



*your resource for Affordable Housing*

## Lottery Information Sunset Ridge Bolton, MA

Sunset Ridge is a new 28 town home development located at 342 Wattaquadock Hill Road offering seven two bedroom affordable units. Each unit includes two bedrooms, 1 ½ baths, fireplace and one car garage in 1735 square feet of living space.

The sales price for the affordable units is \$154,100. All units will be sold by lottery as outlined in the attached package to eligible first time homebuyers. Please review the enclosed information packet in detail and complete the application and disclosure statement at the rear of the packet.

***PLEASE NOTE: All applicants must include a mortgage pre-approval letter and complete financial documentation with the application. An application will be considered incomplete and will not be included in the lottery if a mortgage pre-approval letter and all documentation are not received on or before the application deadline.***

A Public Information Meeting will be held Monday, May 17, 2010 at 7:00 p.m. in at Bolton Town Hall located at 663 Main Street, to answer specific questions and provide an overview of the process. If you have questions and can attend this meeting please hold them until that time.

**Applications can be submitted on line at [www.mcohousingervices.com](http://www.mcohousingervices.com).** The application deadline is June 17, 2010. All applications must be postmarked on or before June 17th to be included in the lottery. If you apply online you still need to submit the mortgage pre-approval and all required financial documentation to be included in the lottery. If not provided by the application deadline then you will not be in the lottery. The lottery will be held 7:00 p.m. Monday, June 21, 2010 at the Bolton Town Hall.

Thank you for your interest in affordable housing at Sunset Ridge. We wish you the best of luck. If you have questions and cannot attend the Public Information meeting, please contact MCO Housing Services at 978-456-8388 or email us at [lotteryinfo@mcohousingervices.com](mailto:lotteryinfo@mcohousingervices.com). We encourage you to advise other people or organizations that may be interested in this program and make copies of the relevant information as needed.

Sincerely,

A handwritten signature in black ink that reads 'Maureen M. O'Hagan'.

Maureen M. O'Hagan  
MCO Housing Services for  
Heritage Properties



# Sunset Ridge

## AFFORDABLE HOMES Question & Answer

### What are the qualifications required for Prospective Buyers?

- Qualify based on the following maximum income table, which is adjusted for household size:

Household Size	1	2	3	4
Max Allowable Income	\$46,300	\$52,950	\$59,550	\$66,150

### LOTTERY APPLICANT QUALIFICATIONS:

- Household annual gross income can not exceed the above maximum allowable income limits.
- Household must be a first time homebuyer defined as not having owned a residential property for the past three years. The following exceptions apply:
  - displaced homemakers, where the displaced homemaker (an adult who has not worked full-time, full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family), while a homemaker, owned a home with his or her partner or resided in a home owned by the partner;
  - single 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 who the individual has custody or joint custody, or is pregnant);
  - households where at least one household member is 55 or over;
  - households that owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; and
  - households that owned a property that was not in compliance with State, local or model building codes and that cannot be brought into compliance for less than the cost of construction a permanent structure.
- All applicant's allowable assets shall not exceed \$75,000. Liquid retirement assets are counted.
  - Individual retirement, 401K and Keogh accounts are included at 100% of the account value.
  - The value of Retirement and Pension Funds differ if you are employed or are no longer working. If still employed the value is determined using the amount you can withdraw less any penalties or transaction costs. At retirement, termination of employment or withdrawal periodic receipts from pension and retirement funds are counted as income. Lump sum receipts are counted as assets.

Complete Income and Asset Guidelines will be provided upon request, if you have an opportunity to purchase or you can view online at [www.mcohousing.com](http://www.mcohousing.com).

### Other program highlights for Lottery applicants:

- Units must be owner occupied. They cannot be rented or leased.
- Non-household members are not permitted to be co-signers on the mortgage.
- All buyers will need to complete a First Time Homebuyers class prior to closing on a unit. Class listings at [www.chapa.org](http://www.chapa.org)

### Are there mortgage guidelines that we need to follow?

Yes, they are:

- Must secure a 30 year fixed rate mortgage..
- The loan must have a current fair market interest rate. No more than 2% points above the current MassHousing Rate.
- The buyer must provide a down payment of at least 3%, 1.5% of which must come from the buyer's own funds.
- The loan can have no more than 2 points.
- The buyer may not pay more than 38% of their monthly income for the mortgage.
- Non-household members are not permitted to be co-signers on the mortgage.

### Are there preferences for local residents and those with families?

Yes. Preference will be given to local residents for 5 of the seven affordable units. Proof of local residency will verified if you have the opportunity to purchase. Refer to the application for the local preference guidelines.

Preference for the units will be given to households which require two bedrooms, based on household size. Second preference is given to households that require one bedroom, based on household size.



Unit preferences are based on the following:

- a. There is a least one occupant and no more than two occupants per bedroom.
- b. A husband and wife, or those in a similar living arrangement, shall be required to share a bedroom. Other household members may share but shall not be required to share a bedroom.
- c. A person described in (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 reliable medical documentation is provided substantiating the adverse impact.

**Are there preferences for minorities?**

Yes, if the percentage of minority applicants in the Local Preference Pool is less than the percentage of minorities in the Surrounding HUD-defined area, currently 13.5%, a preliminary lottery will be held, comprised of all the minority applicants who do not qualify for the Local Preference Pool. These minority applicants would be drawn until their percentage in the local pool closely approximates the percentage in the Boston area population. Applicants not selected for the local pool would be in the at-large pool only.

**Are there any restrictions?**

YES. Deed restrictions are used to ensure the units are affordable for future buyers and are attached to the property in perpetuity. If you choose to sell your unit, there is a limit on the resale price. The maximum resale price is determined using a Resale Price Multiplier, a figure calculated by taking the initial sales price and dividing it by the area median income. **For example**, the initial price is \$154,100 and the current area median income is \$103,800, the Resale Price Multiplier would be  $\$154,100/\$103,800= 1.48$ .

Upon resale, the Resale Price Multiplier is multiplied by the updated area median income number to determine the maximum resale price.

**How much money do I need to make to afford the unit?**

The minimum income required to purchase is based solely upon an applicant’s ability to secure a mortgage. Attached is a “Sample Affordability Analysis” based upon current interest rates and anticipated real estate taxes and related housing expenses.

**Lottery Process**

**Due to the nature of the affordable units’ availability it is important for everyone to understand the procedure. Please understand the allowable income guidelines are adjusted based upon your household size. Also be advised that the program and its requirements are subject to changes in local, state or federal regulations.**

**Lottery Pools**

Seven (7) town home units are available by lottery at Sunset Ridge. The lottery has two pools – Local and At-Large. The pools breakdown as follows:

<b><u>Pool</u></b>	<b><u>Qualifications</u></b>	<b><u># of Units</u></b>
Local Pool	Must meet at least one of the local preference criteria (Criteria stated on application)	5
At-large Pool	All applicants who apply for the lottery	2

Local applicants would have two opportunities to “win” a unit by being in both lottery pools.

Preference will be given to households requiring two bedrooms, based on household size. Second preference will be given to households requiring one bedroom, based on household size.

All of the applicants for a given pool will be pulled at the time of the lottery. This will establish the rankings for the distribution of units. For example, if there are 20 local applicants for the Lottery, the first 5, based on lottery ranking and preference, would have an opportunity to purchase a unit, and the remaining 15 applicants would establish the waiting list if any of the initial “winners” drop out.



Unit preferences are based on the following:

- a. There is a least one occupant and no more than two occupants per bedroom.
- b. A husband and wife, or those in a similar living arrangement, shall be required to share a bedroom. Other household members may share but shall not be required to share a bedroom.
- c. A person described in (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 reliable medical documentation is provided substantiating the adverse impact.

**Time Frames**

Sunset Ridge is currently under construction and it is anticipated that the first affordable unit will be available for immediate occupancy. If you are selected and have the opportunity to purchase you will speak or meet with a representative to review your application to verify all information. The Applicant selected for the unit will start working with their lender immediately to secure the necessary mortgage. Please be advised that the official income verification will be done at the time you have an opportunity to purchase a unit.

**Acceptance of Home**

If you choose not to purchase the property, you will go to the bottom of the list and will likely NOT have another opportunity.

**Summary**

We hope this helps explain the process by which the units will be distributed. It can be a lengthy and sometimes complicated process. We greatly appreciate your participation and wish you the best of luck in the lottery process.

**SAMPLE AFFORDABILITY ANALYSIS**

<b>Home Price</b>	\$ 154,100.00
<i>Interest Rate</i>	5.22%
<i>Down Payment (%)</i>	5%
<b>Down Payment (\$)</b>	\$ 7,620.00
<b>Mortgage Amount</b>	\$ 144,780.00
<b>Monthly Expenses</b>	
<i>Principal &amp; Interest</i>	\$ 805.68
<i>Real Estate Taxes</i>	226.00
<i>Private Mortgage Insurance</i>	95.00
<i>Hazard Insurance</i>	51.00
<i>Monthly HOA fee</i>	125.00
<b>TOTAL Monthly Expenses</b>	<b>\$ 1,303.00</b>

**NOTES:** Bolton Residential Tax Rate = \$17.61 per thousand

**UNIT AVAILABILITY AND DISTRIBUTION SCHEDULE**

<b>Unit #</b>	<b>Pool</b>	<b>Estimated Date of Availability</b>
39	Local 1	April 2010
66	Local 2	August 2010
51	At-Large 1	October 2010
48	Local 3	January 2011
47	At-Large 2	May 2011
42	Local 4	June 2011
34	Local 5	September 2011



## AFFORDABLE UNITS

### *Home Features and Specifications*

#### **EXTERIOR GROUNDS**

- FRONT WALKWAY Architectural brick pavers
- LANDSCAPING Professionally landscaped walls and plantings
- LIGHTING Architectural unit and roadway lighting
- ENTRANCE Architecturally designed project entrance and signage

#### **EXTERIOR HOUSE**

- FRONT PORCH Maintenance free composite decking with beadboard ceiling and recessed lighting
- REAR DECK Maintenance free composite decking and rail system
- SIDING Cedar, vinyl or hardboard siding
- TRIM Pine or low maintenance composite material
- WINDOWS Simulated divided lite, maintenance free clad exterior, wood interior, low E glass
- REAR PATIO Bluestone or brick pavers on units without walkout basements
- ROOF 30 year architectural style
- GUTTERS Seamless aluminum gutters at builder's discretion
- WATER SILCOCKS Front and rear
- FRONT DOOR Thermo Tru fiber Classic entry door & sidelight
- GARAGE DOOR Carriage style with automatic door opener and keypad

#### **INTERIOR FEATURES**

- CEILING HEIGHT 9 ft. on 1<sup>st</sup> floor, 8 ft. on 2<sup>nd</sup> floor & basement
- WALLS Blueboard and skim coat plaster, one color flat finish paint for all walls, one color semi-gloss paint for all trim, additional colors available for an additional cost
- DOORS Masonite solid core
- TRIM 3 ½" window and door casing, 5 ½" one piece baseboard
- FLOORING Pre-finished oak hardwood in Kitchen and Breakfast area, Ceramic tile in all bathrooms, Carpeting in all bedrooms, loft area and stairway to 2<sup>nd</sup> floor
- KITCHEN CABINETS Cherry, maple or white cabinets from builder's selection, 36" wall cabinets
- KITCHEN COUNTERTOPS Solid surface countertop from builder's selection
- KITCHEN SINK Stainless steel undermount single bowl, faucet by Kohler
- APPLIANCES GE Profile or equal, range microwave and dishwasher
- BATHROOM VANITIES Cherry, maple or white cabinets from builder's selection, Solid surface countertops with undermount sink from builder's selection

# SUNSET RIDGE AT BOLTON

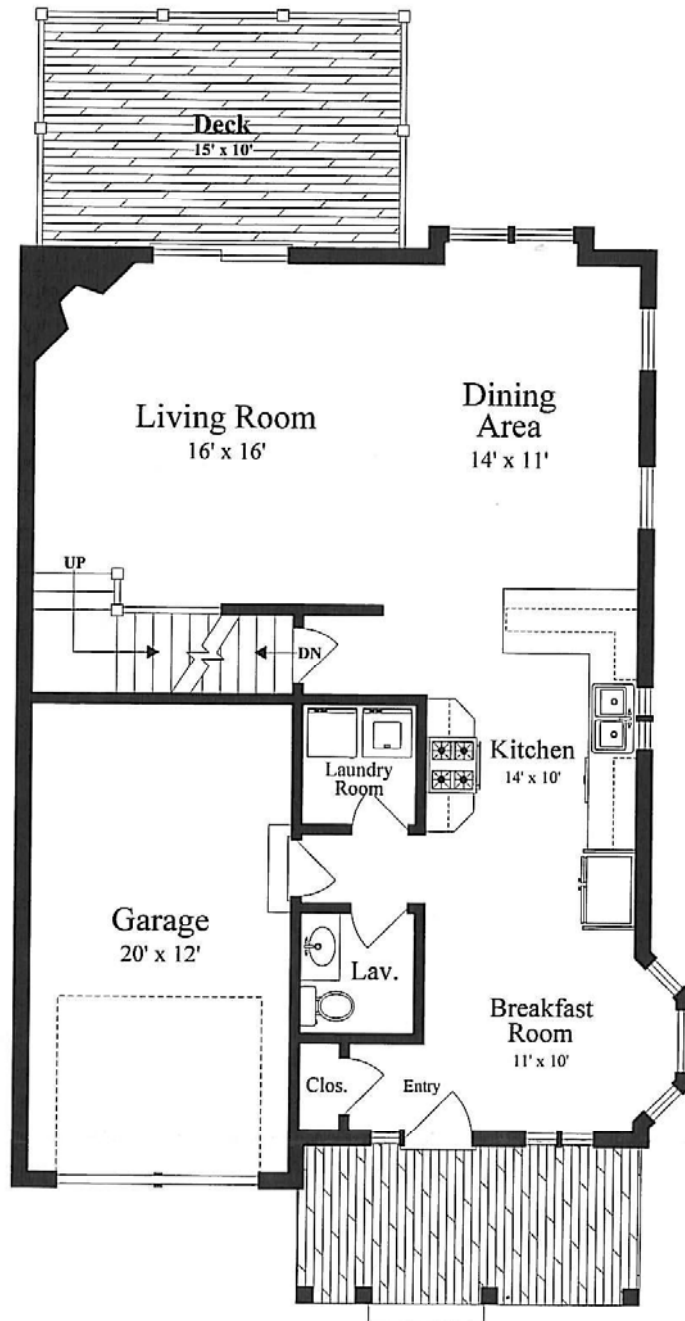
## *Home Features and Specifications*

- MASTER BATH SHOWER 3 ft. by 3 ft. fiberglass
- MASTER BATH TUB 5 ft. soaking tub with tile surround on wall
- PLUMBING FIXTURES All faucets and toilets by Kohler
- LIGHTING Recessed lights and architectural light fixtures at locations per plan from builder's selection
- HEATING SYSTEM High efficiency forced hot air by oil, 2 zones with programmable thermostats
- AIR CONDITIONING Central air, 2 zones
- ELECTRICAL SERVICE 125 AMP
- HOT WATER HEATER 80 gallon hot water heater
- TELEPHONE WIRING All bedrooms, kitchen and living room
- CABLE TV WIRING All bedrooms and living room
- CLOSETS Wire type shelving closet system or equal per builder's design



# The Dover

FIRST FLOOR  
880 sq. ft.



*The details and specifications of these floor plans are approximations only and are subject to change.*

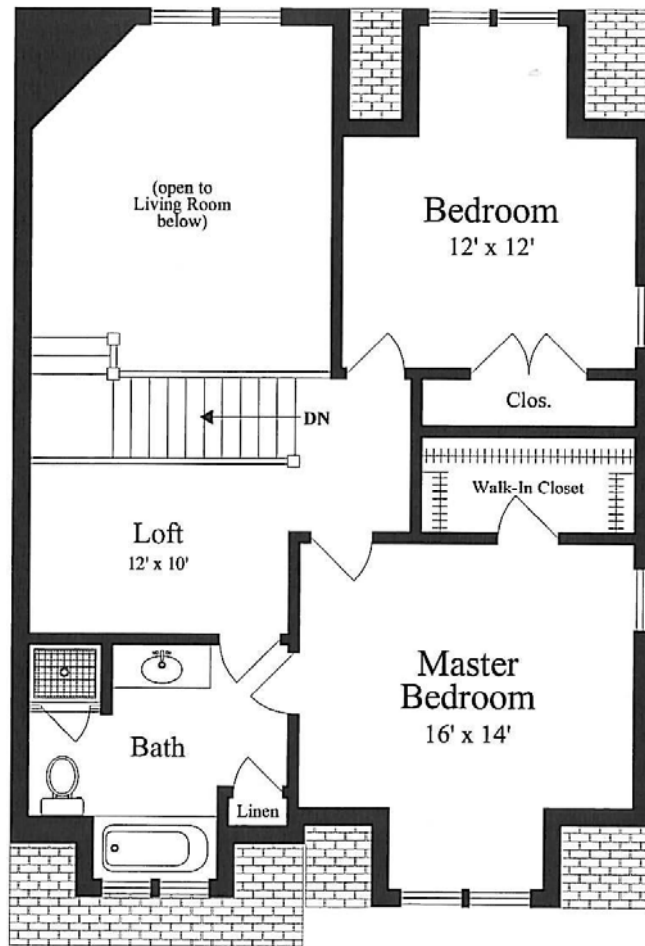
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# The Dover

## SECOND FLOOR

855 sq. ft.



*The details and specifications of these floor plans are approximations only and are subject to change.*

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# Sunset Ridge

## LOTTERY APPLICATION

**For Office Use Only:**

Date Appl. Rcvd: \_\_\_\_\_  
Local: Y / N  
Household Size: \_\_\_\_\_  
Lottery Code: \_\_\_\_\_

**APPLICATION DEADLINE:**

**PERSONAL INFORMATION:**

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_ Town: \_\_\_\_\_ Zip: \_\_\_\_\_

Home Tele: \_\_\_\_\_ Work: \_\_\_\_\_ CELL: \_\_\_\_\_

Email: \_\_\_\_\_

Have you or any member of your household owned a home in the past three years? NO/YES If so, when did you sell it?

\_\_\_\_\_ Have you completed a First Time Homebuyer Class? NO/YES If yes, when completed? \_\_\_\_\_

You must meet one of the Local Preference Eligibility Criteria established by the Town of Bolton to be in the local pool. Please check the appropriate category(s) below\*:

- Current Bolton Resident.
- Currently employed by the Town of Bolton or the Nashoba Regional School District
- Employees of Local Businesses
- Households with children attending Bolton schools, i.e. Metco Students

\*All local applicants will need to provide proof if you have the opportunity to purchase a unit and will be verified by the Town of Bolton.

**FINANCIAL INFORMATION:** (Include all Household Income which includes gross wages, retirement income (if drawing on it for income), business income, veterans benefits, alimony/child support, unemployment compensation, social security, pension/disability income, supplement second income and dividend income.)

Applicant Yearly Gross Income \_\_\_\_\_

Other Income \_\_\_\_\_

Co-Applicant Yearly Gross Income \_\_\_\_\_

Other Income \_\_\_\_\_

**TOTAL ANNUAL INCOME:** \_\_\_\_\_

**Household Assets:** (This is a partial list of required assets. A complete list will be provided should you have an opportunity to purchase. Complete all that apply with current account balances)

Checking (avg balance for 6 months) \_\_\_\_\_

Savings \_\_\_\_\_

Stocks, Bonds, Treasury Bills, CD or \_\_\_\_\_

Money Market Accounts and Mutual Funds \_\_\_\_\_

Individual Retirement, 401K and Keogh accounts \_\_\_\_\_

Retirement or Pension Funds (amt you can w/d w/o penalty) \_\_\_\_\_

Revocable trusts \_\_\_\_\_

Equity in rental property or other capital investments \_\_\_\_\_

Cash value of whole life or universal life insurance policies \_\_\_\_\_

Downpayment Gift \_\_\_\_\_

**TOTAL ASSETS** \_\_\_\_\_



**EMPLOYMENT STATUS:**

**Applicant:**

Employer: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
Town/State/Zip: \_\_\_\_\_  
Date of Hire (Approximate): \_\_\_\_\_  
Annual Wage - Base: \_\_\_\_\_  
Additional: \_\_\_\_\_

**Co Applicant:**

Employer: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
Town/State/Zip: \_\_\_\_\_  
Date of Hire (Approximate): \_\_\_\_\_  
Annual Wage - Base: \_\_\_\_\_  
Additional: \_\_\_\_\_

**ABOUT YOUR FAMILY (OPTIONAL)**

You are requested to fill out the following section in order to assist us in fulfilling affirmative action requirements. Please be advised that you should fill this out based upon family members that will be living in the home. Please check the appropriate categories:

	Applicant	Co-Applicant	(#) of Dependents
White	_____	_____	_____
African American	_____	_____	_____
Hispanic/Latino	_____	_____	_____
Asian or Pacific Islander	_____	_____	_____
Native American or Alaskan Native	_____	_____	_____
Cape Verdean	_____	_____	_____

The total household size is \_\_\_\_\_

**Household Composition:** Include Applicant(s)

Name _____	Relationship _____	Age _____
Name _____	Relationship _____	Age _____
Name _____	Relationship _____	Age _____
Name _____	Relationship _____	Age _____

**ADDITIONAL INFORMATION:**

Please be advised that the income to be used should include income for all members of the household that are to be residing in the home. Applicants will be responsible for all closing costs associated with the purchase of a home. The down payment must be a minimum of 3% based upon standard underwriting procedures. Some of this may be in the form of a gift depending on the lending institution.

**SIGNATURES:**

The undersign warrants and represents that all statements herein are true. It is understood that the sole use of this application is to establish the preliminary requirements for placement into a lottery to have an opportunity to purchase the affordable home at Sunset Ridge in Bolton, MA. I (we) understand if selected all information provided shall be verified for accuracy at the time of bank application.

Signature \_\_\_\_\_ Date: \_\_\_\_\_  
Applicant

Signature \_\_\_\_\_ Date: \_\_\_\_\_  
Co-Applicant

It is my judgment that the applicant should be allowed to participate in the Sunset Ridge affordable home lottery in Bolton, MA based upon this application. If selected all information provided shall be verified for accuracy at the time of bank application.

Signature \_\_\_\_\_ Date: \_\_\_\_\_  
Certifying Agent (MCO Housing Services)

Return with **SIGNED Affidavit & Disclosure Form**, mortgage pre-approval letter, homebuyer disclosure statement and complete financial documentation to:

**MCO Housing Services  
P.O. Box 372  
Harvard, MA 01451**



# Affidavit & Disclosure Form

I/We understand and agree to the following conditions and guidelines regarding the distribution of the affordable home at Sunset Ridge in Bolton, MA.

1. The annual household income for my family does not exceed the allowable limits as follows: Initial: \_\_\_\_\_

Household Size	1	2	3	4
<b>Max Allowable Income</b>	<b>\$46,300</b>	<b>\$52,950</b>	<b>\$59,550</b>	<b>\$66,150</b>

Income from all family members must be included.

2. I/We have not individually or jointly owned a single family home, town home, condominium or co-op as a principal residence within the past three (3) years. There are exceptions, refer to page 2. Initial: \_\_\_\_\_
3. I/We certify that my/our total assets do not exceed the \$75,000 asset limit and understand complete asset guidelines are available upon request and online. Initial: \_\_\_\_\_
4. The household size listed on the application form includes only and all the people that will be living in the residence. Initial: \_\_\_\_\_
5. I/We certify all data supplied on the application is true and accurate to the best of my/our knowledge and belief under full penalty of perjury. I/We understand that providing false information will result in disqualification from further consideration. Initial: \_\_\_\_\_
6. I/We understand that by being selected in the lottery does not guarantee that I/we will be able to purchase a home. I/We understand that all application data will be verified and additional financial information may be required, verified and reviewed in detail prior to purchasing a home. Initial: \_\_\_\_\_
7. I/We understand that it is my/our obligation to secure the necessary mortgage pre-approval for the home purchase through a bank experienced with first time homebuyers. I/We understand all expenses, including closing costs and down payments, are my responsibility. Initial: \_\_\_\_\_
8. I/We further authorize MCO Housing Services and the projects Monitoring Agent, Community Housing, to verify any and all income, assets and other financial information, to verify any and all household, resident location and workplace information and direct any employer, landlord or financial institution to release any information to MCO Housing Services and consequently the project's monitoring agency, for the purpose of determining income eligibility. Initial: \_\_\_\_\_
9. I/We understand that if selected I/we will be offered a specific unit. I/We will have the option to accept the available home, or to reject the available home. If I/we reject the available home I/we will move to the bottom of the waiting list and will likely not have another opportunity to purchase an affordable home. Initial: \_\_\_\_\_
10. Program requirements are established by the Dept of Housing and Community Development (DHCD) and the Town of Bolton. I/We agree to be bound by whatever program changes that may be imposed at any time throughout the process. If any program conflicts arise, I/we agree that any determination made by Monitoring Agent is final. Initial: \_\_\_\_\_
11. I/We understand this is a deed restricted unit and have read and signed the attached Disclosure Form. Initial: \_\_\_\_\_
12. I/We certify that no member of our family has a financial interest in the project. Initial: \_\_\_\_\_
13. I/We understand that there may be differences between the market rate home and affordable home and accept those differences. Initial: \_\_\_\_\_

I/We have completed an application and have reviewed and understand the process that will be utilized to distribute the available home at Sunset Ridge. I/We am qualified based upon the program guidelines and agree to comply with applicable regulations.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Co-Applicant

\_\_\_\_\_  
Date:

**Return with completed and signed application, a mortgage pre-approval letter, homebuyer disclosure statement and all financial documentation to:**

MCO Housing Services  
P.O. Box 372  
Harvard, MA 01451





*your resource for Affordable Housing*

## REQUIRED FINANCIAL DOCUMENTATION

Please provide **TWO COPIES** of all applicable information.

1. Federal Tax Returns –2007, 2008, 2009 (**DO NOT SEND MASS STATE TAXES**)
2. W2 and/or 1099-R Forms: 2007, 2008, 2009
3. Asset Statement(s): **Current** statements including 5 months checking accounts (full statement showing activity/every page front and back), saving accounts (full statement), investment accounts including retirement, certificate of deposit, property, down payment gift amount etc. **All deposits must be itemized.**
4. Five (5) **consecutive** pay stubs ending within one month of unit application for all jobs (check/direct deposit stubs). For unemployment, copies of unemployment checks or DOR verification stating benefits received.
5. Social Security: official statement of monthly amount received for year in review and statement of total amount received for latest tax year.
6. Pension: statements indicating amount received for year in review and statement of total amount received for latest tax year.
7. Child support and alimony: document indicating the payment amount.
8. Proof of student status for dependent household members over age of 18 and full-time students.
9. If you intend to utilize a gift from a family member to assist with the down payment, please advise us of the gift amount with the name and telephone number of the person providing the gift.
10. If you owned a home within the past 3 years but it was sold due to a divorce provide copy of divorce or separation papers and proof of the home sale showing equity received.

**Please bring a copy of the following Mortgage Guidelines to your lender. As a reminder the Guidelines are:**

- (1) Must secure a 30 year fixed rate mortgage..
- (2) The loan must have a current fair market interest rate. No more than 2% points above the current MassHousing Rate.
- (3) The buyer must provide a down payment of at least 3%, 1.5% of which must come from the buyer's own funds.
- (4) The loan can have no more than 2 points.
- (5) The buyer may not pay more than 38% of their monthly income for the mortgage.
- (6) Non-household members are not permitted to be co-signers on the mortgage.

**Return all documentation, mortgage pre-approval, application, homebuyer disclosure statement and affidavit and disclosure form to:**

**MCO Housing Services  
P.O. Box 372  
Harvard, MA 01451**



# HOMEBUYER DISCLOSURE STATEMENT

## Summary of Deed Restrictions

This document summarizes your rights and obligations in purchasing this affordable home. When you sell the home, that same opportunity will be given to the new buyer. In exchange for the opportunity to purchase the home at less than its fair market value, you must agree to certain use and transfer restrictions. These restrictions are described in detail in a Deed Rider that will be attached to the deed to your home and recorded at the Registry of Deeds at closing.

### **PLEASE REMEMBER:**

- You must occupy this home as your primary residence;
- You must obtain consent from the Monitoring Agent, before refinancing or granting any other mortgage, or making any capital improvements to your home;
- You must give written notice to the Monitoring Agent when you decide to sell your property.

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

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

### **Primary Residence**

You must occupy your property as your primary residence.

### **Renting, Refinancing and Capital Improvements**

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

- Rent your home (this right will be granted in rare occasions and for a short period of time);
- Refinance an existing mortgage or add any other mortgage including a home equity loan; or
- Make any Capital Improvements (for example, a new roof or a new septic system – see attached Capital Improvements Policy) if you wish to get credit for those costs when you sell your home.

Before taking any action, please contact the Monitoring Agent for instructions regarding the above. If you do not obtain the required consent from the Monitoring Agents, you may suffer some consequences.

### **Resale Requirements**

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

The allowed sale price is defined as the “Maximum Resale Price” in the Deed Rider. It is calculated by adjusting the purchase price you paid for the home to reflect any change in the area median income from the time you purchased the home to the time of the resale plus:



- (a) The Resale Fee as stated in the Deed Rider;
- (b) Approved marketing fees, if any; and
- (c) Approved Capital Improvements, if any.

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

The Monitoring Agents have up to 90 days after you give notice of your intention to sell the home to close on a sale to an Eligible Purchaser, or to close on a sale to a Monitoring Agent, or to a buyer that one of them may designate. This time period can be extended, as provided in the Deed Rider, to arrange for details of closing, to locate a subsequent purchaser if the first selected purchaser is unable to obtain financing or *for lack of cooperation* on your part.

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

If an Eligible Purchaser fails to purchase the home, and the Monitoring Agent (or its designee) purchases the home, you may sell the home to a purchaser who does not qualify as an Eligible Purchaser (in this event, this purchaser is referred to as an ineligible purchaser), subject to the following:

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

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

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

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

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



