

Information Packet

The Townhomes at Parkview Village South Weymouth, MA

A Workforce Housing Opportunity at SouthField

Facilitated on behalf of South Shore Tri-Town Development Corporation (SSTDC) and LNR
Developed by Whitman Homes

www.WhitmanHomes.com

www.SouthField.com

This packet is specifically for **The Townhomes at Parkview Village** in SouthField and contains information on the workforce housing program as well as background, eligibility requirements, selection priority categories, and application process for the workforce homes being offered at **The Townhomes at Parkview Village** as part of the redevelopment of the former South Weymouth Naval Air Station (NAS) into the Master Planned Community known as "SouthField".

We invite you to read this information and submit an application if you think that you meet the eligibility requirements. This is the first step in the application process and does not assure you a unit.

If you are interested in other developments at SouthField, you will find the specific details about them in other information packets.

Applicant eligibility shall not be based on race, color, religion, national origin, gender, age, disability, ancestry, marital status, family status, veteran or military status, sexual orientation, genetic characteristics, or status as a person who is a recipient of federal, state or public assistance

APPLICATIONS MUST BE DELIVERED BY NOVEMBER 1st, 2012 FOR CONSIDERATION

Phone: (617) 782-6900 (voicemail)

Information Packet created by SEB



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GENERAL OVERVIEW AND SALES PRICES

SouthField is an exciting new master planned live-work-shop-play community located in the former South Weymouth Naval Air Station (NAS), in the towns of Abington, Rockland and Weymouth, MA. Plans for this award-winning, 1,400-acre Smart Growth community anticipate at full build include five residential neighborhoods, an 18-hole golf course, a village center with homes, shops, offices and restaurants, a recreation complex and a commercial campus.

Whitman Homes is now accepting Waiting List applications for the Workforce home that will be built at Parkview Village as part of Phase 3 and should be ready in March 2012. For more information on how the unit will be sold, please see the Step-By-Step process outlined in the following pages.

The Workforce home is a "Biltmore" and is being sold at a discounted price to a household that meets the eligibility criteria found in this Information Packet. The Biltmore shows excellent value for the price with over 764 sq ft on the first floor with country sized kitchen with pantry and dining area, expansive family room, main level laundry, all bedrooms on upper level, nice foyer entrance with coat closet, cozy balcony overlooking the Park, basement with storage available or finishing options.

Please go to www.WhitmanHomes.com for more information on floorplans, specifications and neighborhood details.

PRICING

# of Units	Workforce Sales Price	Association fees*	Type	Bedrooms	Baths	Estimated Sq Ft.	Parking Spaces	Household Income Limit
1	\$304,900	\$219/mo	Biltmore	3	2.5	1,528 sq. ft.	2 Garage	120% AMI

**Association fees are a total of The Townhomes at Parkview Village condo fees (\$200/mo which are specific to the individual development, the SouthField Landowners Association Fee (\$19/mo) which is dedicated to community wide activities, improvements and events such as annual plantings, seasonal decorations and farmer's markets and the Special Assessment fees (\$0/mo for workforce units) which cover infrastructure expenditures for the entire SouthField development (sewer, water, roads, etc.)*

The estimated Total Monthly Housing Cost for the 3BR unit is \$2,295

Total Monthly Housing Costs are the estimated sum of your mortgage payment (30 year, fixed rate mortgage at current rates with a 5% down payment), your monthly real-estate taxes, insurance and the Associations Fees (as defined above).

WORKFORCE HOUSING RESALE RESTRICTIONS

The Workforce housing resale restrictions expire 5 years from the date the unit is first sold. The Deed Rider limits the resale price on the home for 5 years. After 5 years from the initial sale, the homeowner can sell the unit on the open market without restrictions (ex: If a workforce home is first sold in 2012 and that buyer decides to sell in 2015, they

will have to sell it at a price that is still restricted by the Deed Rider. However, the person who buys the home in 2015 will be able to sell the home at fair market value in 2017. If the person who had initially purchased the home in 2012 waited until 2017, they would be able to sell the home for fair market value.)

If the first homeowner chooses to resell their home within the first five years of owning it, the resale price will be set using similar methodology that was used to determine the initial sales price of their home.

LOTTERY

There will be a lottery for the Workforce Home being built in Phase 3 if there are multiple interested and eligible applicants with the same priority and preferences, SouthField will be sponsoring the application process and lottery to rank the eligible applicants for the program. The application process, lottery details, dates, and eligibility requirements can all be found within this Information Packet.

SouthField does not discriminate based on race, color, national origin, religion, sex, familial status, or handicap (disability). Disabled persons are entitled to request a reasonable accommodation of rules, policies, practices, or services, or to request a reasonable modification of the housing, when such accommodations or modifications are necessary to afford the disabled person equal opportunity to use and enjoy the housing.

GENERAL ELIGIBILITY REQUIREMENTS

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

A: In order to qualify for a workforce unit, households must meet the following criteria:

- 1.) The entire household's income and assets must be below the maximum allowable income and asset limits and above the minimum income limits (see pages 7-8)
- 2.) The household must be pre-approved for a mortgage if they do not have enough in Net Assets to cover the cost of the home (see pg. 10)

Households applying for workforce units do not need to be first-time homebuyers but certain preference will be given to households that are. Please see Step 4 in the Step-By-Step Process to see how preference and priority will be given.

Q: Who is a "first-time home buyer"?

A: A person is a "first-time homebuyer" if the person or persons who will be signing the note and mortgage have not, within the preceding three years, owned the house they lived in as their primary residence. The Lottery Agent, subject to review and approval of the Monitoring Agent, may make exceptions in the following instances:

1. A displaced homemaker (an adult who has not worked full-time for a 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), where the displaced homemaker does not currently own the home previously owned with the displaced homemaker's partner or will be disposing of such ownership interest prior to purchasing a unit at NAS South Weymouth;
2. A single parent (an adult who is (a) unmarried or legally separated from a spouse, and (b) either has custody or joint custody of one or more children or is pregnant), where the single parent does not currently own the home previously owned with the single parent's partner or will be disposing of such ownership interest prior to purchasing a unit at NAS South Weymouth;
3. A household that owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations;
4. A household that owned a property that was not in compliance with state or local building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure; or
5. 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 Homeownership Unit, Workforce Homeownership Unit or Senior Homeownership Unit; provided, however, that the age-qualified household must sell its existing home prior to the purchase of an Affordable Homeownership Unit, Workforce Homeownership Unit or Senior Homeownership Unit.

Q: What are the income and asset eligibility requirements?

A: To be eligible to purchase a unit, annual household income must be below the maximum income limits and above the minimum income limits shown on the next page. There is no asset limit for the workforce homes. All details are on the following pages.

Q: Do I have to be a resident of Weymouth, Abington or Rockland to apply?

A: No. **Local Preference** will be given for the opportunity to purchase one of the workforce units (see page 13). The other workforce unit will be available to all eligible households (both Non-Local Preference and Local Preference).

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 priority of a first-time homebuyer in the lottery (if it is necessary) 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 Step 5 in 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 opportunity as a displaced homemaker or single parent if I currently own a home?

A: Yes. However, you will not be given priority in the lottery (if necessary) 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 Step 5 in 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 sign a Purchase and Sale Agreement* (see Step 5). You will not be allowed to purchase a workforce 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 a workforce 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.

MAXIMUM INCOME, MINIMUM INCOME AND ASSET LIMITS

Q: How is a household's income determined?

A: The Lottery Agent will **project a household's income over the next 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.

ALL SOURCES OF INCOME ARE COUNTED. 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 interest and dividends on bank accounts and other assets.

For example, if a household applied for this opportunity on September 15th, 2011, the total anticipated amount of money received by all members of the household from September 15th 2011 thru September 15th, 2012 will be counted as income. There are some exceptions that will not be counted, most notably income from employment of children under the age of 18 years or income from a household member who is 22 years of age or younger and who is a fully matriculated college student (although documentation still needs to be provided for these household members whose income is exempt).

If a household claims that certain income will stop in the near future, all claims must be supported with documentation. 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 South Shore Tri-Town Development Corporation housing guidelines.

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

Maximum and Minimum Allowable Income

To be eligible to apply for purchasing a workforce unit, the combined annual income from all income sources of all income-earning members in the household must be at or below 120% of Area Median Income (AMI). Additionally, the household income must be above 80% AMI. The incomes allowed for this program are:

<u>Household Size</u>	<u>Minimum Income Limit</u> <u>80% AMI</u>	<u>Maximum Income Limit</u> <u>120% AMI</u>
1	\$ 44,950	\$81,060
2	\$ 51,400	\$92,640
3	\$ 57,800	\$104,220
4	\$ 64,200	\$115,800
5	\$ 69,350	\$125,060
6	\$ 74,500	\$134,320

Asset Limits

There is no asset limit for the workforce homes but all assets must be listed as actual interest from assets is added to household income.

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 accounts), real property, bonds, and capital investments.

Q: I am only applying for the workforce homes (which have no asset limit), do I still have to supply all my asset information?

A: Yes. While there is no asset limit in the household eligibility review for the workforce homes, the income from assets is still counted in the eligibility review. We therefore need to have all your asset documentation.

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 (or barely under the income limit) but considerably under the asset limit (or vice versa)?

A: No. All households must qualify on all eligibility guidelines. Eligibility isn't based on only one or the other.

Age Qualified Households, Displaced Homemaker and Single Parent Exception:

First-time homebuyers will get priority over similarly sized households who are not first-time homebuyers. In order to qualify for the first-time homebuyer priority, households currently owning a home must qualify under the exceptions listed on page 5. This home must be sold before they purchase a workforce unit (see Step 5 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 priority as an age-qualified household or Displaced Homemaker or Single Parent, how much time will I be given to sell the home?

A: If you are trying to get priority as a "first-time homebuyer" and you qualify for an exemption listed on page 5, before you are allowed to sign a Purchase and Sale Agreement on the new workforce home, your current home must already be under a Purchase and Sale (P&S) Agreement. If it is not, you will be dropped to the bottom of the Waiting List. Households who did not apply for first-time homebuyer priority do not have to have their current home under P&S before signing a P&S for a workforce home.

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.)

WORKFORCE MORTGAGE PRE-APPROVALS

There is no asset limit for workforce housing so some households may have enough in assets to buy a workforce home without needing to take out a mortgage. **Households with enough net assets to cover the cost of the home do not need to provide mortgage pre-approvals and can skip the details in this section.**

All households who will be taking out a mortgage need to provide pre-approvals for mortgages in the amount they will need to finance and should therefore apply for a mortgage pre-approval immediately. Households can apply with any lender. Households should ask for first-time homebuyer mortgage products as they will likely have the best terms. While there are no required mortgage standards, we strongly encourage households to apply for mortgage with the following standards:

Recommended Mortgage Standards

- The loan should have a fixed interest rate through the full term of the mortgage.
- The loan should have a current fair market interest rate.
(No more than 2 percentage points above the current MassHousing rate*)
- The loan should have no more than two points.
- The buyer should provide a down payment of at least 3% - half of which must come from the buyer's own funds.

*MassHousing: (617) 854-1000 or www.masshousing.com

You can apply with any institutional lender of your choosing. For your information only, we note that the following lenders are experienced in first-time homebuyer mortgage products.

- Bob Chipman, Wells Fargo (508.695.6900, robert.chipman@wellsfargo.com)
- Timothy Kickham, PNC Mortgage (781.221.1534, timothy.kickham@pncmortgage.com)
- John Doyle at Sovereign Bank (508.370.0687, jdoyle@sovereignbank.com)
- William Wishart, William Raveis Mortgage (781.659.6650)

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.s-e-b.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 a workforce unit.

The lender will ask you for all the association fees and taxes. All the association fees are **listed on page 3 of this Info Packet**. The 2011 **tax rate** for SouthField is **\$11.90** and taxes are assessed on the **workforce** price (not the market-rate equivalent).

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

A: Yes. For the workforce housing homes being sold in SouthField, co-signers are allowed. Please note, all monies gifted to household members to assist in down-payment or other costs must be listed on the application and will be counted as household assets.

HOUSEHOLD SIZE AND COMPOSITION

Q: How is appropriate household size determined?

A: According to the South Shore Tri-Town Development Corporation guidelines:

Within an applicant pool, priority as set forth below, 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 (2) 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.

The following household sizes and compositions will be considered appropriate for the following unit sizes:

TYPE A (*Only appropriate for a 3-Bedroom Unit*)

- All 6 person households
- All 5 person households

TYPE B (*Appropriate for a 3-Bedroom Unit and/or a 2-Bedroom Unit*)

- All 4 person households
- 3 person household: 1 head-of-household plus 2 members
- 3 person household: 2 heads-of-household under criteria 3 (described above) plus 1 member

TYPE C (*Only appropriate for a 2-Bedroom Unit*)

- 3 person household: 2 heads-of-household plus one member
- 2 person household: 2 heads-of-household under criteria 3 (described above)

TYPE D (*Appropriate for a 2-Bedroom Unit and/or a 1-Bedroom Unit*)

- 2 person household: 1 head-of-household plus one member

TYPE E (*Only appropriate for a 1-Bedroom Unit*)

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

Households with a total number of members which exceed the Massachusetts State Sanitary Codes for that particular sized unit will not be allowed to purchase or rent a unit.

In Step 4 in the Step-By-Step Process, you will find a detailed explanation on how priority is given to certain household sizes and compositions.

Household Size and Composition Frequently Asked Questions

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 C or D Household apply for a three-bedroom unit?

A: Yes. Please see Step 4 in the Step-By-Step Process for how order will be given from the Lottery Results.

Q: If I am currently going through a divorce/separation or planning on being divorced/separated soon, can I still 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 sign a Purchase and Sale Agreement* (see Step 5). You will not be allowed to purchase a workforce 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 evaluated. If you have only filed for separation when it comes time to purchase a workforce home and you haven't finalized your divorce, you will not be allowed to purchase a home at that time.

Q: Can a five or six person household apply for the two-bedroom unit?

A: No. According to state sanitary codes, a five or six person household may not occupy a two-bedroom unit and therefore they may not apply for a two-bedroom unit through this housing lottery.

LOCAL PREFERENCE INFORMATION

Q: What is Local Preference?

A: The South Shore Tri-Town Development Corporation has established a local preference requirement for 70% of the affordable and workforce units. 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 Abington, Rockland, Weymouth, including the former Naval Air Station South Weymouth
- Current Employee of Abington, Rockland, Weymouth or the South Shore Tri-Town Development Corporation
- Current Employee of Facilities Within the Central Redevelopment Area of SouthField

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: Households who do not qualify for Local Preference will still have positions on the Waiting List and may still be given the opportunity to purchase the next Workforce Unit at Parkview Village if there are no Local Preference households.

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

A: Yes. For example, if there are no eligible Local Preference households that have three or four household members, the 3BR unit will be made available to a one person or two person Local Preference household before being made available to **ANY SIZE** non-Local Preference Households. Please see Step 4 below for more details.

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 20.7%. 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: Native American or Alaskan Native, Asian, Native Hawaiian or Pacific Islander, Black or African-American, Hispanic or Latino.

STEP-BY-STEP PROCESS AND TIMELINE

Q: What is the application, selection, and move-in process for the workforce unit being offered at The Townhomes at Parkview Village?

A: The following steps outline the entire process of applying for and purchasing a workforce unit. The following pages explain each step in greater detail.

Completed with the Guidance of the Lottery Agent

Step 1:	Program Application	thru November 1 st
Step 2:	Application Number Assigned and Maintaining Eligibility	+1 week
Step 3:	The Lottery (if necessary)	November 16 th
Step 4:	The Waiting Lists	

Completed with the Guidance of Sales Office

Step 5:	Sign Purchase and Sale Agreement	+1 week
Step 6:	Obtain Mortgage Commitment	+2 weeks
Step 7:	Final Review for Program Eligibility	+1 week
Step 8:	Closing and Move-in	March 2012

Step 1: Program Application

Once a household reads this Information Packet in its entirety, they should first apply for a mortgage pre-approval (if they are not planning on buying the home in cash). As a pre-approval is required with the application for households who do not have enough net-assets to buy the home in cash, it should be the first step taken.

Households will also need to complete the Program Application (which is different than the pre-approval application your lender will give you). The applying household must list all income and asset information for every person that will be residing in the unit. The Program Application must be signed and dated by all heads-of-household.

Additionally, the household must submit with their application all required income and asset documentation for every claim made in the Program Application. The Program Application will guide households through the documentation submission process.

Households may also use the Program Application to apply for rental and for-sale affordable and workforce housing in other developments with available units in SouthField. Households should read the specific Information Packet for each development before applying for other developments.

The Program Application, required documentation and mortgage pre-approval must be delivered (not postmarked) to the Lottery Agent by November 1st, 2012. All applications should be sent to:

THE AFFORDABLE HOUSING LOTTERY
Re: The Townhomes at Parkview Village - SouthField
165 Chestnut Hill Ave Unit 2
Brighton, MA 02135

To ensure applications arrive in time, we recommend sending them in at least a week prior to the application deadline. Late applications may be accepted for review at a later date but will not be entered into the lottery if one is necessary. If you want to ensure your application is received, we recommend sending it by certified mail. We are not responsible for lost or late applications.

Once a completed Program Application is received with all required documentation and mortgage pre-approval, and SEB determines that the household is initially eligible, the household will be assigned an Application Number (*see Step 2*).

Step 2: Application Number Assigned and Maintaining Eligibility

Households who are found to be eligible for the Workforce Units will be given an Application Number in the order in which their completed application was received and this Application Number will be placed on a Waiting List.

Households that are deemed ineligible by the Lottery Agent will be notified by mail and will not be given an Application Number for this Workforce Housing opportunity.

Households must maintain program eligibility up until the date they close on their new home. All households should keep a file of all income and asset and tax documentation to submit when required. Additionally, households can apply for other developments while on the waiting list for this development but in order to be eligible for opportunities at another development, updated income, asset and tax documentation may be required.

Households will have to reply to all requests made by the Lottery Agent for documentation updates or they will be removed from all Waiting Lists.

While on the Waiting Lists, households will also need to keep the Lottery Agent updated of any changes in contact information.

Q: What happens if I don't submit all necessary documentation or fail to correctly complete my Lottery 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.

If a household submits the requested information after the Lottery, they will still be given an Application Number but their Application Number will be added to the bottom of the Waiting Lists for the Lotteries they would have been eligible for had they sent in all documentation on time. For more information on the Waiting Lists, see Step 5.

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 (if required) like all other eligible households. They will be required to submit all additional documentation verifying the sale of their home and/or the finalization of their divorce and/or their removal of their name from their deed later in the process (Step 5) if they wish to purchase a unit.

Step 3: The Lottery (if necessary)

On November 1st, SEB will evaluate the Waiting List. If there is only one eligible household on the Waiting List at that time, or if there are no households who share similar qualifications (i.e. size, composition, local preference, first-time homebuyer qualifications) and therefore the tiers of priority are already determined as detailed below, no lottery is necessary and the household with the greatest priority will be allowed to move forward in the process of purchasing the next Workforce Unit at Parkview Village.

If there are households who share qualifications, then a lottery will be necessary.

If necessary, the Lottery will be held on November 16th, 2011 at 7:00 pm in the SouthField Welcome Center at 223 Shea Memorial Drive in South Weymouth. Households do not need to be present for the Lottery. All Households will be notified of the results by the Lottery Agent (*see step 5*).

There will be only one lottery.

For the Lottery, a representative from South Shore Tri-Town Development Corporation will pull Application Numbers from a box. The Application Numbers are randomly drawn 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 and non-first time homebuyers are mixed in with Application Numbers of appropriately sized households and first-time homebuyers (see below).

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

Step 4: The Waiting List

If a lottery is required, the new Waiting List will be compiled shortly after the lottery. This list will be created from the Lottery Results List to illustrate the order households will choose units.

The purpose of the Waiting List is to illustrate the actual order that opportunity will be given. The position each household has on the Waiting List is determined by the order in which their Application Number is drawn in the Lottery *relative to households of similar qualifications.*

The households of “appropriate size” for each unit type who are also first-time homebuyers will be taken from the Lottery Results Lists in the order originally drawn and will occupy the top tier of the Waiting Lists. Smaller first-time homebuyer households will be added to the next tiers of the Waiting Lists in the order originally drawn in the lottery. Then households who are not first-time homebuyers will occupy the bottom tiers of the Waiting Lists. Please see “Household Size and Compositions” for details on Household Types A, B, C, D and E shown below.

Waiting List

Waiting List for the three-bedroom Workforce home

- Tier 1: Type A and B Local Preference Households who are First Time Homebuyers
- Tier 2: Type C and D Local Preference Households who are First Time Homebuyers
- Tier 3: Type E Local Preference Households who are First Time Homebuyers
- Tier 4: Type A and B Local Preference Households who are not First Time Homebuyers
- Tier 5: Type C and D Local Preference Households who are not First Time Homebuyers
- Tier 6: Type E Local Preference Households who are not First Time Homebuyers
- Tier 7: Type A and B non-Local Preference Households who are First Time Homebuyers
- Tier 8: Type C and D non-Local Preference Households who are First Time Homebuyers
- Tier 9: Type E non-Local Preference Households who are First Time Homebuyers
- Tier 10: Type A and B non-Local Preference Households who are not First Time Homebuyers
- Tier 11: Type C and D non-Local Preference Households who are not First Time Homebuyers
- Tier 12: Type E non-Local Preference Households who are not First Time Homebuyers

The Lottery Agent will mail the results to every household that has an Application Number.

Households in the Incomplete Application Pool will not have an Application Number and therefore will not have a position on any Waiting List. They will be added to the bottom of the appropriate Waiting List when they eventually submit all required documentation.

Lottery Results and Waiting List Examples

Example 1: A one-person (Type E) local-preference household who is also a first-time homebuyer is the first household drawn in the Lottery. They will be NOT be given an opportunity to buy a 3BR unit until every household who is Type A, B, C and D AND a first-time

homebuyer AND has local preference is given an opportunity. They will, however, be given the chance to purchase the unit before every household who does NOT have local-preference.

Example 2: A single parent with two children is a Type B household (see Type definitions in **Household Size and Composition** on pg. 11) and also has local-preference. They are also a first-time homebuyer. They are the fifth Application Number drawn in the Lottery but they are the first Type A or B household drawn. They therefore will occupy the top position on the Waiting List and will therefore be given the first opportunity to purchase the Workforce 3BR home.

Example 3: A married couple with one child is a Type C and does not have local preference. They also are not first-time homebuyers. They are the first Application Number drawn. The household in this example will be the first household in Tier 11, which means they are behind every household in the top 10 tiers. However, there is only one other household that has applied by the deadline and that household has local preference. Therefore, the Type C household in this example will be second on the Waiting List and will be given the opportunity to purchase the Workforce Unit if the local-preference household ahead of them fails to reserve or close on the home.

Step 5: Sign Purchase and Sale Agreement

The top household on the **Waiting List** will be notified by the Lottery Agent when they can move forward with the purchase of one of the available workforce units. When a household is notified, they will be considered “on the clock”. If a household is “on the clock” for a workforce unit in the inventory, they will have 7 business days to sign a Purchase & Sale Agreement (P&S) and put down the required deposit. The required deposit will be at least 1.5% of the sales price but a higher deposit may be required if customized changes or extras are involved but in no event will the deposit at P&S exceed 7.5% of the sales price.

Before signing the Purchase and Sale Agreement, it is recommended that the household obtain an attorney to review the Purchase and Sale Agreement, the Condominium Documents and Master Deed, and the Deed Rider. The household may also have the bank that is offering their mortgage commitment review these documents. It is important that the lawyer (or bank) ensure that the taxes being assessed to the workforce unit are based on the workforce sales price and not the market-rate price of an equivalent unit. All these documents can be provided by The Townhomes at Parkview Village Sales Office.

The Purchase and Sale Agreement will have the approximate closing date on it. This is the date that the homes should be ready for occupancy.

If they fail to sign a Purchase and Sale Agreement or put down the required deposit, their Application Number will be removed from the Waiting List. The Application Number can be placed back on the bottom of the Waiting List if the household notifies the Lottery Agent they wish to remain on the list. If an applicant is dropped to the bottom of the Waiting List, they will not get a chance to choose a unit 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 a workforce unit at The Townhomes at Parkview Village through this lottery. The next applicant on the list will then be notified that they are “on the clock” when 7 business days pass and no Purchase and Sale agreement has been signed by the household ahead of them.

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 the 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/Separation Agreement **before** reaching the top of the Waiting List. If the above households fail to provide the required documentation before reaching the top of the 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 to the bottom of the Waiting List. 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.

Step 6: Obtain Mortgage Commitment

This step is for households who will be taking out mortgages to purchase the workforce units.

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 Purchase and Sale Agreement and may take 30-60 days to complete. Households do not need to go back to the same lender that gave them their pre-approval letter but it is recommended they do so.

Please note that each lender will handle the Mortgage Commitment differently and this packet only serves as 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.

45 days before the closing date, the household will need to obtain a copy of the mortgage commitment that shows the terms of the mortgage and has the signatures of the bank and/or lender.

Step 7: Final Review for Program Eligibility

Before a household can close on their workforce unit, SEB and South Shore Tri-Town Development Corporation must do a final review of the household's eligibility income and asset eligibility and the South Shore Tri-Town Development Corporation must also 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 income and asset eligibility until they close on their home. Households also need to maintain records of all income and assets until this final review.

One month prior to their 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 South Shore Tri-Town Development Corporation housing program requirements. If a household is no longer eligible (over the allowable income and asset limits for example), the household will not be able to purchase a workforce unit.

Additionally, approximately 1 month prior to closing, households must submit the following documentation to SEB:

- a copy of the executed PURCHASE AND SALE AGREEMENT
- a copy of the MORTGAGE COMMITMENT LETTER from the buyer's lender including interest rate, points, length of loan, and annual percentage rate (for buyers who do not have adequate assets to cover the cost of the home).
- Contact information for the loan CLOSING ATTORNEY including name, address, phone and fax numbers.

SEB will forward this documentation to South Shore Tri-Town Development Corporation (SSTTDC) who requires the documents no less than 2 weeks before the loan closing date. South Shore Tri-Town Development Corporation will review the P&S, Master Deed and mortgage. South Shore Tri-Town Development Corporation will then mail and fax the Resale Price Certificate and Deed Rider to the buyer's closing attorney a day or two before 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 HUD-1 Settlement Statement Certificate (received at closing) to South Shore Tri-Town Development Corporation along with all of the above documentation. South Shore Tri-Town Development Corporation will then perform a final review of their eligibility to. If the household remains eligible, and all the above documentation is in order and meets program guidelines, South Shore Tri-Town Development Corporation will issue a Resale Price Certificate.

Step 8: 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 steps 5 through 8.

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.

DEED RIDER SUMMARY/ PROPERTY RESTRICTIONS

This is not the Deed Rider. The actual Deed Rider will be prepared by the South Shore Tri-Town Development Corporation (the "Corporation") and provided on the day of each unit 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 and workforce will have a deed rider, which you will be required to sign.

The workforce housing rider will ensure that the workforce homes stay at a workforce price level for the first 5 years after the initial sale. All the language below pertains to the resale of a workforce unit WITHIN THE FIRST 5 YEARS OF THE HOME BEING PURCHASED. After 5 years, the resale restrictions expire and all the below language is voided as the home can be sold on the open market.

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

However, at a minimum the purchaser must agree as follows:

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 the Monitoring Agent and the Corporation. In addition, you must notify the Monitoring Agent if you are going to refinance your mortgage.

HOME IMPROVEMENTS/CAPITAL IMPROVEMENTS

Capital Improvements are the documented necessary maintenance improvements that if not done would compromise the structural integrity of the property. Such improvements must be approved by the Monitoring Agent prior to the commencement of work. The cost of these improvements may be added to the resale price as shown below. Capital improvements may include replacing a roof, heating or plumbing equipment, or replacing windows or siding due to damage and wear and tear. Putting in carpeting or finishing unfinished spaces may not be considered capital improvements. Although the work may be allowed, the owner would likely not be able to add the costs of these improvements to their resale price.

NOTICES WHEN SELLING YOUR HOME

When you wish to sell your home, you must notify the Monitoring Agent and the Corporation. This notice is referred to as the "Conveyance Notice" in the Deed Rider.

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 Monitoring Agent.

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 \$ 91,800 (A) and the initial sales price is \$ 250,000 (B) the Resale Price Multiplier would equal $B/A = (C) = 2.7233$.

Upon resale, assuming the base number has increased to \$ 93,000 (D) and the cost of approved capital improvements (ex. new roof, \$5,000), the maximum resale price would be calculated as follows:

New Base number (D) x Resale Price Multiplier (C) = $\$93,000 \times 2.7233 = \$253,267$ (E) plus
Approved Capital Improvements (new roof) = \$ 5,000

THE MAXIMUM RESALE PRICE IS (E) plus Capital Improvements = \$258,267

This is just an example. This methodology would also only apply if the home is resold within the first 5 years. After 5 years, the home can be sold on the open market.

RESALE PROCESS

Under no conditions can the home be sold in the first five years for more than the Maximum Resale Price.

Once the Monitoring Agent and the Corporation receive the notice to sell, the Monitoring Agent has 90 days to find an eligible buyer (for workforce homes this is a homebuyer whose income is at or below 120% of the base area median income). The Monitoring Agent or the Corporation can also decide within those 90 days to purchase the home.

If the Monitoring Agent or the Corporation finds an eligible buyer within the 90-day period, a Compliance Certificate will be issued to the new buyer. The certificate states that the sale complies with the Deed Rider. If the Monitoring Agent or Corporation purchases your home, a Municipal Compliance Certificate is issued.

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

If 90 days pass from the date of the Conveyance Notice, and the Monitoring Agent and Corporation cannot find an eligible buyer and the Monitoring Agent and Corporation do 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.