

Wellesley Affordable Housing Lottery

Terrazza, 12-18 Hollis Street, Wellesley, MA

YOU CAN COMPLETE AND SUBMIT A LOTTERY APPLICATION ONLINE HERE:

<https://form.jotform.com/SEBHousing/terrazza>



\$272,800 for a 2 Bedroom Home (condo fees are \$100/month)

Maximum Household Income Limits

\$78,300 (1 person), \$89,500 (2 people), \$100,700 (3 people)

\$111,850 (4 people), \$120,800 (5 people), \$129,750 (6 people)

The Maximum Household Asset Limit is \$75,000

This is a lottery for the four (4) condominiums being built at Terrazza located in Wellesley, MA. The homes will be sold at affordable prices to households with incomes at or below 80% of the Area Median Income.

The two bedroom homes range from 1,778 square feet to 2,655 square feet. All homes include access to the community amenities such as the private courtyard and grills, a fitness center, pet spa, movie lounge, bike room, and conference and club rooms. A dedicated surface parking spot is included with each affordable condominium. Residents can easily access the shops and restaurants in Wellesley's town center by foot and will also be in close proximity to the Wellesley Square train station. The affordable homes will be ready for occupancy shortly after the lottery.

Application Deadline

August 28, 2023 at 2:00 pm

Completed Applications must be delivered or postmarked by this date. Applications postmarked by the deadline must be received no later than 5 business days from the deadline.

Public Info Session

July 31, 2023 at 6:00 pm via Zoom

Go to [zoom.com/join](https://zoom.us/join) or call (646) 558-8656 and enter Meeting ID: 818 9317 7595, Passcode: 088159

Lottery

September 7, 2023 at 6:00 pm via Zoom

Go to [zoom.com/join](https://zoom.us/join) or call (646) 558-8656 and enter Meeting ID: 857 2736 5609, Passcode: 276410

Lottery Information and Applications, or for reasonable accommodations for persons with disabilities, go to [**www.sebhousing.com**](http://www.sebhousing.com) or call (617) 782-6900 (x2) and leave a message, or postal mail SEB Housing, 257 Hillside Ave, Needham MA 02494. Free translation available. **Traducción gratuita disponible.**

YOU CAN COMPLETE AND SUBMIT A LOTTERY APPLICATION ONLINE HERE:

<https://form.jotform.com/SEBHousing/terrazza>



Terrazza Lottery Application

Wellesley, MA

This is an important document. If you require language interpretation, please contact the agent for this development directly (info@sebhousing.com or 617-782-6900 x3) and request interpretation services in your own language. If the agent does not speak your primary language, they will contact a translator who will provide language assistance.

Este es un documento importante. Si necesita interpretación de idiomas, comuníquese directamente con el agente de este desarrollo (info@sebhousing.com y 617-782-6900 x3) y solicite servicios de interpretación en su propio idioma. Si el agente no habla su idioma principal, se pondrá en contacto con un traductor para que proporcione que brindará asistencia lingüística.

Application Deadline

August 28, 2023

Applications must be delivered, or postmarked, by this date. Applications postmarked by the deadline must be received within 5 business days.

YOU CAN COMPLETE AND SUBMIT THIS APPLICATION ONLINE HERE:

<https://form.jotform.com/SEBHousing/terrazza>



\$272,800 for a 2 Bedroom Condominium (condo fees are \$100/month)

The affordable homes will be ready for closing shortly after the Lottery

Maximum Household Income Limits

\$82,950 (1 person), \$94,800 (2 people), \$106,650 (3 people) \$118,450 (4 people)

The Maximum Household Asset Limit for the 2BR home is \$275,000 (which includes equity in a dwelling to be sold). There is no MINIMUM household income requirement but households must have a mortgage pre-approval that covers the sales price of the home to apply for this lottery. Please read the Information Packet for more details.

Directions:

Online Applications can be completed and submitted at the JOTFORM link above. If you'd prefer to submit a paper/PDF application, it must be completed and delivered by the date at the top of this page. This application must be filled out entirely for your application to be processed. Every space given to initial must be initialed, even if you answer "N/A". If a question does not apply to you, check "N/A". LEAVE NOTHING BLANK. Send or drop off all applications by the date above to: SEB Housing-Terrazza, 257 Hillside Ave, Needham, MA 02135.

Fax: (617) 782-4500; Phone: (617) 782-6900; Email: info@sebhousing.com



Terrazza. Please provide all the following contact information for the Head of Household:

Applicant's Name: _____

Address: _____

Town: _____ State: _____ Zip: _____

Cell Phone:(_____) _____ Home Phone:(_____) _____

Work Phone:(____) _____

Email address: _____@_____

Please note: We will only use your email address to contact you about this application. Providing your email should facilitate the process of completing your application as you will be notified of missing documentation faster than if we can only send notifications via postal mail. We will not contact you about future lotteries unless requested.

Please fill out the chart below for everyone who will be occupying the unit:

NAME	AGE	HEAD OF HOUSEHOLD OR DEPENDENT	RELATIONSHIP TO APPLICANT LISTED AT THE TOP OF THIS PAGE	IS THIS PERSON A FULL-TIME STUDENT OR WILL BE A FULL- TIME STUDENT IN THE NEXT 12 MONTHS?	
				Yes	No
				Yes	No
				Yes	No
				Yes	No

I certify that my Household Size is (total number of household members) _____.

Initial(s): _____

Initial(s): _____

HOUSEHOLD TYPE

You must check one of the following boxes for your household Type. Please review the Information Packet for details on Types.

- ☐ **1 person household** (*Type I*)
- ☐ **1 person household with a disability or medical need for TWO bedrooms** (*Please note that verification from medical provider of need for a 2BR unit will be required at certification otherwise household may be removed from Waiting Lists*) (*Type II*)
- ☐ **2 person household: 2 heads-of-household** (*Type I*)
- ☐ **2 person household: 1 head-of-household plus one dependent** (*Type II*)
- ☐ **2 person household with a disability or medical need:** 2 heads-of-household where (A) heads-of-household cannot be required to share a bedroom as a consequence of sharing would be a severe adverse impact on their mental or physical health OR (B) there is a separate disability or medical need for **two** bedrooms. (*In either case, please note that verification from medical provider of need for separate rooms for heads of households or of need for a 2BR unit will be required at certification otherwise household may be removed from Waiting Lists*) (*Type II*)
- ☐ **3 person household: all types** (*Type II*)
- ☐ **4 person household: all types** (*Type II*)

LOCAL PREFERENCE INFORMATION

Do you or any member of your household qualify for Local Preference? An applicant qualifies for local preference if the applicant or a member of their household fit into one of the following categories (A) a current resident of Wellesley, (B) employee of the Town of Wellesley, (C) employee of businesses located in Wellesley or (D) a parent or guardian with children attending the Wellesley Public Schools (including METCO students)

- ☐ Yes
- ☐ No

If you answered "Yes" for Local Preference, then AFTER the lottery, if you are invited to move forward, you will be required to submit documentation as outlined below:

If qualifying under definition (A) as detailed above: I have submitted a Copy of two (2) utility bills 1 from each utility company in my name dated within the last 60 days, e.g., (1) electric, (1) oil, (1) cable, (1) gas, or (1) telephone **landline (not cell phone)**. If utility bills cannot be provided the following documentation **must** be provided: current signed lease **AND** proof of voter registration from Town of Wellesley Election Department

If qualifying under definition (B) as detailed above: I have submitted copies of pay-stubs **AND IF THE PAY STUBS DO NOT SHOW THE ADDRESS OF THE JOB** I have submitted a **signed statement** from my employer on company letterhead the states the address of the job and the employee's name.

If qualifying under definition (C) as detailed above: I have submitted copies of pay-stubs **AND IF THE PAY STUBS DO NOT SHOW THE ADDRESS OF THE JOB** I have submitted a **signed statement** from my employer on company letterhead the states the address of the job and the employee's name.

If qualifying under definition (D) as detailed above: I have submitted copies of Wellesley school transcripts **AND** proof of relation to the student (by birth certificate or legal guardianship or divorce decree)

☐ **I am not applying for Local Preference**

MORTGAGE PRE-APPROVAL REQUIREMENT

Households must already have a mortgage pre-approval to apply for this lottery. If you do not already have a mortgage pre-approval that meets the standards outlined below, please contact a local bank/lender and obtain one before completing this application. You may go to any lender of your choosing as long as the pre-approval meets the below standards, but it is strongly recommended that you talk to a lender that has familiarity with affordable housing in Massachusetts as they will be more familiar with the process, mortgage requirements, and Deed Restrictions than a lender with no experience in affordable housing.

Here is a list of banks and lenders with experience with mortgages for affordable homes:

www.mhp.net/one-mortgage/why-one#find-lender

MORTGAGE PRE-APPROVAL STANDARDS:

- The mortgage/loan must have a fixed interest rate through the full term of the mortgage.
- The mortgage/loan must have a current fair market interest rate. *(No more than 2 percentage points above the current MassHousing rate, (617) 854-1000 or www.masshousing.com)*
- The mortgage/loan can have no more than two points.
- The mortgage/loan cannot be an FHA or VA loan (as FHA and VA will not accept the terms of the Deed Restriction)
- The buyer must provide a down payment of at least 3% - half of which must come from buyer's own funds.

MORTGAGE PRE-APPROVAL ATTESTMENT

I attest that I have already obtained a mortgage pre-approval that covers the sales price of the affordable home for which I am applying AND meets each and every one of the of the Mortgage Pre-Approval Standards (as listed above) for this affordable housing program. I attest that I will be able to supply a copy of this mortgage pre-approval to SEB Housing immediately after the lottery, if requested. I acknowledge that failure to submit a mortgage pre-approval that (A) was secured prior to my lottery application submission date and (B) meets the mortgage pre-approval standards as outlined herein if/when requested will result in the removal of the application from further consideration.

Initial(s): _____

Initial(s): _____

HOMEOWNERSHIP (CIRCLE "YES" OR "NO")

Has anyone listed on this application owned a home in the past 3 years or does anyone on this application currently own a home? YES NO

If you answered NO, please move on to the next page.

If you answered YES, please answer all the following questions.

To qualify as an age-qualified household, please answer the following question about the person that has owned a home in the past 3 years or who currently owns a home:

Are they age 55 or older? YES NO

To qualify as a displaced homemaker, please answer the following questions about the person that has owned a home in the past 3 years or currently owns a home:

Are they an adult?	YES	NO
Have they owned a home only with a partner?	YES	NO
While married did they not work full-time, full year in the labor force but worked primarily without remuneration to care for the home or family?	YES	NO
Are they currently legally separated from a spouse?	YES	NO
Has the home in question already been sold?	YES	NO

If you answered NO to the last two questions, you must finalize your separation and/or sell your home before you can be placed on the Waiting List. **Please read the Information Packet for more details.**

To qualify as a single parent, please answer the following questions:

Do you have 1 or more child of whom you have custody or joint custody, or are you pregnant?	YES	NO
Did you own a home with your partner or reside in a home owned by your partner?	YES	NO
Has the home in question already been sold?	YES	NO
Are you unmarried or legally separated from your spouse?	YES	NO

If you answered NO to the last two questions, you must finalize your separation and/or sell your home before you can be placed on the Waiting List. **Please read the Information Packet for more details.**

REASONABLE MODIFICATION OR ACCOMMODATION

Persons with disabilities are entitled to request a reasonable accommodation in rules, policies, practices, or services, ("practices") when such accommodations may be necessary to afford persons with disabilities an equal opportunity to use and enjoy the housing. If you have a reasonable accommodation request related to *this Application/Certification*, please describe it here. If you have any *other* requests, including a reasonable accommodation request related to the *Owner/Developer's* practices, or a reasonable modification request related to the physical structure of the building or unit, do *not* list it here. That request must be made directly to the Owner/Developer.

RELATED PARTY

Is any member of the household related to or employed by the developer or related to or employed by the Property Management Company?

☐ Yes

☐ No

If yes, please explain the relationship in the space provided here:

DATABASE INFORMATION

How did you find out about this affordable housing opportunity?

(please be as specific as possible, if found "online" please provide web address)

INSTRUCTIONS FOR COMPLETING THE FOLLOWING INCOME TABLE

Please complete the Income Table on the following two pages. **After the lottery, top households will be asked to attach supporting documentation, including but not limited to, the five most recent consecutive pay stubs and/or income statements for all sources of income, W-2 statements and the THREE most recent federal income tax returns** (including all attachments and amendments) for each member of the household.

For the purpose of **income determination**, **"Household"** shall mean all persons whose names appear on the lease, and also all persons who intend to occupy the housing unit as their permanent primary residence, even if they are not included on the lease. The incomes of *all* household members will be included, with the exception of income from employment for household members under the age of 18 or any income over \$480/year of full-time students who are dependents (but please note that documentation of income for those dependents still needs to be supplied).

Please note:

1. Gross income from current wages, salaries, tips, etc. is the full amount, before any deductions, and is the amount used to determine estimated current annualized income.
2. For self-employed income/wages- include the contract or job name in the space provided and you should use the net income for self-employment (note: For Self-Employment income only is "net" income counted. Income from all other sources is counted as "gross" income)
3. "Interest Income" refers to any amount that you receive from any asset except for amounts drawn down from a retirement account or 401K as those go on the lines for "pension" or "retirement funds".
4. Households, or their families, cannot have a financial interest in the development and a household member cannot be considered a Related Party.

INCOME

Household Member Name	Source of Income	Current GROSS Monthly Income
	Employer (name)	
	Employer (name)	
	Employer (name)	
	Employer (name)	
	Employer (name)	
	Employer (name)	
	Employer (name)	
	Employer (name)	
	Employer (name)	
	Employer (name)	
	Self-Employed (contract/job name)	
	Self-Employed (contract/job name)	
	Self-Employed (contract/job name)	
	Child Support/Alimony	
	Child Support/Alimony	
	Social Security Income	
	Social Security Income	
	Social Security Income	
	Social Security Income	
	SSDI	
	SSDI	
	Pension (list source)	
	Pension (list source)	
	Retirement Funds	

Household Member Name	Source of Income	Current GROSS Monthly Income
	Unemployment Compensation	
	Workman's Compensation	
	Severance Pay	
	Title IV/TANF	
	Full-Time Student Income (18 & Over Only)	
	Full-Time Student Income (18 & Over Only)	
	Periodic payments from family/friends & Recurring Gifts <i>(i.e. monthly/weekly money from family/friends)</i>	
	Interest Income (source)	
	Interest Income (source)	
	Interest Income (source)	
	Interest Income (source)	
	Interest Income (source)	
	Interest Income (source)	
	Interest Income (source)	
	Other Income (name/source)	
	Other Income (name/source)	
	Gross Monthly Household Income (GMHI)	\$ /month

GMHI x 12 =	Gross Annual Household Income	\$ /year
--------------------	--------------------------------------	----------

ASSETS

If a section doesn't apply, cross out or write N/A. In the next section you will be directed to submit detailed bank/balance statements for EVERY ASSET listed here. If any household member has divested themselves of an asset for less than full and fair present cash value of the asset within two years prior to this application, the full and fair cash value of the asset at the time of its disposition must be listed below.

	Bank Name	Last 4 Digits of Acct Number	Amount	
Checking Accounts			Balance \$	
			Balance \$	
			Balance \$	
			Balance \$	
Savings Accounts			Balance \$	
			Balance \$	
			Balance \$	
			Balance \$	
Venmo/Paypal/Cash-Apps			Balance \$	
Trust Account			Balance \$	
Certificates (or CDs)			Balance \$	
			Balance \$	
			Balance \$	
Savings Bonds	Maturity Date:		Value \$	
	Maturity Date:		Value \$	
401k, IRA, Retirement Accounts (Net Cash Value)	Company Name:		Value \$	
	Company Name:		Value \$	
	Company Name:		Value \$	
	Company Name:		Value \$	
Mutual Funds	Name:	# of Shares:	Interest/Dividends	Value
			\$	\$
			\$	\$
Stocks			\$	\$
			\$	\$
			\$	\$
Bonds			\$	\$
			\$	\$
Investment Property			Appraised Value \$	
Down-Payment Assistance <i>(An anticipated one-time gift from family/friends to help with the mortgage down-payment)</i>			\$	

REAL ESTATE

You may only currently own a home if one of your household members is over the age of 55 or if you qualify as a displaced homemaker or single parent. Please read the Info Packet for more details.

Do you, or anyone on this application, own any property or have owned property in the past 3 years?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are you, or anyone on this application, entitled to receive any amount of money from the sale of any property? (currently or thru an upcoming court settlement)	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes to either question, type of property:	
Location of property:	\$
Appraised Market Value:	\$
Mortgage or outstanding loans balance due:	\$

You must now read, sign and date the following question AND read, sign and date the following page.

DEED RIDER SIGNATURE OF UNDERSTANDING:

I/We have read the resale restrictions for Terrazza and agree to the restrictions. I/We understand that the Deed Rider Summary in the Information Packet is not the actual Deed Rider and it is only intended to provide general information about Property Restrictions in typical Affordable Housing Programs. I/We understand that a full copy of the example Deed Rider is available under the listing on the SEB Housing website: <https://sebhousing.com/affordable-housing-opportunities/> and that if requested, a copy of this example Deed Rider can be mailed to me. I/We also understand that, if selected to purchase this unit, a full copy of the Deed Rider will be provided.

Full Signature of Applicant: _____ Date: _____

Full Signature of Co-Applicant: _____ Date: _____

Please be sure to fully sign the lines above (not only initials).

Please read each item below carefully before you sign.

1. I hereby declare under pain and penalty of perjury that the information provided on every page of this application is true and correct. I understand that if any sources of income or assets are not disclosed on this application, or any information provided herein is not true and accurate, this application may be removed immediately from further consideration and I will no longer be allowed to reserve a unit.
2. I understand that this application will be incomplete if I do not sign and date this page and initial at all indicated points in the application and that the failure to timely and/or fully supply information in accordance with the application may result in the the denial of my application and loss of position on all Waiting Lists.
3. The undersigned certify that none of the people listed in this application, or their families, have a financial interest in the development and none of the people listed in this application can be considered a Related Party by the affordable housing guidelines that govern this property.
4. The undersigned certify that the affordable unit will be undersigned's principal residence and the undersigned cannot own a home elsewhere or in trust while living in an affordable unit.
5. I understand that while previous years' tax transcripts and documentation are required, SEB Housing LLC does not use income reported on the previous years' tax documentation to calculate current annualized income.
6. I understand that the Purchase and Sale Agreement for the units to be occupied through this affordable housing program may be subject to cancellation if any of the information above is not true and accurate.
7. I understand that this is a preliminary application and the information provided **does not** guarantee housing.
8. I understand that any material change in the income or assets of my household that occurs after the submission of this application may make me ineligible for affordable housing. I understand that any changes to income or assets that may put my household into another income tier must be reported to SEB Housing.
9. Mortgage Co-signers **are not** permitted unless they are co-tenants who will reside in the unit.
10. I acknowledge that if my email address is provided in this application, SEB Housing, LLC will correspond with me by email instead of postal mail unless I make a written request otherwise. I understand that any changes to my contact information must be reported to SEB Housing.
11. I acknowledge that the determination of eligibility by SEB Housing is based upon the guidelines that govern the Affordable Housing Program for the development and, as such, barring any confirmed error by SEB Housing in applying the guidelines and/or calculating income, the decision is final and I further agree to hold harmless SEB Housing from any claim(s) related to this application.
12. The undersigned give consent to the Town of Wellesley, SEB Housing LLC, Terrazza, and EOHLC to verify the information provided in this application. The undersigned authorize the release of information necessary in determining income and assets from third-party references.

Applicant's Signature

Date

Applicant's Signature

Date

For Questions contact info@sebhousing.com or call (617) 782-6900

Information Packet

Terrazza

Wellesley, MA

An Affordable Housing Lottery

Facilitated on behalf of Delanson Realty Partners, LLC

This packet contains specific information on the affordable housing program as well as background, eligibility requirements, selection priority categories, and application process for the affordable homes being offered through this lottery for Terrazza in the Town of Wellesley.

Delanson Realty Partners, LLC and the Town of Wellesley invite you to read this information and submit an application. This lottery is the first step in the application process and does not assure you a unit.

The first affordable home is expected to be ready for occupancy shortly after the lottery.

YOU CAN COMPLETE AND SUBMIT A LOTTERY APPLICATION ONLINE HERE:

<https://form.jotform.com/SEBHousing/terrazza>



Application Deadline

August 28, 2023 at 2:00 PM

Applications must be completed online, postmarked, or delivered by this date. Applications postmarked by the deadline must be received by SEB Housing within five (5) business days.

For Affordable Unit Information call (617) 782-6900 x2 (voicemail)

Or Email: info@sebhousing.com

For TTY Dial 711

Free Translation Available. **Traducción gratuita disponible**

Information Packet created by:

SEB Housing, 257 Hillside Ave, Needham, MA 02494



Table of Contents

General Overview and Sales Prices.....	pg. 3
General Eligibility Requirements.....	pg. 4
Maximum Income and Asset Limits.....	pg. 6
Mortgage Pre-Approval Standards.....	pg. 8
Household Size and Composition.....	pg. 9
Step-By-Step Process and Timeline.....	pg. 11
<i>Step 1a: Applying for the Program.....</i>	<i>pg. 12</i>
<i>Step 1b: The Lottery.....</i>	<i>pg. 13</i>
<i>Step 1c: The Waiting List.....</i>	<i>pg. 14</i>
<i>Step 1d: SEB and EOHLC Review.....</i>	<i>pg. 15</i>
<i>Step 2a: Unit Selection and Reservation Agreement.....</i>	<i>pg. 16</i>
<i>Step 2b: Sign Purchase & Sale Agreement.....</i>	<i>pg. 17</i>
<i>Step 2c: Obtain Mortgage Commitment.....</i>	<i>pg. 17</i>
<i>Step 1e: Final Review of Eligibility.....</i>	<i>pg. 18</i>
<i>Step 2d: Closing and Move-In.....</i>	<i>pg. 18</i>
Local Preference.....	pg. 19
Deed Rider Summary/Property Restrictions.....	pg. 20

GENERAL OVERVIEW AND SALES PRICES

This is a lottery for the four (4) affordable homes being built at Terrazza on 12-18 Hollis Street in Wellesley, MA. These units will be sold at affordable prices to households with incomes at or below 80% of the area median income. The two bedroom homes range from 1,778 square feet to 2,655 square feet. All homes include access to the community amenities such as the private courtyard and grills, a fitness center, pet spa, movie lounge, bike room, and conference and club rooms. A dedicated surface parking spot is included with each affordable condominium. Residents can easily access the shops and restaurants in Wellesley's town center by foot and will also be in close proximity to the Wellesley Square train station. The unit mix is as follows:

# of Affordable Units	Type	Affordable Sales Price	Monthly HOA Fees*	Bedrooms	Bathrooms	Parking Spots	Square Footage <i>** (subject to change during construction)</i>
1	12 Hollis	\$272,800	\$100	2	1.5	Surface parking available	1,778 square feet
1	14 Hollis	\$272,800	\$100	2	3.5	Surface parking available	2,655 square feet
1	16 Hollis	\$272,800	\$100	2	2.5	Surface parking available	2,429 square feet
1	18 Hollis	\$272,800	\$100	2	2.5	Surface parking available	2,449 square feet

*Monthly Condo fees cover administrative expenses including exterior building repairs, snow removal, and landscaping.

All affordable units will have a "Deed Rider" that will be filed with the deed at the time of purchase. This Deed Rider limits the amount that the unit can be resold for and requires the resale to another affordable buyer. The Deed Rider insures that the unit stays affordable in perpetuity. We recommend that potential buyers review the Deed Rider with an attorney so as to fully understand its provisions. For more information on the Deed Rider and resale restrictions please see the Deed Rider Summary in the last section of this Information Packet.

Since it is anticipated that there will be more interested and eligible applicants than available units, the Developer will be sponsoring an application process and lottery to rank the eligible applicants for the program. The application and lottery process, dates, and eligibility requirements can all be found within this Information Packet.

Terrazza does not discriminate in the selection of applicants on the basis of race, color, national origin, disability, age, ancestry, children, familial status, genetic information, marital status, public assistance reciprocity, religion, sex, sexual orientation, gender identity, veteran/military status, or any other basis prohibited by law. Persons with disabilities are entitled to request a reasonable accommodation in rules, policies, practices, or services, or to request a reasonable modification in the housing, when such accommodations or modifications may be necessary to afford persons with disabilities an equal opportunity to use and enjoy the housing.

GENERAL ELIGIBILITY REQUIREMENTS

Q: Who is eligible to apply for the affordable units?

A: In order to qualify for an affordable unit, households must meet each of the following criteria:

- Everyone in the household must qualify as a “first time homebuyer”.
- The entire household’s income and assets must be below the maximum allowable income and asset limits (see page 6)
- Households must be pre-approved for a mortgage (see page 8)
- If the household currently owns a home, this home must be sold prior to closing on an affordable home at Terrazza.
- Households, or their families, cannot have a financial interest in the development and a households member cannot be considered a Related Party.

Q: Who is a “first-time home buyer”?

A: A person is a “first-time homebuyer” if no person in his or her household has, within the preceding three years, either owned the house they lived in or owned an interest in one or more other houses, such as through joint ownership. Exceptions may be made in the following instances:

1. A displaced homemaker: A displaced homemaker is an individual who is an adult who meets ALL the following criteria:

- 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
- Owned a home with his or her partner or resided in a home owned by the partner
- Does not own the home previously owned with a partner
- Is unmarried to or legally separated from the spouse

2. A single parent, 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 they have custody or joint custody, or is pregnant).

3. An age-qualified household (in which at least one member is age 55 or Over) which is selling a home in order to purchase an affordable unit.

4. A household 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.

5. A household that owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations.

Q: If someone in my household is age 55 or over can I currently own a home?

A: Yes. However, you will not be given the opportunity to purchase an affordable home here until your current home is under a Purchase and Sale Agreement. For more information on how much time you will be given to sell your home see the Step-By-Step Process. For how much equity you are allowed to have in your current home, please see the Asset Limits in the following pages.

Q: Can I apply for this lottery as a displaced homemaker or single parent if I currently own a home?

A: Yes. However, you will not be given the opportunity to purchase an affordable home here until your current home is under a Purchase and Sale Agreement. For more information on how much time you will be given to sell your home see the Step-By-Step Process. For how much equity you are allowed to have in your current home, please see the Asset Limits in the following pages.

Q: Does my separation or divorce have to be finalized when I apply?

A: Your separation or divorce does not need to be finalized when you *apply for the lottery* but it must be finalized *before you reserve a home*. You will not be allowed to purchase an affordable home until your separation or divorce is complete because the terms specifying the allocation of assets and custody of children must be finalized so that your income and asset eligibility can be accurately reviewed. If you have only filed for separation when it comes time to purchase an affordable home and you haven't finalized your divorce, you will not be allowed to purchase a home at that time. Therefore, you should try to expedite all divorce/separation hearings as your divorce/separation will need to be finalized in the next few months.

Q: If I reserve a home and then a home that was not available when I was selecting my home becomes available, can I "switch" my home for this newly available home?

A: No. If you are given the opportunity to reserve a home, you are allowed to pick from all the available homes at that time. It does not entitle you to pick any home that may become available at any point in the future (specifically because another household was unable to close). Once you have reserved your home, you may not swap that home for another home.

MAXIMUM INCOME (AND ASSETS)

Q: How is a household's income determined?

A: A household's income is the total anticipated amount of money received by **ALL members of the household over the next 12 months** (starting from the date of application and projecting forward 12 months) based on their current income and assets. In an effort to provide as accurate an income estimation as possible, the Lottery Agent will also review historical income data to provide a basis for future income estimates. Any monies you anticipate receiving in the next 12 months will be counted as income and monies received over the previous 6 months will be analyzed to help estimate future income. 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 actual or imputed interest and dividends on bank accounts and other assets. **ALL SOURCES OF INCOME ARE COUNTED** with the exception of income from employment for household members under the age of 18 and any income from employment over \$480/year for full time students who are dependents of a household member who is also occupying the unit (but note that all such income must still be documented even if it is exempt from the household income calculation).

It will be assumed that all applicants will continue to receive any monies they have received over the past 12 months unless supporting documentation proves otherwise. It is also not up to the household to determine what monies received over the past year should and should not be counted as their calculated income. Therefore, all monies should be listed on the application and the inclusion of these monies in determining a household's eligibility will be based on affordable housing guidelines.

Households must submit their 3 most recent tax returns for proof that they have not owned a house within the past three years.

Maximum Allowable Income

To be eligible to apply for purchasing an affordable unit, the combined annual income for all income sources of all income-earning members in the household must be at or below eighty percent of median income for the local area (Boston-Cambridge-Quincy HMFA). The maximum incomes allowed for this program are:

Household Size	80% Affordable Units Maximum Income Limit
1	\$82,950
2	\$94,800
3	\$106,650
4	\$118,450

**subject to change with HUD's publication of 2024 AMI*

Approximate Minimum Income

While there is no specific minimum income, all households who do not have enough in assets and/or equity in their current home will need a mortgage loan to purchase an affordable unit. The minimum income limits to qualify for a mortgage will be determined by a lender/bank. All applicants who must receive mortgage pre-approval will be asked to provide it after the lottery, if/when the household is invited to move forward in the application process. The mortgage requirements are listed on page 8 of this information packet.

Asset Limits

All households shall not have total gross assets exceeding \$75,000 in value. Household Assets are calculated at the time of application. Any monies you would use as a future down payment on the home will still be counted as assets. Assets may include cash, cash in savings and checking accounts, net cash value of stocks, net cash value of retirement accounts (such as 401k), real property, bonds, and capital investments.

Q: I cannot withdraw money from my 401k or retirement fund, do I have to include it when I list my assets?

A: Yes. You need to include the *net cash value* of all your current retirement funds. We realize that most retirement funds assess large penalties for early withdrawal but this does not technically mean that you cannot withdraw your funds or don't have access to them. The post-penalty amount is what you need to provide along with supporting documentation.

Q: Are there eligibility exceptions for households that are barely over the income limit but considerably under the asset limit (or vice versa)?

A: No. All households must be under BOTH the income limit and the asset limit. Eligibility isn't based on only one or the other.

Age Qualified Households, Displaced Homemaker and Single Parent Exception:

Only households qualifying under the exceptions listed on page 4 may own a home when applying. This home must be sold before they purchase an affordable unit (see the "Unit Selection" step in the Step-by-Step process). The amount that the household will retain in equity from the sale of the house will be added to their asset total.

Q: If I qualify for the lottery as an age-qualified household or Displaced Homemaker or Single Parent, how much time will I be given to sell the home?

A: Before you are allowed to reserve a new affordable home, your current home must already be under a P&S Agreement. After the lottery, households will be able to estimate how much time they will have before they need to sell their home based on the lottery results and their positions on the Waiting Lists (i.e. Households near the top of the lists will need to find a buyer immediately, households lower on the lists will have a few more weeks.) Please see the Step-By-Step Process for more details.

MORTGAGE PRE-APPROVAL STANDARDS

Immediately after reading this entire Information Packet, all households should apply for mortgage pre-approval. *Mortgage pre-approval is required, but does not need to be submitted with the lottery application. It will be required after the lottery if/when a household is invited to move forward.* Households can apply with any lender but the pre-approval must meet the following standards:

Mortgage Standards

- The loan must have a fixed interest rate through the full term of the mortgage.
- The loan must have a current fair market interest rate.
(No more than 2 percentage points above the current MassHousing rate*)
- The loan can have no more than two points.
- The loan cannot be an FHA loan (as FHA will not accept the terms of the Deed Restriction)
- The buyer must provide a down payment of at least 3% - half of which must come from the buyer's own funds.
- If Heads of Household are not married, the names of all Heads of Household must be on the Mortgage

MassHousing (617) 854 1000 or www.masshousing.com

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 be aware of additional first-time homebuyer programs that may be of great assistance such as the Massachusetts Housing Partnership's ONE Mortgage. The following lenders are familiar with the process and the mortgage requirements and should be happy to help you with questions or pre-approvals.

- **Any lenders found here:** www.mhp.net/one-mortgage/why-one#find-lender

Households will need to bring the copy of the EXAMPLE Deed Rider to their lender. A copy can be downloaded directly off our website at www.sebhousing.com. *All lenders will be made aware of the resale restrictions regardless of whether you tell them up-front or not.* The Deed Rider is a document that will be signed at the closing. Therefore, it is in all household's best interest to show all lenders a copy of the Deed Rider when applying for a mortgage. Otherwise, they may find a lender who grants pre-approval but backs out at the time of purchase once they are made aware of the resale restrictions, thus eliminating the opportunity to obtain an affordable unit.

The lender will ask you for association fees and taxes. The condo fees are on page 3 of this Information Packet and **taxes are assessed to the affordable price (not the market-rate equivalent).**

Q: Can a non-household member co-sign on the mortgage?

A: No. Only members of the applying household can sign on the mortgage. All monies gifted to household members to assist in down-payment or other costs will be counted as household assets.

HOUSEHOLD SIZE AND COMPOSITION

Q: How is appropriate household size determined?

A: According to the Massachusetts Department of Housing and Community Development guidelines:

Within an applicant pool first (priority) shall be given to households requiring the total number of bedrooms in the unit based on the following **criteria**:

1. There is at least one occupant and no more than two occupants per bedroom.
2. A married couple, 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.
3. 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.

Household size shall not exceed state sanitary code requirements for occupancy of a unit.

In **Step 1b: The Lottery**, you will find a detailed explanation on how priority is given to certain household sizes and compositions. For the purposes of this lottery, Type II household sizes and compositions will be considered “appropriate” (or given priority) for these 2BR condos:

Type II (*Priority for a 2BR Condo*)

- 4 person household: all types
- 3 person household: all types
- 2 person household: 2 heads-of-household under criteria 3 (described above)
- 2 person household: 1 head-of-household plus one member
- A 1 or 2 person household where there is a disability or medical need for two bedrooms.

Type I (*May apply for a 2BR but will not have priority for 2BR*)

- 2 person household: 2 heads-of-household
- 1 person household: all types

In “The Lottery” in the Step-By-Step Process, you will find a detailed explanation on how priority is given to certain household sizes and compositions.

Q: Does the unborn child of a currently pregnant household member count towards our household size?

A: Yes. A household may count an unborn child as a household member. You will have to submit proof of pregnancy with all the income and asset documentation that needs to be submitted with your application.

Q: Can a Type I Household apply for a two-bedroom unit?

A: Yes. However, *every applying Type II Household within the same pool will be given the opportunity to buy an affordable unit first.* A Type I Household will be given the opportunity to buy an affordable 2BR unit if there are not enough eligible households from Type II in their same lottery pool.

Q: If I am currently going through a divorce/separation or planning on being divorced / separated soon, can I still apply?

A: You will need to provide proof that the divorce process has begun or has already been finalized. If no divorce has been initiated, then we would need you to certify and document that your spouse has a separate address. The Certification Application will guide you through the documentation that you will need to provide.

STEP-BY-STEP PROCESS AND TIMELINE

Q: What is the application, selection, and move-in process for the affordable units being offered at Terrazza?

A: The process is essentially a two-step process. The following pages explain each step in greater detail.

The first steps all involve qualifying for the Affordable Housing Program and being given a position on the Waiting Lists.

The second steps all involve the actual process of reserving and buying a home (and unit availability will be determined by your position on the Waiting Lists).

Step 1a: Applying for the Housing Program

Through August 28, 2023 at 2:00 pm

Step 1b: The Lottery

September 7, 2023 at 6:00pm via Zoom. Go to zoom.com/join or call (646) 558-8656 and enter Meeting ID: 857 2736 5609, Passcode: 276410

Step 1c: Waiting List

Within 3 days of the Lottery

Step 1d: SEB and EOHLC Review

Approximately 10 days

Step 2a: Unit Selection and Reservation Agreement

Households given approx. 3 days after EOHLC Approval

Step 2b: Sign Purchase & Sale Agreement

Takes approximately 10 days after the Reservation Agreement has been signed

Step 2c: Obtain Mortgage Commitment

Most banks take approx. 30 days to provide a mortgage commitment

Step 1e: Final Review for Program Eligibility

This is done 3 weeks prior to the closing date

Step 2d: Closing and Move-in

First units ready shortly after the lottery

Informational Session

There will be an Informational Workshop where questions about the lottery and the development can be addressed directly on July 31, 2023 at 6:00 pm via Zoom.

Go to zoom.com/join, or call (646) 558-8656 and enter Meeting ID: 818 9317 7595, Passcode: 088159

Attendance is not required at Info or Lottery sessions. To view the recorded sessions at a later date, please search for Terrazza on the SEB Housing YouTube channel.

Step 1a: Applying for the Lottery

Once a household reads this Information Packet in its entirety, they will need to fill out a Lottery Application. The Lottery Application must be signed and dated by all heads of household and must be received by the Lottery Agent by August 28, 2023 at 2:00 pm. Applications should be completed online, or sent to: SEB Housing - Terrazza, 257 Hillside Ave, Needham, MA 02494 | Fax: (617) 782-4500 | Email: info@sebhousing.com

To ensure applications arrive by the deadline, we recommend sending them in at least a week prior to the application deadline. **Late applications will not be accepted.** If you want to ensure your application is received, we recommend sending it by certified mail. The Lottery Agent and other affiliated entities are not responsible for lost or late applications.

Once a completed Lottery Application is received, SEB will determine initial eligibility and compliance. If the applicant is determined to be eligible for the Lottery, they will receive an **Application Number** in the order in which their application was completed. The purpose of the Application Number is simply to keep all household names unknown at the lottery. **The Application Number has no bearing on a household's final Waiting List position.**

Households that are deemed ineligible by the Lottery Agent will be notified by mail (or by email if an email address is provided). Entrance into the Lottery does not guarantee that a household is eligible to buy a home. Please read all of the following steps for further details on the review process.

Q: What happens if I don't submit all necessary documentation or fail to correctly complete my Affordable Housing Program Application?

A: Households that submit incomplete documentation will be mailed a notice detailing the additional documentation that is needed to make their application complete. Their application will remain in an "Incomplete Application Pool" until all requested materials have been received. Households with applications in the Incomplete Application Pool will not be entered into the Lottery.

Age-Qualified Households, Displaced Homemakers and Single Parents that have yet to sell their homes and/or finalize their divorce/separations will be given conditional approval and will be given an Application Number to be entered into the lottery like all other eligible households. They will be required to submit all additional documentation verifying their claims later in the process if they wish to purchase a unit.

Step 1b: The Lottery

The Lottery will be held on September 7, 2023 at 6:00pm via Zoom (to join, go to zoom.com/join or call (646) 558-8656 and enter Meeting ID: 857 2736 5609, Passcode: 276410). Households do not have to attend the lottery to remain eligible. All results will be mailed to every applying household after the Lottery.

There will be one lottery with two drawings*, a Local Preference Drawing and an Open Lottery Drawing. For Local Preference households, Application Numbers are placed in both Drawings. For all other households, Application Numbers are placed only in the Open Lottery Drawing. Households asserting Local Preference will be required to provide proof that they qualify for local preference. See the lottery Application for details. Households who are invited to move forward after the lottery who do not provide documentation demonstrating local preference may lose their waiting list position.

**A third minority lottery pool drawing will be required to add non-local preference minority households into the local preference pool if the minority representation in the local preference pool is not 33.4% or higher. Please see the bottom of page 18 for those details.*

For each Drawing, a representative from SEB Housing will pull Application Numbers from a box or, depending on the number of applications, will use Random.org to select the numbers. The Application Numbers are randomly drawn/created and placed in the order drawn on a Lottery Result List.

The order drawn does not necessarily reflect the order that households will get to select units as Application Numbers of smaller households are mixed in with Application Numbers of appropriately sized households (see: Household Size and Composition). It is only how a household is drawn relative to other eligible households that matters.

Regardless of the order drawn, all households of appropriate size for each unit size will be given the opportunity to buy a unit before any smaller household within the same lottery pool.

For example: A one-person household (Type I) is the first household drawn in the Lottery. They will not be given an opportunity to buy a 2BR until every Type II Household is given an opportunity.

To help clarify the actual order that applicants will be given the opportunity to buy units, Waiting Lists will be created from the Lottery Results Lists (*see next step*).

Step 1c: The Waiting List

The Waiting Lists will be compiled immediately after the lottery. There will be 2 separate Waiting Lists created from the two Lottery Results Lists to illustrate the order households will choose units based on household size and local preference. **The purpose of the Waiting Lists is merely to illustrate the actual order that opportunity will be given. The position each household has on the Waiting Lists is determined by the order in which their Application Number is drawn in the Lottery *relative to households of similar qualifications*. Please see “Household Size and Compositions” for details on Household Types.**

The Waiting Lists

Local Preference Units*

Waiting List for Two 2BR Units

Top Tier: Type II Local Preference Households

Second Tier: Type II Non-Local Preference Households

Third Tier: Type I Local Preference Households

Bottom Tier: Type I Non-Local Preference Households

Open Pool Units

Waiting List for Two 2BR units

Top Tier: All Type II Households

Bottom Tier: All Type I Households

Within one day of the lottery, the Waiting Lists will be sent to every household who was entered into the lottery. The Lottery Results establish the Waiting List. Every household with an Application Number will have a position on the Waiting List.

Step 1d: SEB Housing & EOHLC Review

After the Lottery, the Lottery Agent will notify all the lottery applicants of the results and their positions on the Waiting Lists.

The Lottery Agent will contact up to five times as many households as units available on each Waiting List and inform them that they have until a given date (which will be approximately 1 week from the date of notification) to submit all required documentation for SEB Housing's preliminary review of Program eligibility. When SEB Housing sends a household their Application Number prior to the lottery, SEB Housing will also send them a Documentation Requirement Guide that details everything that will be required after the lottery for households invited to move forward in the process. Any household who is contacted but fails to submit all required documentation (and if their initial submission is incomplete, any and all missing documentation) by the one week deadline given by SEB Housing will be removed from the Waiting List. Similarly, any household who is over the income or asset limit or is unable to verify all claims in their application will also be removed from the Waiting Lists. Those households contacted who complete the eligibility review and are deemed eligible by SEB Housing to move forward in the process will remain on the Waiting Lists.

As many more households may be required to complete the SEB Preliminary Review of Program Eligibility than units available, some households may complete the SEB Preliminary Review of Program Eligibility and not be given the chance to move forward in the process of reserving the affordable unit.

The top household on the Waiting List who completes all documentation submission by the given deadline and is deemed eligible by SEB Housing will be sent to EOHLC for formal eligibility certification. It is ultimately EOHLC who will determine if a household is eligible and can move forward to the next step of the process. SEB Housing goes through great lengths to ensure that files are complete when sent to EOHLC but if the EOHLC needs any additional documentation to complete their eligibility review, they will notify SEB Housing and SEB Housing will notify the applicant. The applicant must submit any documentation requested by EOHLC within 5 business days. Applicants who do not provide additional documentation and applicants that the EOHLC disqualifies will be removed from the Waiting List and lose their opportunity to move forward in this process. Once EOHLC has certified a household as eligible, they will contact SEB Housing and SEB Housing will direct the household to the next step.

Step 2a: Unit Selection & Reservation Agreement

The top household on each **Waiting List** will be notified by the Lottery Agent when they can move forward with the purchase of any of the available affordable units. The Local Preference Waiting Lists will be used first until the allocated amount of Local Preference units are reserved. When a household is notified, they will be put “on the clock”. When they are “on the clock”, they will be given the contact information for Sales Office and they will have 3 business days to contact the Sales Office and complete a Reservation Agreement.

When a household is at the top or near the top of a Waiting List (and is therefore about to be put “on the clock”), it is recommended that they obtain an attorney who can assist with the review and execution of the Purchase and Sale Agreement.

The Reservation Agreement is a contract between the applicant and the developer which details what unit has been selected and the time and date when a Purchase and Sale Agreement must be executed (*see next step*). **When a Reservation Agreement is signed, a refundable deposit of \$500 is required.** The deposit is refundable if the buyer is unable to secure a mortgage for the unit.

A household that is “on the clock” can choose from ANY of the available affordable units. The date that a Purchase and Sale Agreement will be executed will be approximately 10 business days from the day the Reservation Agreement fully executed. The next applicant on the list will then be notified that they are “on the clock” when the applicant ahead of them either signs a Reservation Agreement or 3 business days elapse and no reservation has been signed.

If an applicant fails to sign a Reservation Agreement, their Application Number will be removed from the top of the Waiting List and will be dropped to the bottom. This applicant will not get a chance to sign a Reservation Agreement again until all other applicants on the Waiting List are given a chance. Once the applicant who was dropped to the bottom is given a second chance, they must sign a Purchase and Sale Agreement or they will permanently lose their opportunity to purchase an affordable unit at Terrazza through this lottery.

Age Qualified Households, Displaced Homemaker and Single Parent Exception:

Based on the lottery results and their positions on the Waiting List, households will be able to estimate when they are about to reach the top of the Waiting List and will therefore know how much time they will have to sell their home or finalize their divorce/separation. **Households who currently own a home when they applied for the lottery** will need to provide a copy of a signed Purchase and Agreement for their current home to SEB (the Lottery Agent) **before** reaching the top of a Waiting List. **Applicants who were in the process of being separated/divorced when they applied for the lottery** will need to provide a copy of their Divorce Decree or Separation Agreement **before** reaching the top of a Waiting List.

If the above households fail to provide the required documentation before reaching the top of a Waiting List, they will not be put “on the clock” (meaning they will not be able to purchase a unit) and they will be dropped from all Waiting Lists.

Step 2b: Sign Purchase and Sale Agreement

Once a household signs a Reservation Agreement, they will have approximately 10 business days to sign a Purchase & Sale Agreement (P&S) and put down the required deposit. This deposit will be 1.5% of the sales price minus the \$500 deposited with the Reservation Agreement. The Purchase and Sale Agreement will have the actual closing date on it.

After the Reservation Agreement is signed, the Terrazza Sales Team will give the applicant the Purchase and Sale Agreement, the Deed Rider (which should be attached to the P&S), and the Master Deed. You may also have the bank that is offering your mortgage commitment review these documents.

If the applicant fails to sign the Purchase and Sale Agreement by the agreed upon date (or chooses not to sign it), they will be dropped from the Waiting Lists and the next applicant in line will then be notified that they are “on the clock” to sign a Reservation Agreement.

Step 2c: Obtain Mortgage Commitment

Mortgage pre-approval does not ensure a mortgage commitment. Once a household has a signed Purchase and Sale Agreement, they will need to go back to their lender that issued them their pre-approval letter and obtain a Mortgage Commitment. This process will begin immediately after signing the P&S. Households do not need to go back to the same lender that gave them their pre-approval letter but it is recommended.

If a household fails to obtain a Mortgage Commitment by the mortgage contingency date in their Purchase and Sale Agreement, their deposit will be refunded and they will be dropped from all Waiting Lists.

Please note that each lender will handle the Mortgage Commitment differently and this packet only serves at a guide through this process. Generally, the lender will want to see the Purchase and Sale Agreement, the Master Deed, the Condominium Documents and the Deed Rider. They will also do an appraisal of the property once the property is ready to move into. Once the appraisal is complete, the household will be able to close on the home.

Step 1e: Final Review for Program Eligibility

Before a household can close on their affordable unit, SEB must do a final review of the household's eligibility income and asset eligibility and the EOHLC must do a review of the household's mortgage eligibility in order to prepare the Resale Price Certificate and Deed Rider that must be recorded at the closing.

It is therefore essential that all households continue to maintain records of all income and assets until they close on their affordable unit **and maintain program eligibility!**

One month prior to the closing date, households will need to complete a Final Review Application and submit all recent income and asset documentation to SEB. SEB will review the Final Review Application and determine if the household is still eligible according to affordable housing program guidelines. If a household is no longer eligible (over the allowable income and asset limits), the household will not be able to purchase an affordable unit.

Additionally, approximately 1 month prior to closing, households must submit a copy of the MORTGAGE COMMITMENT LETTER from the buyer's lender including interest rate, points, length of loan, and annual percentage rate.

SEB will forward the final package of documentation to the EOHLC who requires the documents no less than 2 weeks before the loan closing date. They will review the P&S, Master Deed and mortgage. They will then mail and fax the Resale Price Certificate to the developer's closing attorney who will then complete the Deed Rider to record at the closing.

Age Qualified Households, Displaced Homemakers and Exempt Single Parents that are current homeowners will not be able to receive a Resale Price Certificate until they have sold their home. Once their home is sold, they will need to send their Closing Disclosure Form (formerly the HUD-1 form) (received at closing) to the EOHLC along with all of the above documentation. The EOHLC will then perform a final review of their eligibility to ensure that the household did not exceed the established limit of \$75,000 in net proceeds from the sale of their home. If the household remains asset eligible, and all the above documentation is in order and meets program guidelines, the EOHLC will issue a Resale Price Certificate.

Step 2d: Closing and Move-in

The Purchase and Sale Agreement will set the Closing Date. If all the steps above are followed, the closing should go smoothly. Your lender and lawyer will be able to guide you with all the steps starting with the Reservation Agreement.

Once you have closed on the unit, you may move in.

Additionally, once you have closed on the unit, there is NO future income or asset eligibility reviews.

LOCAL PREFERENCE INFORMATION

Q: What is Local Preference?

A: The Town of Wellesley has established a local preference requirement for up to 50% of the affordable homes at Terrazza. Through the lottery process, several of the homes will be first offered to households that qualify for **Local Preference**. An applicant qualifies for local preference if the applicant or a member of their household fit into one of the following categories:

- Current resident of Wellesley
- An employee of the Town of Wellesley (including employees of the Wellesley School district working at schools located in Wellesley).
- An individual who works for a business located in Wellesley
- A household with children attending Wellesley schools

Q: Do households which meet all Local Preference criteria get priority over households which meet only one?

A: No. As long as a household meets any one of the Local Preference criteria, they will qualify for Local Preference. A household that meets all Local Preference criteria will have the exact same chance of being drawn first as a similar household type that meets only one of the Local Preference criteria.

Q: What if a household does not qualify for Local Preference?

A: There are several homes that all appropriately sized households (Local Preference and Non-Local Preference) will be given an equal opportunity to purchase.

Q: Does Local Preference take priority over household size/composition?

A: No. For example, on the Waiting List for the 2BR Local Preference units, if there are not enough eligible Type II Local Preference Applicants, the units will be made available to a Type II Non-Local Preference household before being made available to a Type I Local Preference Household who would be over-housed in a 2BR unit. Please see the way the Waiting Lists are compiled in the section on Waiting Lists.

Adjustments in the Local Preference Pool

As stated by the Massachusetts Department of Housing and Community Development, "If the percentage of minorities in the local preference pool is less than the percentage of minorities in the surrounding HUD (U.S. Department of Housing and Urban Development) defined area, the following adjustments will be made to the local preference pool. The Developer will hold a preliminary lottery comprised of all minority applicants who did not qualify for the local preference pool and rank the applicants in order of the drawing. Minority applicants should then be added to the local preference pool in order of their rankings until the percentage of minority applicants in the local preference pool is equal to the percentage of minorities in the surrounding HUD-defined area." The Percent Minority for the Metropolitan Statistical Area of Boston is 33.4%. This is the minimum percentage of minority applicants that must be in the local preference pool. Minority applicants are defined as a person who is a member of the following groups: Black or African American; Asian; Native American or Alaska Native; Native Hawaiian or Pacific Islander; or other (not White); and the ethnic classification Hispanic or Latino.

DEED RIDER SUMMARY/ PROPERTY RESTRICTIONS

This is not the Deed Rider. The actual Deed Rider will be prepared by the EOHLC, MassHousing and the Closing Attorney and provided on the day of each home closing. A copy of an Example Deed Rider will be on the SEB website.

The purpose of this *summary* is intended to be informational only and it is not a substitute for independent legal advice. It is intended to highlight some of the obligations a purchaser will have upon resale. The Deed Rider 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 Deed Rider in its entirety.

All of the deeds for the homes designated as affordable will have a deed rider, which you will be required to sign. The rider in part will ensure that the home will stay affordable in perpetuity.

Assuming you qualify, you will be given an opportunity to purchase a home at a substantial discount (“the affordable price”) of the property’s fair market value.

However, significant deed restriction provisions must be observed:

PRINCIPAL RESIDENCE

To occupy the home as a principal residence, where you regularly live, eat, sleep, are registered to vote, etc.

LEASING AND REFINANCING

You may not rent, lease or refinance your home without the prior written consent from EOHLC and the Town. In addition, you must notify the Town if you are going to refinance your mortgage.

CAPITAL IMPROVEMENTS

Capital improvements must be approved by the EOHLC and the local community in order to be considered and added to the resale price. Capital improvements are defined 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 new roof, heating or plumbing replacement, repair due to termite or water damage, etc. 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.

NOTICES WHEN SELLING YOUR HOME

When you wish to sell your home, you must notify the Town and EOHLC. This notice is referred to as the “Conveyance Notice” in the Deed Rider. The notice must include the Resale Price Multiplier (see below) and the maximum resale price, which the EOHLC must approve.

MAXIMUM RESALE PRICE

The Maximum Resale Price is limited by the percentage change in the area median income, with credit for certain capital improvements that must be pre-approved by the EOHLC.

As an example only, the maximum resale price is calculated assuming a base number (most recent published Area Median Income as determined by HUD). At the time of initial sale the AMI is \$ 95,500 (A) and the initial sales price is \$ 200,000 (B) the Resale Price Multiplier would equal $B/A = (C) = 2.094$. Upon resale, assuming the base number has increased to \$ 99,300 (D).

The Maximum Resale price (E) would then be:

Base number (D) x Resale Price Multiplier (C) = \$99,300 x 2.094= \$207,934 (E)

If there have been capital improvements pre-approved by the EOHLC (ex. new roof, \$5,000), the Maximum Resale Price would be:

$(E) + \text{Approved Capital Improvements} = \$207,934 + \$5,000 = \$212,934$

Please note that the Deed Rider requires that the Maximum Resale Price must still be affordable!

RESALE PROCESS

Under no conditions can the home be sold for more than the Maximum Resale Price.

Once the Town of Wellesley and the EOHLC receive the notice to sell, the Town has 90 days to find an eligible buyer (a homebuyer whose income is at 80% of the base area median income and who meets the asset limit). The Town/the EOHLC can also decide within those 90 days to purchase the home.

If the Town/the EOHLC finds an eligible buyer within the 90-day period, an Eligible Purchaser Certificate will be issued to the new buyer. The certificate states that the sale complies with the Deed Rider. If the Town/the EOHLC purchases your home, a Municipal Purchaser Certificate is issued.

If the Town/the EOHLC finds an eligible buyer within 90 days, but that buyer cannot obtain financing or is otherwise unable to purchase the home, the Town/the EOHLC can receive an extension of an additional 60 days.

If 120 days pass from the date of the Conveyance Notice, and the Town/the EOHLC cannot find an eligible buyer and the Town/the EOHLC does not want to purchase the home, you may sell your home for the Maximum Resale Price to an Ineligible Buyer who will also have to sign a Deed Rider, ensuring the home will still be subject to all the same rights and conditions.