

**MCI RENT ESCROW LOTTERY PACKET**

**Information Sessions to be held at the Chatham Housing Authority**

**240 Crowell Road, Chatham, MA 02633**

 **Thursday, December 14, 2023 @ 6p.m. and**

 **Saturday, December 16th @ 10:00 a.m**

**Application Deadline: Tuesday, January 16, 2023 @ 2:00 p.m.**

 **Housing Style: 3 Bedroom House, Rent: $1,800.00**

**Does Not Include Utilities - Oil Heat**

**Locations: 576 Old Comers Road, Chatham, MA 02633**

 **579 Old Comers Road, Chatham, MA 02633**

 **563 Old Comers Road, Chatham, MA 02633**

**(1 of the 3 properties will be “local preference” – Applicant must either live or work in the town, or have a child in the school system)**

The MCI/Escrow Program is a five (5) year home ownership program that puts a portion of your rent into escrow. That amount is currently $1150.00 per month. That money is then available to you for the sole purpose of purchasing a home if at the end of the program you are qualified and able to do so. You are not required to purchase a home in Chatham, but you must buy on Cape Cod. If for any reason you do not qualify for a mortgage at the end of the five years, the escrow funds go back into the general fund. This money will only be available if you are current in your rent.

This program is sponsored by the citizens of the Town of Chatham and is run by the Chatham Housing Authority. Chatham Housing Authority’s mission is to build, maintain and administer affordable community housing to residents, with particular attention to the elderly, disabled and families. We assist not only those in Chatham but across the Cape who have difficulty in finding affordable, safe, and adequate housing to rent or buy. Disabled persons are entitled to request a reasonable accommodation.

**Please return completed application in person or by mail to Chatham Housing Authority on or before**

**2:00 p.m. Tuesday, January 16, 2024.**

***\*\*\*\*\*UNDER NO CIRCUMSTANCES WILL APPLICATIONS BE ACCEPTED AFTER***

***2:00 P.M. ON THIS DATE\*\*\*\*\****

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**IMPORTANT INFORMATION:**

* Complete application and return all attachments that apply to your household**.** If there is more than one employer or bank for the household, copies of the attached employment and asset verification may be made.
* Please send only copiesof all documents required, as we cannot copy your originals and return them to you.
* Most important!!!!! Applications that are NOT complete or received after the deadline will not be considered eligible.

Please call 508-945-0478 or email info@chathamha.org if you have any questions.

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| **Household Size** | **1 Person** | **2 Person** | **3 Person** | **4 Person** | **5 Person** |
| Maximum Household Income |  $64,450 | $73,650 | $82,850 | $92,050 | $99,450 |

 **Q & A’s**

###### Who is eligible to participate?

A first-time homebuyer, as defined below, who is income and asset eligible and can **NOT** be pre-approved for a mortgage that complies with Affordable Housing Program Standards for New Mortgage Loans is eligible to apply.

###### Do I qualify as a first-time homebuyer?

###### Applicants are considered “first-time homebuyer” if any of the following are true:

###### You have not had residential ownership interest in a residential property in the last 3 years.

###### You are a displaced homemaker – 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 your partner.

###### You are a single parent, unmarried or legally separated from your spouse/partner with sole or joint custody of one or more children or are pregnant and have owned or resided in a home with your partner.

###### You owned or currently own a principal residence not permanently affixed to a permanent foundation.

###### You 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.

###### You have at least one household member who is age 55 or older.

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###### 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 Department of Housing and Urban Development. In order to be income eligible, your anticipated total 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 the chart ABOVE.

###### 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.

###### Is there a minimum Annual Household Gross Income?

###### The rent cannot exceed 30% of your Annual Household Gross Income. This means in order to qualify; a family must make a minimum of $72,000. (See maximum incomes based on household size above)

###### What is the asset limit?

The asset limit is **$75,000** per household. (Lists of assets available upon request)

###### What documentation do I need to submit with my application?

Documentation of your income and assets.

###### 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:

* At least one person, and no more than two people per bedroom
* Married or unmarried couples must share a bedroom (Chatham Housing Authority has the authority to increase the number of bedrooms required if there is a medical necessity for someone to have a separate bedroom).
* Families that do not maximize bedrooms may still apply. If there are no families that fill the bedrooms, we will them include smaller families.

###### What is an Alternate?

All lottery numbers that belong in each pool will be drawn and they will be recorded in order. Numbers chosen after the winning number has been drawn will be placed on an “Alternate’ list. Applicants on this list are notified in the event a potential renter is unable to participate.

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

A complete Application Packet includes the application form and required documentation. Chatham Housing Authority reviews this information to determine eligibility to participate in the lottery. If eligible, applicants will receive notice that they have qualified and when and where the lottery drawing will be. The number of applications received by the Chatham Housing authority will determine how long this process will take.

**Once I am in the Program what will be required of me?**

There will be an annual review with the Housing Authority to assess where you are financially and confirm that you are making progress towards being able to get a mortgage.

You will also be required to complete the First Time Homebuyer’s course by the end of your first year in the house.

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#### THE FOLLOWING DOCUMENTATION IS NEEDED TO APPLY

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

1. **Five most recent, consecutive pay stub copies** for all working members of the household, 18

 years and older.

1. **Verification of Employment Form** from all employers for all working members of the household,

 18 years and older.

1. **Verification of child support** (Copy of child support order, divorce decree, etc.)
2. **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)**

1. **Savings account statements.** Submit the 3 most recent bank statement **copies** (Savings).

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#####  **Checking account statements.** Submit the 6 most recent bank statement **copies** (Checking).

#####  **Federal Tax Returns (1040)** Copiesof **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, please call **800-829-1040** and ask for a print-out that there is no tax return for that (those) year(s).

1. **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 cars or furniture. **(Copies only).** Detailed list supplied upon request.
2. **\_\_\_\_\_Denial letter from a bank in accordance with LIP guidelines**
3. **\_\_\_\_\_ Copy of most recent credit report**
4. **\_\_\_\_\_ Signed General Release of Information for every adult member of the household**
5. **.\_\_\_\_\_ Signed CORI Acknowledgement Form for every adult member of the household**

#### 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.

#####  **A notarized statement** reflecting your earnings and expenses, to date for the current year. For example, if you are a housecleaner, landscaper, painter, etc. provide a statement that includes date, and address of jobs, names of people you worked for and the amount you were paid. Also include a list of all your expenses. When you subtract your total expenses from your total earnings, the resulting figure will be your income to date.

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