

Family Composition and Income Eligibility Worksheet

Please list **all household members (regardless of age or income)** and the income from all sources for every member of your household who is 18 years of age and over.

Name and Date of Birth	Gross Annual Income	
	Head of Household	
	Person 2	
	Person 3	

Total Number in Household: _____ Total Income: _____

Has anyone listed in this application owned a home in the last 3 years? Yes _____ No _____

Income Limits:

Household annual gross income cannot exceed the following

Household Size	1 person	2 Person	3 Person	4 Person
80% AMI	67,400	77,000	86,650	96,250
FY 2020				

Agreement and Signature

By signing this application, I understand that this is an application to be placed on an affordable home ownership waiting list and is **NOT** an offer or guarantee of housing. I understand that it is my responsibility to notify Metro Housing of any changes in my situation, income or address. I understand that Metro Housing may release my name to housing related agencies and businesses interested in working with homebuyers such as real estate offices, banks, etc. I'm certifying my household income and value of assets which will be verified at a later date if I am considered for a unit.

Applicant Signature: _____ Date: _____

Affordable Homebuyer Eligibility Q & A's

ELIGIBILITY

Who is eligible to participate in affordable home ownership?

Interested buyers should be ready to proceed and meet the income eligibility guidelines. The advertised property is Deed Restricted and the sale price is set by formula. Buyers of this unit will be subject to the same equity and resale provisions. A first-time homebuyer who is income and asset eligible and can be pre-approved for a mortgage that complies with **Program Standards for New Mortgage Loans** (see the next page) is eligible to apply for affordable home ownership.

Do I qualify as a first-time homebuyer?

Applicants are considered first time homebuyer(s) if they:

- Have not had ownership interest in a residential property in the last 3 years.
- Are displaced homemakers-an adult who has not worked full-time for a number of years but has worked to care for home and family without pay and owned a home or resided in a home with his or her partner.
- Are single parents, unmarried or legally separated from spouse with sole or joint custody of one or more children or is pregnant who has owned or resided in a home with his/her partner.
- Have owned or currently own a principal residence not permanently affixed to a permanent foundation.
- Owned 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
- Have at least one household member who is age 55 or older.

What is the Area Median Income and does it change depending on my family size?

The Area Median Income is established for Boston-Cambridge-Quincy MSA by the Department of Housing and Urban Development. In order to be income eligible, your gross income must be at or below 80% of the AMI for the Boston-Cambridge-Quincy MSA as shown in chart below.

Household Size	1 person	2 person	3 person
80% AMI	67,400	77,000	86,650
FY 2020			

What is the asset limit?

The asset limit is \$75,000 per household.

Does the asset limit of \$75,000 change depending on age or family size?

No, it is the same for all households unless someone over 55 is applying for age-restricted housing.

What is a household asset?

- Cash in savings accounts, checking accounts and safety deposit boxes, etc.
- Certificates of deposit, bonds, stocks, treasury bills, mutual funds and money market accounts.
- Revocable trusts.
- Equity in rental property or other capital accounts.
- Cash value of life insurance policies available to the applicant before death.
- Personal property held as an investment: Gems, jewelry, coin collections, or antique cars, etc. Personal jewelry in NOT considered an asset.
- Lump sum receipts or one-time receipts. (i.e. inheritance, 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.
- A mortgage or deed of trust held by an applicant.

- IRA, 401(k), 403B. *
- Retirement and pension funds. (if employed) *

*These will include only amounts the applicant can withdraw without retiring or terminating employment, minus any penalties or transaction fees. (You will be responsible to determine and verify how much of these funds are available to you as cash.)

Household assets **DO NOT** include:

- Personal property. (i.e. clothing, furniture, cars, wedding ring and other jewelry that is not held as an investment, vehicles specially equipped for persons with disabilities)
- Term life insurance policies. (i.e. policies with no cash value)
- Equity in the cooperative unit 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 source of income.
- Assets that are not effectively owned by the applicant.

APPLICATION PROCESS

How do I become eligible to purchase an affordable home?

You will need to submit a completed application along with the supporting documentation, and a pre-approval letter for a mortgage from a lender on their letterhead.

What are the Program Standards for New Mortgage Loans?

- Fixed interest rate through the full term of the mortgage
- Interest rate that is no more than 2 percentage points above the current MassHousing Rate. This rate can be found at www.masshousing.com.
- No more than 2 points
- Buyer down payment of at least 3%, 1.5% of which must come from the buyer.
- Buyer may not pay more than 38% of their monthly gross income for principal, interest, property taxes, hazard insurance, private mortgage insurance and homeowner association fees.

What is a pre-approval letter?

Lenders will issue a pre-approval letter after they have reviewed your credit score, credit report, income and expenses. The pre-approval must be on the lender's letterhead showing the dollar amount and include an authorized signature.

What is an Affordable Housing Deed Restriction?

Affordable homeownership units are sold with a deed restriction to ensure that the home will remain affordable for all successive buyers. This is accomplished by restricting liens beyond the first mortgage, the use and the resale value. The Affordable Housing Deed Restriction is recorded with the Deed after the real estate closing.