



CITY OF NEWBURYPORT
AFFORDABLE HOUSING TRUST
60 PLEASANT STREET • P.O. BOX 550
NEWBURYPORT, MA 01950
(978) 465-4400 • (978) 465-4452 (FAX)

DOWN PAYMENT / CLOSING COST ASSISTANCE PROGRAM

The City of Newburyport, through its Affordable Housing Trust, offers up to \$25,000 for each eligible buyer to be put towards down payment and/or closing costs for the purchase of deed-restricted affordable units. It is intended for lower income home buyers who can afford monthly mortgage payments but do not have enough to pay the initial home purchase costs. The goal of the program is to increase homeownership among low and moderate income households in the City of Newburyport.

Eligibility

- You must purchase a deed-restricted affordable unit in Newburyport and agree to future resale restrictions
- The home must be intended for and maintained as your principal residence
- You must complete an approved homebuyer training course and provide certification of completion
- Your assets must not exceed \$75,000 (\$375,000 for those over 55 years of age)
- You must provide a down payment equal to a minimum of 3% the purchase price
- You must be approved for a mortgage with a lender
- You must fall within 80% of the HUD annual median household income in the Boston Area as indicated below (as of 5/31/11)

Household Size	1	2	3	4
Income Limits	\$44,950	\$51,400	\$57,800	\$64,200

Down Payment Assistance is considered a “deferred payment loan.” The loan is interest free and you will not have to pay anything back unless you refinance or sell the property within ten (10) years. If the property is sold prior to the fifth anniversary of the sale, you will be required to pay back the full amount. Between five and ten years, the loan is forgiven in an amount equal to 20% of the assistance provided for each of the years remaining on the loan. If you reside in your home for 10 years, the deferred loan will be forgiven.

We encourage potential buyers to submit an application for the Down Payment Assistance program early on in the housing search process. The application, along with all required documents, must be submitted a minimum of 5 weeks prior to any loan commitments or closing dates. When you are qualified you will be issued a letter of approval that will remain valid for a 6 month term. Applications are available at the Office of Planning & Development as well as online at <http://www.nbpt.us/Planning/AffordableHousing.html>



DOWN PAYMENT ASSISTANCE APPLICATION

DATE: _____

NAME: _____

ADDRESS: _____

DAYTIME PHONE: _____ EVENING PHONE: _____

EMAIL ADDRESS: _____ NO. OF PERSONS IN HOUSEHOLD: _____

HOUSEHOLD INFORMATION

PLEASE LIST ALL HOUSEHOLD MEMBERS WHO WILL OCCUPY THE HOME, REGARDLESS OF AGE:

NAME	DATE OF BIRTH	SOC. SEC #	RELATIONSHIP
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

EMPLOYMENT STATUS

	<u>APPLICANT</u>	<u>CO-APPLICANT</u>
OCCUPATION	_____	_____
PRESENT EMPLOYER	_____	_____
EMPLOYER ADDRESS	_____	_____
COMPANY CONTACT	_____	_____
DATE OF HIRE	_____	_____
GROSS ANNUAL SALARY	_____	_____

IF OTHER ADULT HOUSEHOLD MEMBERS ARE EMPLOYED, PLEASE ATTACH A SEPARATE SHEET WITH THEIR CURRENT EMPLOYMENT INFORMATION.

INCOME VERIFICATION

Please complete the following information for all persons receiving income in the household at the time of application. Household income includes gross wages, retirement wages, retirement income, business income, veteran's benefits, alimony/child support, unemployment compensation, social security, pension/disability income, supplemental second income, and dividend income. In addition to completing this application, please attach the documents listed below in the following order:

- _____ 1. Past two (2) years of Federal Tax Returns
- _____ 2. Most recent W2s
- _____ 2. Past eight (8) weeks consecutive pay stubs. For unemployment, please submit copies of unemployment checks or DOR verification stating the amount of benefits received.
- _____ 3. Asset Statement(s): Two (2) months of most recent statements including checking accounts, saving accounts, investment accounts including retirement, certificates of deposit, property, down payment gift amount etc. Please include all pages of statements.
- _____ 5. Statement from the Social Security Administration showing the monthly benefit amount.
- _____ 6. Pension statements indicating the amount and frequency received and a statement of the total amount received for latest tax year.
- _____ 7. Child support and alimony – court decree indicating the payment amount and frequency.
- _____ 8. Proof of student status for dependent household members over the age of 18.
- _____ 9. If you intend to utilize a gift from a family member to assist with the down payment, please submit a letter from the source stating the amount being gifted.
- _____ 10. If you owned a home within the past 3 years but it was sold due to a divorce provide a copy of the divorce or separation papers and proof of the home sale showing equity received (HUD Settlement Statement.)
- _____ 11. Mortgage Pre-Approval letter indicating the amount you pre-qualify for
- _____ 12. Evidence of sufficient down payment (bank statement, gift letter, etc.)

INCOME

	<u>APPLICANT</u>	<u>CO-APPLICANT</u>
SALARY	\$ _____	\$ _____
INTEREST & DIVIDENDS	\$ _____	\$ _____
ALIMONY/CHILD SUPPORT	\$ _____	\$ _____
OTHER INCOME	\$ _____	\$ _____
TOTAL INCOME	\$ _____	\$ _____
TOTAL HOUSEHOLD INCOME	\$ _____	

ASSET INFORMATION

Please complete the following asset information for all household members. Assets include liquid assets, such as cash in checking or savings, stocks, bonds and other forms of capital investments, excluding equity accounts in home ownership programs or state assisted public housing escrow accounts. In addition to completing the following, ***please attach your most recent asset documentation for bank accounts, brokerage statements, etc.***

NAME OF BANK/INSTITUTION	TYPE	ACCOUNT #	BALANCE

TOTAL ASSETS \$ _____

YES ___ NO ___ Do you own or have financial interest in any other real estate and/or business?
If yes, please describe: _____

YES ___ NO ___ Do you qualify as a First Time Home Buyer?

A First Time Home Buyer is defined as:

- You have not had an ownership interest in a residence in the past three (3) years **OR**
You meet the Federal Government's definition of a "displaced homemaker" **AND**
- You will reside in the property you purchase

YES ___ NO ___ Have you attended an approved First Time Home Buyer Education class?

DISCLOSURE

I hereby certify that I have correctly indicated the number of persons in my household. I certify that my/our annual income is indicated above and that income from all family members has been included. I certify that my/our total liquid assets do not exceed the asset limits as defined in the application. I certify that the information contained in this application is true and accurate to the best of my knowledge and belief under the full pains and penalties of perjury. I understand that perjury will result in disqualification from further consideration. I understand that it is my/our obligation to secure the necessary mortgage for the purchase of the home and all expenses, including closing costs, down payments, etc. I further authorize the City of Newburyport to verify any and all income and asset and other financial information, to verify any

and all household, resident location, and workplace information, and direct any employer, landlord, or financial institution to release any information to the City for the purpose of income determination eligibility. I/We understand that I/we are purchasing an affordable home at a substantially discounted price and that the home will remain affordable for any future buyers. I/We understand we will be required to sign a Deed Rider which describes my/our responsibilities under the affordable housing program. The restrictions will apply to me and all future buyers of my/our home.

APPLICANT SIGNATURE: _____ DATE: _____

CO-APPLICANT SIGNATURE: _____ DATE: _____