



## **Parker Place, Chelsea Affordable Homeownership Lottery**

### **Financial Documentation Checklist**

Below is a checklist of the supporting documentation that must be provided with the Completed application for Affordable Homeownership Lottery at 87 Parker Street, Chelsea, MA 02150.

#### **Mortgage Preapproval**

- Preapproval letter reflects the purchase price amount of \$221,900.
- Preapproval reflects down payment at least 3% of the purchase price (\$6,657) or more, half of which must come from the buyer's own funds. (\$3,329).
- Be made by an institutional lender.
- Mortgage loan must be a 30-year fully amortizing mortgage for not more than 97% of the purchase price with a fixed interest rate that is not more than 2 percentage points above the current MassHousing interest rate ([www.masshousing.com](http://www.masshousing.com)).
- Monthly housing costs (inclusive of principal, interest, property taxes, hazard insurance, private mortgage insurance and condominium or homeowner association fees) shall not exceed 38% of monthly income for a household earning 80% of area median income, adjusted for household size.
- Non-household members shall not be permitted as co-signers of the mortgage.

Applicants should present these guidelines and copy of the sample deed rider to their lender. The sample deed rider can be obtain on the property website or by contacting Maloney Properties, Inc for a copy.

The lender will also ask for the monthly condo fee & taxes. The monthly condo fee is \$75. The real taxes are based off of the affordable sales price and not assessed at the market value.

We advise applicants to use a lender that is familiar with deed-restricted condos.

## Income

- **Employment:** Provide Five (5) most consecutive paystubs or evidence of any other source of income for all adult household members.
- **Social Security/ Social Security Disability:** Provide an official statement of monthly amount received for year in review and statement of total amount received for latest tax year.
- **Unemployment:** if receiving unemployment, please provide copies of the unemployment checks.
- **Child support/Alimony:** Provide document indicating the payment amount.
- **Pension:** Provide statement indicating amount received for year in review and statement of total amount received for latest tax year.
- **No-income:** Please provide a no income affidavit for anyone with no income aged 18 or over. Include income for full time students over age 18.
- **Self-employed:** If self-employed, please provide a self-prepared year to date profit and loss statement.

a. When self-employment income is sporadic or based upon commission, the projection of household income currently shall be based upon historical data unless:

(1) The household can demonstrate and verify that it has experienced a change in circumstances that is a reliable indicator that its income has decreased and that the historical data is not a reasonable basis for projecting household income; or

(2) Documentation indicates that the household has experienced a change in circumstance that is a reliable indicator that its income has increased and that the historical data is not a reasonable basis for projecting household income.

b. When self-employment income is sporadic or based upon commission and there is no record of self-employment from the last year in which tax returns were filed, the projection of household income will be based solely upon the reliable year-to-date documentation.

## Student Status

- Provide school transcript or proof of student status for dependent household members over age of 18 and full-time students.

## Assets

- All assets must be disclosed and listed on the application.

- Asset includes: checking, savings, stocks, CD's, 401K's, IRA's, investment, retirement, certificate of deposit, property, down payment gift amount etc.
- Please include copies of past **five (5) most consecutive** months of statements for all asset accounts and include ALL pages of statement (front and back, including fine print pages and pages that are intentionally left blank).
- Pictures or screen shots of the statement are not accepted. We recommend visiting your bank's branch to retrieve a copy of download a PDF version through your bank's website.
- Please provide a written explanation for any deposits over \$100 that are not from employment
- If you owned real estate within the past 3 years but it was sold due to a divorce, provide copy of divorce decree and proof of the home sale showing equity received.

## Tax Information

- Signed copies of the past three (3) years Federal Income Tax returns with all schedules included. You do **NOT** need to submit the state tax returns.
- The Federal return must be signed.
- Copies of the past three (3) years W2s & 1099 for all adult household members
- If a household member is no longer employed by an employer that you have a **2018** W-2 from, we will need a letter from you stating the dates of employment and that you are no longer employed there.
- **If you did not file taxes** or have your Federal tax return or W2/1099 Forms handy, you may request a transcript to be downloaded online: <https://www.irs.gov/individuals/get-transcript>

## Gift Letter, if applicable

- If gift money is being provided, a gift letter must be provided. the letter must include the name of the person gifting the money and the amount of money that they intend to gift.

## Local Preference Documentation, if applicable

- Defined as a household that, at the time of application for an affordable housing unit falls into the following category:

1. Current residents of Chelsea: A household in which one or more members is living in the city or town at the time of application. Documentation of residency should be provided, such as rent receipts, utility bills, street listing or voter registration listings.
2. Municipal Employees of Chelsea: Employees of the municipality, such as teachers, janitors, firefighters, police officers, librarians, or town hall employees.
3. Households with children attending the locality's schools, such as METCO students
4. Employees of Local Businesses: Employees of businesses located in the Municipality.

**If your household meets the above local preference criteria, please provide the appropriate supporting documentation.**

For Current residents of Chelsea, one of the following must be provided:

- A utility bill dated within the past 60 days (electric, gas, oil, cable, interest, telephone, or cell phone bill)
- A current signed lease agreement
- Voter Registration
- For households that are applying as Municipal Employees of Chelsea or Employees of Local Businesses, the pay stubs provided for the income information would suffice if the paystubs show a Chelsea based address.
- Households with children attending the locality's schools, a Chelsea school transcript should be provided.

Pictures or screen shots of the statement are not accepted.

Return all documentation to:

Maloney Properties, Inc.

Attention: Parker Place Lottery

27 Mica Lane, Wellesley MA 02481

Free language assistance and reasonable accommodations available. For assistance and more information, please call Maloney Properties, Inc 781-992-5307 - MA Relay 711 or

email: [ParkerPlace@MaloneyProperties.com](mailto:ParkerPlace@MaloneyProperties.com)



Equal Housing Opportunity

