in the selection of applicants based on race, color, disability, religion, sex, familial status, sexual orientation, national origin, genetic information, ancestry, children, marital status, or public assistance recipient. People with disabilities are entitled to request a reasonable accommodation of rules, policies, practices, or services. Requests may be made by contacting Newton's ADA/Sec. 504 Coordinator, Jini Fairley, at jfairley@newtonma.gov or (617) 796-1253. The city's TTY/TDD direct line is: 617-796-1089. For the Telecommunications Relay Service (TRS), please dial 711
17. Disabled persons are entitled to request reasonable accommodation of rules, policies, or services, or reasonable modification of housing.



18. Deed Rider and Resale process: The City of Newton 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.



AFFORDABLE HOUSING APPLICATION

Must Be Completed and Returned to the City of Newton

Applicant Legal Name _____ Phone Number _____

Address _____ City _____ State/Zip _____

Email (please write legibly*) _____

Applicant Legal Name _____ Phone Number _____

Address _____ City _____ State/Zip _____

Email (please write legibly*) _____

***Note: Email will be main method of communication. Please provide an email address clearly written.**

THIS APPLICATION IS NOT COMPLETE IF NOT SUBMITTED WITH:

- _____ Completed application signed by all individuals over the age of 18.
- _____ Copy of 2017, 2018 and 2019 Federal tax returns, as filed, with W-2's and schedules for 2019 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, and last paycheck of 2019.
- _____ 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 2019.
- _____ 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.
- _____ Proof of a successful completion of a HUD Certified First-time Homebuyer counseling workshop.
- _____ 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 & notarized, if applicable, containing language "Under penalties of Perjury."
- _____ Gift Letter, signed by donor, if applicable, indicating that there is no expected repayment of the gift."



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
HEAD						
2						
3						
4						
5						
6						

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: \$209,210

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



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			



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 are, or our family and not related to the property owner, the City of Newton 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 have been advised that a copy of the Deed Rider is available with the City of Newton. The Affordable Housing Restriction is an especially important legal document; in part it ensures that the home remains affordable for future buyers of your property. Purchasers are encouraged to read carefully and to seek legal counsel to have a full understanding of their obligations of the Affordable Housing Restriction in its entirety.

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. You may not rent, lease or refinance your home without the prior written consent from the City.
- The property can't be refinanced without prior approval of the City of Newton. 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 City of Newton.
- No capital improvements can be made without the City of Newton’s pre-approval. Capital improvements must be pre-approved by the City in order to be considered as an addition to the resale price.

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 City of Newton 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