

APPLYING FOR THE OPPORTUNITY TO PURCHASE AN AFFORDABLE HOME IN MEDWAY

PLEASE NOTE that this publication is meant to provide general guidelines and that actual forms, procedures, deadlines and requirements for any particular offering may differ from those indicated here.

Periodically, a new or previously occupied affordable condominium unit or house, developed by a 40B permit granted by the Town of Medway becomes available for purchase by an income qualified household.

40B units are typically distributed through a lottery system sometimes weighted for local preference and usually geared toward serving the largest size household appropriate for the number of bedrooms in the home. (E.G. a 2-bedroom home housing the head(s) of household in one bedroom and a dependent in the other will gain precedence over a single person household.) To enter a lottery, a detailed and site-specific application form is required. Forms are available from, submitted to and reviewed by an authorized Marketing/Lottery Agent particular to each offer. Applications are released once the property has been advertised according to Affirmative Fair Housing Marketing Plan. A public Q & A session is typically held 2 weeks after release of the application and the submission deadline 3 weeks later.

Since these units are typically priced well under their market-rate counterparts, purchase and ownership are subject to conditions. A rolling deed restriction requires that the home can only be resold as a comparably reduced price determined at the time of sale. (It is important to note that changes in the resale price of an affordable home are affected by fluctuations in the area median income and NOT the realty market prices.) Refinancing, uses and improvements are regulated and monitored.

Materials to be provided along with the application form are extensive and time sensitive. It is recommended that applicants begin the process of collecting required materials early (see below).

QUALIFICATION CRITERIA:

- 1ST time home buyer (age 55+ and domestic hardship exceptions may apply);
- \$75,000 asset limit (\$275,000 if applying for age 55+ housing);
- Income limits (Medway - 2022)

1 person	2 person	3 person	4 person	5 person
\$78,300	\$89,500	\$100,700	\$111,850	\$120,800

- Pre-approval for mortgage;
 - up to 97% of purchase price
 - 30 year fixed rate
 - low interest rate and points
- Proof of funds for down payment (minimum - 3% of purchase price of which ½ can be a gift), closing costs and pre-paid expenses.

APPLICATION FORM AND ATTACHMENTS:

The materials described below will need to be the most current available at the time of application. It is recommended that applicants start saving the material early. Only complete application packages will be considered. Among other items possibly requested, complete application will include:

- Completed and signed application form;
- 3 months of Checking & Savings bank account statements for ALL household members;
- Documentation for 4 periods (week, bi-week, month) of all sources of income: wages, unemployment insurance, worker's comp; social security, disability, alimony, child support;
- 3 years state and federal tax returns including w-2's etc.
- All asset information and evidence of value; CD's, brokerage statements, home appraisal (homes must be sold before closing, and value less balance on mortgage count toward asset limits.)
- Pre-approval letter from a bank stating qualification for a mortgage to buy an affordable home.

PROOF OF DELIVERY

It is suggested that materials be mailed "Certified Return Receipt" to the lottery agent several days before deadline. If delivering by hand, request a delivery receipt.

General questions may be emailed to Doug Havens, Medway Community Housing Coordinator at dhavens@townofmedway.org. Specific questions about personal situations are best addressed to the marketing/lottery agent once they are identified for any particular sale.