



The Willows  
Ayer, Massachusetts

*c/o MCO Housing Services  
P.O. Box 372  
Harvard, MA 01451  
(978) 456-8388*

March 2011

Dear Friend:

Attached is the information regarding affordable housing at **The Willows** in Ayer, Massachusetts.

**The Willows** will provide a total 25 new affordable two and three bedroom town homes and detached single family homes for qualified first time homebuyers. This 97-unit project is located on Willow Road in Ayer, MA.

We are currently filling the remaining two bedroom units from the first lottery. The units are priced at \$164,000. These units are available on a first come first serve basis. This means the first household to return ALL required information will have the first opportunity to purchase.

Thank you for your interest in affordable housing at **THE WILLOWS**. 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@mcohousingservices.com](mailto:lotteryinfo@mcohousingservices.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,



Maureen M. O'Hagan  
MCO Housing Services for  
Willow Road Development, LLC

# The Willows

## 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 | \$44,950 | \$51,400 | \$57,800 | \$64,200 |

### LOTTERY APPLICANT QUALIFICATIONS:

- Household income can not exceed the above allowable maximum income for your household size.
- Must be a first time homebuyer (never owned or not owned a home as a principal residence for a period of three years.) Exception for displaced homemakers.
- Assets can not exceed \$75,000. Retirement assets are counted.
  1. Individual retirement, 401K and Keogh accounts are included at 100% of the account value.
  2. 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 if you have an opportunity to purchase or you can view online at [www.mcohousingervices.com](http://www.mcohousingervices.com).

### Other program highlights for Lottery applicants:

- Units must be owner occupied. They cannot be rented or leased.

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

Yes, they are:

- (1) Encouraged to secure a fixed rate mortgage, typically 30 year.
- (2) Non-household members are not permitted to be co-signers on the mortgage.
- (3) Buyers are responsible for down payment and closing costs

### 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 2 bedroom affordable town home unit price is \$164,000 and the current area median income is \$82,400, the Resale Price Multiplier would be  $\$164,000/\$91,800 = 1.78$ .

Upon resale, the Resale Price Multiplier is multiplied by the updated area median income number to determine the maximum resale price. In addition, the Monitoring Agent may receive a resale fee than can be added to 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 an "Affordability Analysis" based upon current interest rates and anticipated real estate taxes and related housing expenses.

# *The Willows*

Ayer, Massachusetts

## **AFFORDABILITY ANALYSIS**

### **2 Bedroom TH**

|                                   |                    |
|-----------------------------------|--------------------|
| <b>Home Price</b>                 | \$ 164,000.00      |
| <i>Interest Rate</i>              | 5.01%              |
| <i>Down Payment (%)</i>           | 5%                 |
| <b>Down Payment (\$)</b>          | \$ 8,200.00        |
| <b>Mortgage Amount</b>            | \$ 155,800.00      |
| <b>Monthly Expenses</b>           |                    |
| <i>Principal &amp; Interest</i>   | \$ 837.32          |
| <i>Real Estate Taxes</i>          | 157.00             |
| <i>Private Mortgage Insurance</i> | 101.00             |
| <i>Estimated Association Fee</i>  | 130.00             |
| <i>Hazard Insurance</i>           | 25.00              |
| <b>TOTAL Monthly Expenses</b>     | <b>\$ 1,251.32</b> |
|                                   |                    |

### **NOTES:**

ALL values are estimates and are subject to change.

Ayer 2011 Residential Tax Rate = \$11.49 per thousand

\*Minimum Income required based upon 30% Housing Ratio, 5.01% interest rate and using traditional bank underwriting practices.

# The Willows Site Plan

**The Willows**  
Ayer, Massachusetts

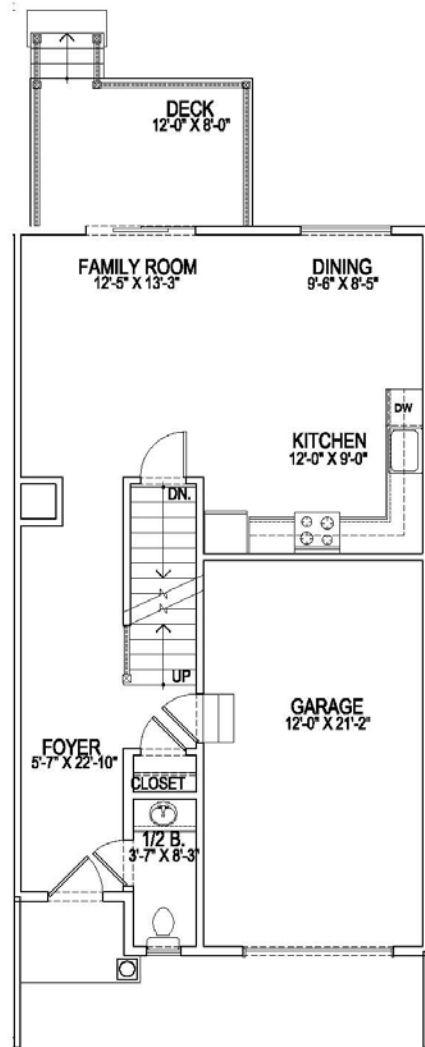


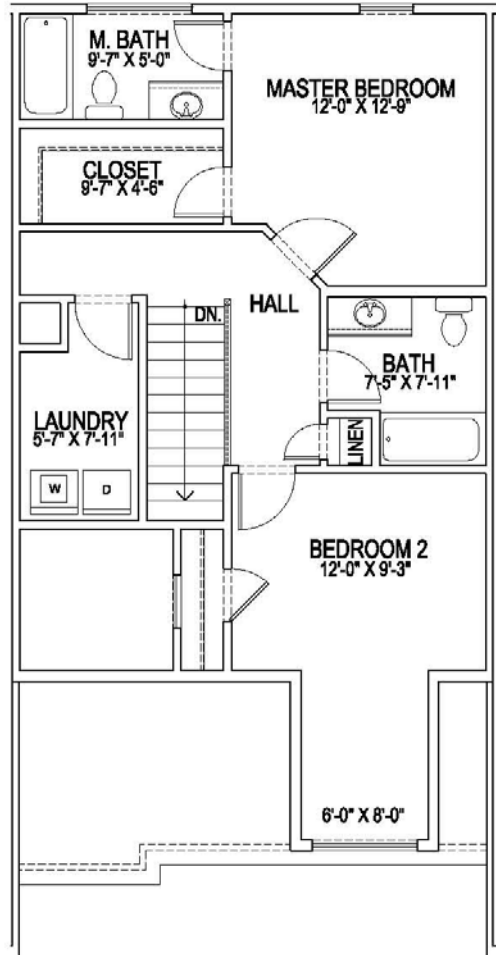
## *Unit Availability and Distribution*

| Unit # | # of Bedrooms | Estimated Availability* |
|--------|---------------|-------------------------|
| 2      | 2             | Immediate               |
| 5      | 2             | Immediate               |

# Tisbury

## 2 Bedroom Unit/Interior Unit







You must send in a \$2,460 deposit payable to MCO Housing Services. This deposit is fully refundable if you do not purchase. Once you are approved by the Monitoring Agent the deposit will be deposited in a non-interest bearing escrow account. Once the P&S has been executed the deposit will be sent to the seller as your deposit on the unit.

Please submit application, deposit, financial documentation and mortgage pre-approval to:

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

### **Required Income Verification Documents**

Provide **one copy** of all applicable information. Failure to provide complete information can delay the approval process and put your ability to buy an affordable unit in jeopardy. If you have any questions please call, Maureen O'Hagan at 978-456-8388.

1. Federal Tax Returns: 2008, 2009 and 2010 (DO NOT SEND STATE TAX RETURNS)
2. W2 and/or 1099 Forms: 2008, 2009, 2010
3. Asset Statement(s): Five **current full** (showing activity) statements including checking accounts (every page/front and back), saving accounts, retirement investment accounts, certificate of deposit, property, down payment gift amount etc. Refer to document titled Income and Asset Guidelines for complete list of required documents.
4. Five (5) **consecutive** pay stubs ending within one month of application submission 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. IRA or other income derived from assets: statement indicating regular amounts received and total amount received from latest tax year.
8. Child support and alimony: document indicating the payment amount.
9. Proof of student status for dependent household members over age of 18 and full-time students.
10. 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.
11. 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 a copy of the HUD Settlement Sheet.

### **55+ Applicants**

If you are selling a home provide a market analysis from a real estate broker with the anticipated selling price. Also include a mortgage statement showing balance of mortgage or other loans attached to home, if applicable.

# THE WILLOWS

## APPLICATION

**For Office Use Only:**

Date Appl. Rcvd: \_\_\_\_\_

Local: Y / N

Household Size: \_\_\_\_\_

Lottery Code: \_\_\_\_\_

**PERSONAL INFORMATION:**

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

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

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

Home Telephone: \_\_\_\_\_ Work Telephone: \_\_\_\_\_ SS#: \_\_\_\_\_

Cell phone: \_\_\_\_\_ Email: \_\_\_\_\_

Have you or any member of your household ever owned a home? \_\_\_\_\_ If so, when did you sell it? \_\_\_\_\_

**FINANCIAL WORKSHEET:** (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.)

Borrowers Monthly Base Income (Gross) \_\_\_\_\_

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

Co-Borrowers Monthly Base Income (Gross) \_\_\_\_\_

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

**TOTAL MONTHLY 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:** (include for all working household members. Attach separate sheet, if necessary.)

Employer: \_\_\_\_\_

Street Address: \_\_\_\_\_

Town/State/Zip: \_\_\_\_\_

Date of Hire (Approximate): \_\_\_\_\_

Annual Wage - Base: \_\_\_\_\_

Additional: \_\_\_\_\_ (Bonus, Commission, Overtime, etc.)

**ABOUT YOUR FAMILY:**

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 Name \_\_\_\_\_ Relationship \_\_\_\_\_ Age \_\_\_\_\_  
 (include applicant) Name \_\_\_\_\_ Relationship \_\_\_\_\_ Age \_\_\_\_\_  
 Name \_\_\_\_\_ Relationship \_\_\_\_\_ Age \_\_\_\_\_  
 Name \_\_\_\_\_ Relationship \_\_\_\_\_ Age \_\_\_\_\_

**ADDITIONAL INFORMATION:**

The MAXIMUM allowable annual income is as follows:

|                             |                 |                 |                 |                 |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Household Size</b>       | <b>1</b>        | <b>2</b>        | <b>3</b>        | <b>4</b>        |
| <b>Max Allowable Income</b> | <b>\$44,950</b> | <b>\$51,400</b> | <b>\$57,800</b> | <b>\$64,200</b> |

These income limits are FIRM and cannot be adjusted. 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 5% 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 an affordable home at The Willows in Ayer, 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

Return with **SIGNED** Affidavit & Disclosure Form, deposit, required financial documentation and a mortgage pre-approval to:

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

# The Willows

## *Affidavit & Disclosure Form*

I/We understand and agree to the following conditions and guidelines regarding the distribution of the affordable homes at The Willows in Ayer, MA:

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

| Household Size       | 1        | 2        | 3        | 4        |
|----------------------|----------|----------|----------|----------|
| Max Allowable Income | \$44,950 | \$51,400 | \$57,800 | \$64,200 |

Income from all household 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 for displaced homemakers.
3. I/We certify that my/our total assets do not exceed the \$75,000 asset limit and understand a portion or the full value of retirement accounts are included in determining the \$75,000 asset limit.
4. The household size listed on the application form includes only and all the people that will be living in the residence.
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 perjury will result in disqualification from further consideration.
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 will be required, verified and reviewed in detail prior to purchasing a home.
7. I/We understand that it is my/our obligation to secure the necessary mortgage for the home purchase through a bank experienced with first time homebuyer programs and all expenses, including closing costs and down payments, are my responsibility.
8. I/We further authorize MCO Housing Services I verify any and all income, assets and other financial information, to verify any and all household, resident location and workplace information and directs 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 for The Willows.
9. I/We understand that if selected I/we will be offered a specific home. 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 at The Willows.
10. Program requirements are established by the DHCD and the Town of Ayer. 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 the Project Monitoring Agent is final.
11. I/We certify that no member of our family has a financial interest in The Willows.
12. I/We understand there may differences between the market and affordable units and accept those differences.

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

\_\_\_\_\_  
Applicant

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

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

**Return with SIGNED Affidavit & Disclosure Form, deposit, required financial documentation and a mortgage pre-approval to:**

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