



Lottery Information

72 Deer Pond Road, East Falmouth MA

3-Bedroom, 2-Bath Single Family Home \$195,000

Information Session

Tuesday December 4th 2018, 6:00 PM

Falmouth Public Library---300 Main Street Falmouth

Lottery Deadline

5:00 PM, January 18th, 2019

Here are the steps that you need to take starting today!

1. Contact one of the lenders on the list provided in the application packet to obtain a pre-approval. It will take a lender about one week to be able to determine if you can obtain a mortgage for this property.
2. Collect all the documentation that is required to be submitted with your application. Many of the documents are ones that the lender will also need.
3. Complete the application, answering all the questions and filling in the asset, liabilities and annual income charts.
4. Read carefully and sign the last page.
5. Submit the complete package: application, documentation and pre-approval letter from the lender for a mortgage in compliance with LIP guidelines ASAP. The absolute deadline is January 18th 2019
Applications received after the deadline will NOT be included in the lottery

Information to give to the Lender for pre-approval:

- ✓ The purchase price of the unit. **\$195,000**
- ✓ Falmouth property tax rate **\$8.60/\$1000**
- ✓ Affordable Housing Deed Restriction – **provided by HAC upon request.**

Don't Forget!

- Please return application to Housing Assistance Corporation. Deadline is 5 PM, January 18th 2019
- Complete application and return **all** attachments that apply to your household.
- Please send only **copies** of all documentation required, as we **cannot** copy your originals and return them to you.
- **Obtain a pre-approval letter** from a lender that is in accordance with the guidelines stated in this packet.
- Applications that do NOT have a pre-approval letter are NOT complete and will NOT be reviewed for eligibility.
- Please note: Buyers are responsible for pre-payment of homeowners' insurance prior to purchasing their home.

Please call 508.771.5400, ext. 284 or e-mail cacre@haconcapecod.org for questions.

460 West Main St. Hyannis, MA 02601 cacre@haconcapecod.org 508-771-5400 fax: 508-775-7434

AFFORDABLE HOUSING LOTTERY

Q & A's

ELIGIBILITY

Who is eligible to participate in an affordable housing lottery?

A first-time homebuyer, as defined below, who is income and asset eligible and can be pre-approved for a mortgage that complies with **Affordable Housing Program Standards for New Mortgage Loans** (see "Application Process") is eligible to apply for an affordable housing lottery. Individuals who have a financial interest in this development and their families are not eligible to be in this lottery.

Do I qualify as a first-time homebuyer?

Applicants are considered first time homebuyer(s) if they:

- Have not had ownership interest in a residential property in the last 3 years.
- Are displaced homemakers-an adult who has not worked full-time for a number of years but has worked to care for home and family without pay and owned a home or resided in a home with his or her partner.
- Are single parents, unmarried or legally separated from spouse with sole or joint custody of one or more children or is pregnant who has owned or resided in a home with his/her partner.
- Have owned or currently own a principal residence not permanently affixed to a permanent foundation.
- Owned 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 constructing a permanent structure
- Have at least one household member who is age 55 or older.

What is the Area Median Income and does it change depending on my family size?

The Area Median Income (AMI) is established for Barnstable County by the U.S. Department of Housing and Urban Development. In order to be income eligible, your anticipated annual gross income for all adult household members (current or anticipated) for the 12-month period following application must be at or below 80% of the AMI for Barnstable County as shown in chart below.

Household size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
Maximum Household Income	\$48,300	\$55,200	\$62,100	\$68,950	\$74,500	\$80,000

What is Annual Household Gross Income?

Annual gross income means all amounts, monetary or not, which go to or on behalf of all current or anticipated adult household members for the 12-month period following application.

What is the asset limit?

The asset limit is \$75,000 per household. Household assets divested within the past 2 years will be counted at their value prior to divestment.

What is a household asset?

- Cash in savings accounts, checking accounts and safety deposit boxes, etc.
- Certificates of deposit, bonds, stocks, treasury bills, mutual funds and money market accounts.
- Revocable trusts.

- Equity in rental property or other capital accounts.
- Cash value of life insurance policies available to the applicant before death.
- Personal property held as an investment: Gems, jewelry, coin collections, or antique cars, etc. Personal jewelry is NOT considered an asset.
- Lump sum receipts or one-time receipts. (i.e. inheritance, capital gains, one-time lottery winnings, victim's restitution, settlements on insurance claims (including health and accident insurance, worker's compensation, and personal or property losses), and any other amounts that are not intended as periodic payments.
- A mortgage or deed of trust held by an applicant.
- IRA, 401(k), 403B. *
- Retirement and pension funds. (if employed) *

*These will include only amounts the applicant can withdraw without retiring or terminating employment, minus any penalties or transaction fees. (You will be responsible to determine and verify how much of these funds are available to you as cash.)

Household assets **DO NOT** include:

- Personal property. (i.e. clothing, furniture, cars, wedding ring and other jewelry that is not held as an investment, vehicles specially equipped for persons with disabilities)
- Term life insurance policies. (i.e. policies with no cash value)
- Equity in the cooperative unit in which the applicant lives.
- Assets that are part of an active business. Business DOES NOT include rental of properties that are held as investments unless such properties are the applicant's main source of income.
- Assets that are not effectively owned by the applicant.

APPLICATION PROCESS

How do I apply for a lottery?

You will need to submit a completed application along with the supporting documentation and a pre-approval letter for a mortgage from a lender on their letterhead before the deadline date.

What if I am having difficulty completing the application due to language proficiency or a disability?

HAC will provide reasonable accommodation and/or language assistance if need when completing this application.

Este documento é importante, por favor, tê-lo traduzido

Este documento es importante, por favor, haz que se tradujo

Persons with disabilities may ask for this application in large print type or other alternate formats.

Persons with disabilities may ask for reasonable accommodation in rules, policies, practices, or services, or to request a reasonable modification in the housing, when such accommodations or modifications may be necessary to afford persons with disabilities an equal opportunity to use and enjoy the housing.

What documentation do I need to submit with my application?

Documentation of your income, assets and local preference and a pre-approval letter is required. See the attached list for a complete list of acceptable documentation.

Why should I declare that I am a minority?

Barnstable County's minority population is 8.6% of the general population. Regulations require that 8.6% of the local preference candidates should be minority candidates. If we do not receive 8.6% of local minority applicants, we will hold a pre-lottery of the minority non-local preference candidates to add to the local pool until we reach 8.6%. If we do not receive sufficient number of minority candidates, the lottery proceeds with whatever number exists.

How does my household size affect my position in the lottery?

Households that maximize the number of bedrooms have preference; i.e. a household requiring three bedrooms would have preference over a smaller household for a three bedroom home.

The following criteria are considered to determine if a household maximizes a unit:

- There is at least one occupant per bedroom.
- A husband and wife, or those in a similar living arrangement, shall be required to share a bedroom.
- HAC has the authority to increase the number of bedrooms required by a household if there is a medical necessity for a household member to have a separate bedroom.

What are the LIP Program Standards for New Mortgage Loans?

- Fixed interest rate through the full term of the mortgage
- The loan must be from a lending institution. Loans from private parties are not allowed.
- Interest rate that is no more than 2 percentage points above the current MassHousing Rate. This rate can be found at www.masshousing.com or call 617-854-1000.
- No more than 2 points
- Buyer must provide a down payment of at least 3%, half of which must come from the buyer's own funds.
- Buyer may not pay more than 38% of their monthly gross income for principal, interest, property taxes, hazard insurance, private mortgage insurance and homeowner association fees.
- FHA and VA loans will not allow the deed restriction and cannot be used for this program.

What is a pre-approval letter?

Lenders will issue a pre-approval letter after they have reviewed your credit score, credit report, income and expenses. The pre-approval must be on the lender's letterhead showing the dollar amount and include an authorized signature.

How do I get a pre-approval letter?

We have included a list of local lenders that are familiar with affordable housing guidelines and have special financing available for first-time homebuyers. Contact one of these lenders to tell them you are applying for a lottery and need a pre-approval letter. You should also ask how long the process will take to ensure the letter will be available prior to the application deadline. HAC will give you the following information that the loan originator will need to consider for a pre-approval:

- The purchase price of the home,
- That the home will carry a deed restriction
- The real estate tax rate
- If condo ownership, the condo fees.

LOTTERY PROCESS**What happens after I submit the complete Application Packet?**

A complete Application Packet includes the application form, required documentation and a pre-approval letter. HAC reviews this information to determine eligibility to participate in the lottery. If eligible, applicants will receive a lottery number through the mail prior to the date of the lottery. The number of applications received by HAC determines how long this process takes.

What is an Alternate?

All lottery numbers that belong in each pool will be drawn and they will be recorded in the order drawn. Numbers chosen after the winning numbers have been drawn will be placed on an "Alternate" list. Applicants on this list are notified in the event a potential buyer is unable to complete the purchase.

What happens after the lottery?

All winners' files will be sent to the monitoring agent for final eligibility. After that, winning applicants have **three** weeks to obtain a mortgage loan commitment from a lender and will be counseled by HAC through the closing process.

SUMMARY OF AFFORDABLE HOUSING DEED RESTRICTION

An affordable housing deed restriction is a legal document recorded at the Registry of Deeds that specifies the resale, refinance and leasing provisions for the referenced property. The buyer of an affordable lottery unit, selected by lottery, must agree to execute a deed restriction, which will be recorded at the Barnstable Registry of Deeds at the time of purchase. This affordable unit will be sold at a substantial discount price with a Deed Restriction attached. The Deed Restriction ensures that the unit remains affordable for future purchasers of the property. **It is strongly recommended that purchasers of an affordable, deed restricted unit review the deed restriction with their attorney and lender.** Below is a general description of the deed restriction:

Principal Residence: The property must be the owner's principal residence.

Notice Requirement: If an owner wants to sell their affordable unit, they are required to notify the Town and the Monitoring Agent.

Maximum Resale Price: There is a limit on the resale price of the unit so that the unit will always be affordable. The formula for calculating the maximum resale price will be established at the time of purchase and will be based on the Area Median Income at the time of resale.

Leasing and Refinancing: Affordable units cannot be leased or refinanced without prior written consent of the Town and the Monitoring Agent.

A copy of the affordable housing deed restriction for a particular project is available for review at Housing Assistance, 460 West Main Street, Hyannis, MA.

Don't Forget!

- Please return application to Housing Assistance Corporation by **5 PM Friday January 18th 2018**. Complete application and return **all** documents that apply to your household.
- Please send only **copies** of all documentation required, as we **cannot** copy your originals and return them to you.
- **Obtain a pre-approval letter** from a lender that is in accordance with the guidelines stated in this packet.
- Applications that do NOT have a pre-approval letter are NOT complete and will NOT be part of the lottery.
- Please note: Lottery winners are responsible for pre-payment of homeowners' insurance prior to purchasing their home.

Please call 508.771.5400, ext. 284 or e-mail [ccre@haconcapecod.org](mailto:cacre@haconcapecod.org) for questions.

LOAN GUIDELINES TO SHARE WITH YOUR LENDER

- The loan must be from a lending institution. Loans from private parties are not allowed.
- The loan must have a fixed interest rate through the full term of the mortgage.
- The loan must have a current fair market interest rate. (no more than 2 percentage points above the current Masshousing Rate*) *(617)854-1000 or www.masshousing.com.
- The buyer must provide a down payment of at least 3%-of which 1.5% must come from the buyer's own funds.
- The loan can have no more than 2 points.
- For new units- the sales price of the unit is set by a formula using area median income for Barnstable County and a resale price multiplier, to be affordable to an income- eligible household, paying no more than 30% of their monthly income for housing costs. The buyer may not pay more than 38% of their monthly income for the mortgage.
- FHA and VA loans will not accept a resale restriction.



live



learn



work



grow



REQUIRED DOCUMENTATION

THIS IS A LIST OF ACCEPTABLE DOCUMENTATION TO DETERMINE ELIGIBILITY

Please remember that **ALL HOUSEHOLD** income must be counted, even if only one person is obtaining the mortgage.

1. ____ **Proof of ID** (driver license, passport, government ID)
2. ____ **Pre-approval letter** from a bank in accordance with LIP Guidelines. **(NO FHA/ VA loans)**
3. ____ **Five most recent, consecutive pay stub copies** for all working members of the household, 18 years and older.
4. ____ **Verification of Employment Form** from all employers for all working members of the household, 18 years and older. **Must be completed by employer**
5. ____ **No Income Certification.** If a member of your household is 18 years or older and **NOT** working, a **notarized statement** to that effect is needed. This applies to **all** household members age 18 or older.
6. ____ **Child support documentation.** Child support (Copy of Divorce Decree, Child Support Order, Copy of support checks), If you have children eligible for child support and you do **NOT** receive child support, please provide a **NOTARIZED statement** to that effect.
7. ____ **Student Status Certification.** Please submit documentation for each child 18 years of age or older verifying their full time status in order to have some of their income not counted in the household income total.
8. ____ **Verification of any other household income** e.g.: Social Security, SSI, VA benefits, unemployment benefits, and/or public assistance. We need official statement of monthly amount received for the current year. **(Copies only)**
9. ____ **Savings account statements**-Submit the 3 most recent bank statement **copies** (Savings).
10. ____ **Checking account Statements**- Submit the 3 most recent bank statement **copies** (Checking).
11. ____ **Documentation to prove your local preference for lottery winners:** e.g. utility bills, drivers licenses, tax bills, rental agreements etc. **(Copies only)**
12. ____ **Federal Tax Returns (1040)**-**Copies** of signed tax returns for the past three (3) years. You **WILL** have to provide all three years. We will also need W-2's and 1099-R Forms for the most current full year. If you have not filed a tax return for any of the years requested, we will need a notarized statement that you have not filed for a particular year and **why**. **PLEASE DO NOT SUBMIT STATE TAXES**
13. ____ **Verification of cash value of all assets** (assets are generally non- cash items that can be converted to cash, such as stocks, Certificates of Deposit, IRA's retirement funds). This does not include car or furniture. **(Copies only)**

SELF EMPLOYMENT

People who are self-employed will need to submit ALL of the above documentation plus the following:

1. ____ **Copies of SCHEDULE C** for the past two (2) years.
2. ____ **A NOTARIZED STATEMENT** reflecting your earnings and expenses for the current year. The name of the business must be on the Profit & Loss Statement. It must show quarterly or yearly profit and loss, include all income and expenses and must be for at least three consecutive months

Lenders Familiar with Deed Riders and First Time Homebuyer Mortgages

Cape Cod Five Cent Savings Bank Darin Weeks dweeks@capecodfive.com Diane Pansire dpansire@capecodfive.com Patti Lotane plotane@capecodfive.com Susan "Sam" McCaffrey smccaffrey@capecodfive.com	508-477-0159 508-247-5526 508-247-2138 508-247-2273	Mass Housing USDA Rural Development
Cooperative Bank Of Cape Cod Patty Theroux ptheroux@mycapecodbank.com	508-568-3443 508-568-4444	Mass Housing
Citizen's Bank Lisa Oakley Lisa.oakley@citizensbank.com	774-313-0437	MHP One Loan
Eastern Bank Tabitha Baker t.baker@easternbank.com	508-923-2824	MHP One Loan Mass Housing
Fairway Independent Mortgage Corporation Jeff Kobold jeff.kobold@fairwaymc.com	508-221-6254	Mass Housing
First Citizens Federal Credit Union James Snyder James.Snyder@firstcitizens.org Eleanor Weller Eleanor.Weller@firstcitizens.org	508-990-4295 508-790-8588	MHP One Loan Mass Housing
Radius Financial Group Amy Downey adowney@radiusgrp.com	508-648-9422	Mass Housing USDA Rural Development
Rockland Trust Lenore Tavares Lenore.tavares@rocklandtrust.com	508-360-2115 781-331-3210	MHP One Loan Mass Housing
Salem Five Charlotte Green charlotte.green@salemfive.com Claudette Vickery claudette.vickery@salemfive.com	774-392-0480 508-264-4805	Mass Housing MHP One Loan
Santander Bill Carey Wcarey2@santander.us	774-994-1078	MHP One Loan
Shamrock Financial Savannah Fabbio Savannah.Fabbio@ShamrockFinancial.com	508-317-8183	Mass Housing
USDA Rural Development Ticia Weare Ticia.weare@ma.usda.gov Patty Whalen Patty.Whalen@ma.usda.gov	508-295-5151 ext. 4	USDA Rural Development (not available in the town of Barnstable)

**72 Deer Pond Rd East Falmouth
LOTTERY APPLICATION**

Application Deadline: January 18th 2019



**Information Meeting: Tuesday, December 4th 6:00PM
Falmouth Library 300 Main Street, Falmouth MA**

Style: Brand New 3 Bedroom Home

Price: \$195,000

Personal Information

Applicant Name: _____ Co-Applicant Name: _____
 Address: _____ Address: _____
 Town: _____ State: _____ Zip Code: _____ Town: _____ State: _____ Zip Code: _____
 Home Telephone Number: _____ Home Telephone Number: _____
 Cell Phone Number: _____ Cell Phone Number: _____
 E-Mail: * _____ E-Mail: * _____
 Employer: _____ Employer: _____
 Occupation: _____ Occupation: _____
 Yrs. In current job: _____ Yrs in occupation: _____ Yrs. In current job: _____ Yrs in occupation: _____

HOUSEHOLD COMPOSITION (List the head of household and all members who will be living in the home you purchase. Give relationship of each member to the head of household.)

Full Name: *List Head of Household first	Relationship to Head of Household	Age	Full time Student over 18
	HEAD		

Have you recently (in the past 3 months) seen your credit report? _____

In your estimation how would you rate your credit history?

Poor _____ Fair _____ Good _____ Excellent _____ Don't Know _____

What do you currently pay for rent? _____

Does any member of your household currently or within the past three years own/owned any residential property? _____

If yes, please give details: _____

Is any member of the household 55 or over? _____ Anticipated net proceeds from sale of home: _____

Homebuyer education:

I have attended a Home Buyer Education Workshop series. Yes _____ No _____

If yes, location _____ Date _____

Do you have down payment money available? YES ☐ Amount: \$ _____ NO ☐
 (Remember, you need to have at least 1.5% of the purchase price of your OWN money for down payment.)

460 West Main St. Hyannis, MA 02601 cce@haconcapecod.org 508-771-5400 fax: 508-775-7434



ASSETS Please identify all cash deposits to checking/saving accounts

Type	Cash Value	Annual Income from assets	Bank Name
Checking Accounts			
Savings Accounts			
Retirement Plans			
Real Estate Owned			
Stocks			
Other (i.e. rental property, lump sum payment)			

LIABILITIES (Car loan, Credit Cards, Student loans, etc.)

Type	Creditor's Name	Monthly Payment	Unpaid Balance	Due Date

ANNUAL INCOME

Source	Applicant	Co-Applicant	Other Household Members 18 & over	Total
Salary				
Overtime Pay				
Commissions				
Fees				
Tips				
Bonuses				
Interest Dividends				
Net Income From Business				
Net Rental Income				
Social Security, Pensions, Retirement Funds, Etc. Received periodically				
Unemployment Benefits				
Workers Compensation				
Alimony, Child Support				
TAFDC				
Part Time Work				
Other				
Total for each household member:				

TOTAL HOUSEHOLD INCOME \$ _____

NOTE: If a member of the household over the age of 18 is **NOT** working, he/she must provide, as part of the required verification, a signed notarized statement describing the current situation.



Maximum income HUD 2018

this is gross income from all sources

Household size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
Maximum Household Income	\$48,300	\$55,200	\$62,100	\$68,950	\$74,500	\$80,000

HAC will provide reasonable accommodation and/or language assistance if need when completing this application.

Este documento é importante, por favor, tê-lo traduzido

Este documento es importante, por favor, haz que se tradujo

Persons with disabilities may ask for this application in large print type or other alternate formats.

Minority Status: (Optional)

You are requested to complete the following optional section in order to assist in determining preference. Completing this section may qualify you for additional lottery pools.

Ethnicity: **Hispanic:** _____ **Non Hispanic:** _____

Race: (Optional)

- ☐ Native American /Alaskan Native ☐ Asian ☐ Black *or* African American
☐ Native Hawaiian or Other Pacific Islander ☐ Other (non-White) ☐ White



Summary of Deed Restriction & Statement of Understanding

An affordable housing deed restriction is a legal document recorded at the Registry of Deeds that specifies the resale, refinance and leasing provisions for the referenced property. The buyer of a unit, selected by lottery, must agree to execute a deed restriction, which will be recorded at the Barnstable County Registry of Deeds at the time of purchase. This affordable unit will be sold at a substantial discount price with a Deed Restriction attached. The Deed Restriction ensures that the unit remains affordable for future purchasers of the property. **It is strongly recommended that purchasers of an affordable, deed restricted unit review the deed restriction with their attorney and lender.** Below is a general description of the deed rider:

Principal Residence: The property must be the owner's principal residence.

Notice Requirement: If an owner wants to sell their affordable unit, they are required to notify the Falmouth Housing Trust and the Town of Falmouth. The Town of Falmouth may exercise its Right of First Refusal and locate an eligible purchaser for the property or purchase the home.

Maximum Resale Price: There is a limit on the resale price of the unit so that the unit will always be affordable. The formula for calculating the maximum resale price will be established at the time of purchase and will be based on the Area Median Income at the time of resale.

Resales: Lottery homes are required to be resold in accordance with the Affordable Fair Housing Marketing Plan to an eligible buyer. This buyer can be found on a "ready buyer" list that is maintained, analyzed, and updated through periodic marketing with reasonable public advertising by Housing Assistance Corporation and properties are also listed with Citizen's Housing and Planning Association and Massachusetts Affordable Housing Alliance.

Leasing and Refinancing: Affordable units cannot be leased or refinanced without prior written consent of the monitoring agent, and the Town of Falmouth. Affordable units may not be refinanced for more than 97% of their Maximum Resale Price.

A copy of the Deed Restriction for this project is available for review at Housing Assistance, 460 West Main Street, Hyannis, MA To request a copy by mail, please call 508-771-5400 ext. 284.

Statement of Understanding

I/We have read the Summary of the Deed Restriction for the lottery.

I/We understand that, if selected by lottery to purchase an affordable unit, a full copy of the Deed Restriction will be provided to me, and that if my household is certified as income eligible and is able to obtain an approved mortgage, that I/We will be required to execute the Deed Restriction at the time of purchase and it will be recorded along with the deed at the Barnstable County Registry of Deeds.

Applicant Signature

Date

Co-Applicant Signature

Date

This page must be signed!



Certification, Disclosure, Understandings & Authorization

Certification: I/We certify that the information provided in this application is true and correct as of the date set

forth opposite my/our signature(s) on this application and acknowledge my/our understanding that any intentional or neglectful misrepresentation(s) of information contained in this application may result in civil liability, and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., and liability for monetary damages to the lender, its agents, successors and assigns, insurers and any other person who may suffer any loss due to reliance upon misrepresentation which I/we have made on this application.

Use of Information Disclosure: The information collected will be used to determine whether you are eligible to participate in various programs which may include the Resale Purchase and/or lotteries. This information may be disclosed as required and permitted by law outside the Housing Assistance Corporation without additional consent including to your employer for verification of income and employment, to financial institutions for verification of information and to the lottery monitoring agent (if applicable).

Household Eligibility: Individuals who have a financial interest in the development and their families shall not be eligible for this lottery.

Understanding of Selection: I/We understand that I/we are selected in the lottery, it does not guarantee that I/we will be able to purchase a home and that all expenses including closing costs and down payment are my/our responsibility. I/We also understand that it is my/our obligation to secure a fixed mortgage for the term of the loan and for not more than 97% of the purchase price of the home.

I/We understand that we will need to have at least 1.5% of the purchase price of our own funds to be eligible for the lottery.

I/We understand that even though I/we think that I/we have submitted all the necessary documentation and/or verifications, I/we are not guaranteed to be in the lottery if HAC finds that any documentation and/or verification is missing.

I/We have read the application and all the attached information and understand the lottery process.

Authorization: I/We consent to the disclosure of such information for the purpose of income, asset and any other verification related to my/our application.

Applicant's Signature

Date

Co-Applicant's Signature

Date

**Send completed application, copies of required documentation, verifications
AND**

**Mortgage pre-approval letter to:
Housing Assistance Corporation
72 Deer Pond Road Lottery
460 West Main Street
Hyannis, MA 02601**



APPENDIX I

DEFINITION OF INCOME

Annual gross income means all amounts, monetary or not, which go to, or on behalf of, the family head or spouse or to any other family member received from a source outside the family during the 12-month period following application.

Annual income includes but is not limited to:

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips, and bonuses, and other compensation for personal services.
2. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted as provided by the Internal Revenue Service regulations.
4. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount that is the delayed start of a periodic payment.
5. Payment in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay.
6. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.
7. All regular, special pay, and allowances of a member of the Armed Forces.
8. Income derived from assets to which any member of the family has access.

Annual Income Does NOT include the following:

1. Income from employment of children (including foster children) under the age of 18 years.
2. Payments received for the care of foster children or foster adults. (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone)
3. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses.
4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
5. Income of a live-in-aid.
6. The full amount of student financial assistance paid directly to the student or to the educational institution.
7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
8. Temporary, nonrecurring, or sporadic income such as gifts.
9. Deferred periodic amounts from Supplemental Social Security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts.
10. Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.
11. Amounts specifically excluded by any other Federal statute from consideration as income for the purpose of determining eligibility or benefits under a category of assistance program.

DEFINITION OF ASSETS

The value of necessary items of personal property, such as furniture or automobiles shall be excluded. Determination of assets shall be based upon a full and fair cash value of the asset at the time of application to the program. If a potential purchaser divests himself or herself of an asset for less than full and fair present cash value of the asset within two years prior to application, the full and fair cash value of the asset at the time of its disposition must be declared and shall be included for the purpose of calculating eligibility.

Household Assets include the following:

1. Cash held in savings and checking accounts, safe deposit boxes, homes, etc. For savings accounts, use the current balance. For checking accounts, use the average balance for the last six (6) months.
2. Revocable trusts: The cash value of any revocable trust available to the applicant.
3. Equity in rental property or other capital investments: The current fair market value less (a) any unpaid balance on any loans secured by the property, and (b) reasonable cost that would be incurred in selling the asset (e.g., penalties, broker fees, etc.).
4. Stocks, bonds, treasury bills, certificates of deposit, mutual funds, and any money market accounts: The value of stocks and other assets vary from one day to another and should be determined no more than one month in advance of the applicant's submission to participate in the subject housing program.
5. Individual retirement, 401K, and Keogh accounts: When the holder has access to the funds, even though a penalty may be assessed. If the applicant is making occasional withdrawals from the account, determine the amount of the asset by using the average balance for the previous six (6) months. (Do not count withdrawals as income.)
6. Retirement and pension funds:
 - a. While the person is employed: Amounts the applicant withdraws without retiring or terminating employment. Count the whole amount less any penalties or transaction costs.
 - b. At retirement, termination of employment, or withdrawal: Periodic receipts from pension and retirement funds are counted as income. Lump sum receipts from pension and retirement funds are counted as assets. Count the amount as an asset or as income, as provided below. If benefits will be received in a lump sum, include the lump sum receipt in net household assets. If benefits will be received through periodic payments, include the benefits in annual income. Do not count any remaining amounts in the account as an asset.

If the applicant initially receives a lump-sum benefit followed by periodic payments, count the lump-sum benefit as an asset and treat the periodic payment as income. In subsequent years, count only the periodic payment as income. Do not count the remaining amount as an asset.

NOTE: This paragraph assumes that the lump-sum receipts is a onetime receipt and the it does not represent delayed periodic payments, then the account would be considered as income and not an asset.

7. Cash value of life insurance policies available to the applicant before death (e.g.; the surrendered value of whole life policy or a universal policy): Do not include a value for term insurance, which has no cash value to the applicant before death.

8. Personal property held as an investment: Gems, jewelry, coin collections, or antique cars held as investment. Personal jewelry is NOT considered an asset.
9. Lump-sum receipts or one-time receipts: Inheritance, capital gains, one-time lottery winnings, victim's restitution, settlement on insurance claims (including health and accident insurance, worker's compensation, and personal or property losses), and any other amounts that are not intended as periodic payments.
10. A mortgage or deed of trust held by an applicant: Payments on this type of asset are often received as one combined payment for principal and interest with the interest portion counted as income from the asset. This combined figure needs to be separated into the principal and interest portions of the payment. (This can be done by referring to an amortization schedule that relates to the specific term and interest rate of the mortgage.)
11. A life estate: A life estate is an interest in real property which entitles the life tenant to benefit from the property until his or her death. Usually, the life tenant is entitled to the use of a house for life and may be entitled to sell his or her interest. This right is of value to the tenant, but is rarely sold on an open market. (Purchasers of real property would typically not be tempted by such an uncertain term of ownership.)

The value of an applicant's life estate is included when calculating his or her assets based on the Internal Revenue Service's latest guidance to determine the value of life estates. (See Internal Revenue Service Publication 1457, "Actuarial Values, Book Aleph," (7-1999).)

Household Assets DO NOT include the following:

1. Personal property (clothing, furniture, cars, wedding rings, other jewelry that is not held as an investment, vehicles specially equipped for persons with disabilities).
2. Interests in Indian trust land.
3. Term life insurance policies (i.e., where there is no cash value).
4. Equity in the cooperative unit in which the applicant lives.
5. Assets that are part of an active business: "Business" does NOT include rental of properties that are held as investments unless such properties are the applicant's main occupation.
6. Assets that are NOT effectively owned by the applicant: Assets are not effectively owned when they are held in an individual's name but (a) the assets and any income they earn accrue to the benefit of someone else who is not the applicant, and (b) that other person is responsible for income taxes incurred on income generated by the assets.

Employer must complete Part III of this Form



Verification of Employment

Applicant: _____ SSN: _____ - _____ - _____

Signature: _____

Part II: Employer Information (To be Completed by Applicant)

Name of Employer _____

Address of Employer _____

Phone _____

Part III: Employment Information (To be Completed by Employer)

1. Date of Employment _____ Position/ Occupation _____

2. Date of Termination (if applicable) _____

3. Current Rate of Pay \$ _____ per HOUR WEEK MONTH (Indicate One)

4. Current Rate of Overtime \$ _____ per HOUR WEEK MONTH (Indicate One)

5. Do you anticipate any change in the employee rate of pay in the near future? YES ___ NO ___

If YES, Revised rate \$ _____ Effective Date: _____

6. Number of hours employee typically works per week: _____ Weeks per year: _____

7. Do you anticipate any change in the number of hours the employee works? YES ___ NO ___

8. Gross annual earnings you anticipate for this employee for the next twelve months \$ _____

9. Does this employee receive tips, bonuses, overtime, or commissions? YES ___ NO ___

Please indicate annual amount Tips\$ _____ Bonuses\$ _____ OT\$ _____ Commission\$ _____

10. Anticipated average amount of overtime per week: _____

11. Does this employee receive paid vacation time? YES ___ NO ___

12. Does this employee receive sick pay leave? YES ___ NO ___

13. If the employee's work is seasonal or sporadic, indicate lay-off periods _____

14. Does this employee receive an earned income tax credit? YES ___ NO ___

If YES, indicate amount included in paycheck \$ _____

15. Additional Comments : _____

Completed By: _____ Date _____

(Name and Title)

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department of the United States as to any matter within its jurisdiction.

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ATTN CCRE