



**TOWN of FRANKLIN**  
MASSACHUSETTS

## Affordable Property Resale Information Sheet

In order to be income-eligible to purchase a unit through a Town of Franklin resale opportunity, a household's gross annual income must be within the guidelines listed below, adjusted for household size.

2026 Income and Asset Limits					
No. of persons in household:	1 Person	2 Persons	3 Persons	4 Persons	5 Persons
80% Area Median Income:	\$92,650	\$105,850	\$119,100	\$132,300	\$142,900
Asset Limit: \$75,000 55+ AND purchasing 55+ unit: \$275,000					

### General

- As a deed-restricted unit, a deed rider will be filed along with the unit deed and mortgage at the time of purchase. This means the price at which a unit is re-sold will be restricted in perpetuity (forever). Subsequent owners must be income-eligible, first-time homebuyers. You can expect a small modest increase in the resale price; however, these units are not market rate units and are not valued as such. The price does not increase by a set percentage every year. If selected, you are highly encouraged to have an attorney review the deed rider to help ensure you understand the restrictions fully.
- As a deed-restricted unit, you must obtain the prior written consent of the Executive Office of Housing and Livable Communities (EOHLC) and the Town of Franklin, collectively the "Monitoring Agents," before you do any of the following:
  - Rent your LIP home;
  - Refinance an existing mortgage or add any other mortgage including a home equity loan; or
  - Make any Capital Improvements (for example, a new roof or a new septic system) if you wish to get credit for those costs (at a discounted rate) when you sell your home.
  - Before taking any action, please contact EOHLC for instructions on renting, mortgaging, or making capital improvements to your home. If you do not obtain the required consent from the Monitoring Agents, you can be required to pay all of the rents or proceeds from the transaction to the Town of Franklin.
- Preference will be given to households that require the available bedrooms. For instance, preference for a 2 bedroom home would be given to a 3 person household. Preferences include: there being at least 1 person per bedroom. A husband and wife or similar arrangement are required to share a bedroom. Other occupants may share, but are not required to do so. A person shall not be required to share a bedroom if a consequence of sharing would result in a severe adverse impact on their mental or physical health and medical proof is submitted. A household may count an unborn child if proof of pregnancy is submitted.
- Individuals, or members of their family, with a financial interest in the development are not eligible.

- Applicants will not be discriminated against on the basis of race, color, national origin, disability, age, ancestry, children, familial status, genetic information, marital status, public assistance receipt, religion, sexual orientation, gender identity, veteran/military status, or any other basis prohibited by law. An applicant who believes that they have been discriminated against in the buyer selection and sales process may contact: the Massachusetts Commission Against Discrimination; and/or the United States Department of Housing and Urban Development.
- Disabled persons are entitled to request reasonable accommodation of rules, policies, or services, or reasonable modification of housing.

### **Pre-lottery Application Requirements for Pre-approvals:**

There are specific closing and financing requirements for loans on these units, which are listed below. We strongly encourage households to apply through banks who are aware of the resale restrictions and guidelines for affordable housing programs. These banks will likely have access to additional first-time homebuyer programs that may be of great assistance and increase your buying power such as the Massachusetts Housing Partnership's ONE Mortgage Program or MassHousing no-MI product.

- The loan must have a fixed interest rate through the full term of the mortgage, with a fair market interest rate.
- The interest rate must be locked in – not floating.
- The buyer must provide a down payment of at least 3%, 1.5% of which must come from the buyer's own funds.
- The loan can have no more than 2 points.
- The buyer may not pay more than 38% of their monthly income for monthly housing costs.
- Mortgage co-signers are not accepted, and loans from non-institutional lenders will not be accepted.

Applicants are required to submit as part of their application a **valid mortgage pre-approval letter**. This letter **must** include the following:

- Be for a 30-year-fixed-mortgage\* (360 months);
- Include an interest rate or interest range; and
- Be valid through the lottery date.

**Note:** Pre-qualification/pre-approval letters are only acceptable if the institution conducts a **hard credit check** and includes the above information. **\*Please note that VA & FHA loans will NOT accept the deed rider.**

Pre-qualification letters must be **subject to credit, employment and asset verifications**. If a pre-approval letter does not include the details described in this section, it will be deemed insufficient and your pre-lottery application will not be eligible to participate in the lottery.

### **Eligibility Restrictions**

- Cannot own a home or interest in a home in the USA or abroad
- Minimum household size – 1 person per bedroom/sleeping area
- Maximum household size – Massachusetts State Sanitary code's guidelines on square footage requirements
- Maximum gross annual income limits
- Maximum asset limit

### **Definitions**

#### **Household**

- A "household" includes all persons who will reside in an apartment. A household includes babies, children, teenagers, and adults, regardless of their ability to earn or receive income.
- Applicants may not submit multiple applications as a member of multiple households.
- Minors under shared custody are considered household members if they live with the applicant at least 50% of the year. Adult dependents attending college as full-time students are considered household members.

- Legally married couples shall both be considered part of the household, even if separated. However, in situations where a household member is legally married to a spouse absent from the household (whether or not officially divorced or separated) and the absent spouse will not be moving into the affordable home, the applicant must provide current verification: (1) if divorced, a copy of a divorce decree; (2) if not divorced, a copy of a separation agreement; (3) if the applicant does not have the documentation in #1 or #2, documentation of residing in separate addresses (such as copies of leases). Where no such documentation exists of residing at separate addresses, a notarized affidavit from the parties (or party in the event it is not safe or possible for both parties to do so) that they are separating and will be residing at separate addresses as of a certain date. Without any of the above verification, the ex-spouse will be considered part of the household, and their income and assets will be counted in determining income eligibility, even if they do not plan on residing there.

## Income

- Income is all amounts received by all household members, even if the family member is temporarily absent.
- All amounts counted towards your income total for the program are pre-tax and pre-deduction.
- When filling out your application, income includes all amounts anticipated within the upcoming 12 months.

Examples of income include **but are not limited to:**

- Earnings from a job or self-employment (including earnings from one-time events/gigs)
- Self-employed household members (ride-share drivers, artists/musicians, business owners, etc.) should indicate their expected net income for the upcoming 12 months on the application.
- Childcare
- Fundraising Campaigns (GoFundMe, etc.)
- Unemployment Benefits
- Pensions / Social Security / SSI
- Disability Benefits (eg. SSP)
- Informal or formal Child Support
- Recurring monetary gifts or assistance from family/friends
- Starting or closing of businesses

Examples of anticipated income changes include **but are not limited to:**

- Seasonal work
- Changes in work hours
- Raises/ bonuses
- Overtime pay
- Cost of living adjustments (COLA)
- Commissions
- Gain or loss of employment or income source
- Gain or loss of clients

## Assets

**All assets for all household members must be disclosed in the pre-lottery application, including restricted accounts and joint accounts with non-household members.** Examples of assets include **but are not limited to:**

- Saving/checking accounts
- CDs
- Mutual funds
- Investment accounts
- Retirement accounts (IRA, 401K, 457B, 403B)
- Stocks or bonds
- Digital currency (Bitcoin, etc.)
- Payment apps (Venmo, Paypal, Square, etc.)
- Whole Life insurance
- Community funds
- Fundraising campaign platforms (GoFundMe, etc.)
- Cash on hand
- Real estate
- Any investments held abroad

**Failure to disclose all current or anticipated income and assets may result in a determination of ineligibility.**

## First-Time Homebuyers

Applicants must be first-time homebuyers. A person shall be considered a first-time homebuyer if no person in his or her household has, within the preceding three (3) years, owned a home or owned an interest in a home through joint ownership in the USA or abroad. Exceptions may be made in the following five (5) instances ONLY:

1. A displaced homemaker: A displaced homemaker is an individual who is an adult meeting ALL criteria:
  - a. Has not worked full-time, 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;
  - b. Owned a home with his or her partner or resided in a home owned by the partner; AND
  - c. Is unmarried to or legally separated from the spouse.

*Displaced homemakers who co-own their current home will not be given the opportunity to purchase an affordable unit until their current home is under a Purchase & Sale Agreement (P&S).*

2. A single parent, where the individual owned a home with his or her partner or resided in a home owned by the partner and is a single parent (is unmarried or legally separated from a spouse and either has 1 or more children of whom they have custody, or joint custody, or is pregnant).
3. 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 unit.

*However, age-qualified households will not be given the opportunity to purchase an affordable unit until that home for sale is under a P&S.*

4. A household that owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations.

All potential buyers are encouraged to attend a First Time Homebuyer Class prior to closing. Organizations offering these classes can be found at [www.chapa.org](http://www.chapa.org).

### **Submitting a Complete Application**

It is the applicant's responsibility to provide a complete application. **ONLY complete applications are included in the lottery.** Town of Franklin staff may review applications for completion and provide assistance, however, applications that are submitted within three days of the application deadline may not be reviewed or have an opportunity to update the application. Correspondence will be via email if the household has an email address or via regular mail if the household does not have an email address. *Complete applications include:*

1. An application completely filled in and signed on the last page by all household members 18 and older. Do not leave any parts blank; if a question does not apply, put N/A for "not applicable."
2. Current Mortgage Pre-Approval/Qualification/Credit Approval letter valid through the date of the lottery including an interest rate or interest rate range for a 30-year fixed mortgage covering the cost of the home.
3. Household disclosed all assets and anticipated income (and changes) for the next 12 months.
4. The applicant's name, email and phone number must be printed and legible.

*All parts of the application must be submitted together to be complete. Incomplete applications are not accepted. Applications that **do not** include the above requirements will not be included in the lottery.*

### **Lottery Information**

The lottery will be held live at Town Hall and can be viewed in person or virtually on Zoom. All participating applicants will receive unique identifiers and information on how to join the virtual lottery. Attendance at the lottery is not required. All unique identifiers will be called in the order in which they are drawn and placed on a lottery list.

**Once the tickets have been randomly drawn and listed in the drawn order, the applicants are then ranked based on household size preference for the unit. The top ranked household needing at least the number of bedrooms in the unit will be offered the opportunity to purchase the unit.**

The first ranked household will be contacted by staff the day after the lottery to initiate an income certification. This household will have five (5) business days to submit the requested documentation. If the complete requested documentation is not submitted within the time frame the household will be deemed ineligible and staff will contact the next household on the list to initiate income certification.

The next four households will also be contacted to allow them ample time to collect their own income certification documents in the event households higher on the list are ineligible or do not follow through on purchase. **Staff reserves the right to request additional income and asset documentation as necessary to complete an income certification.**

**Income Certification- for all household members 18+**

**DO NOT SUBMIT INCOME & ASSET DOCUMENTATION WITH YOUR PRE-LOTTERY APPLICATION. Income assets and tax returns are only required if a household is selected in the lottery. The following list is provided to assist applicants in preparing for submission should they be selected in the lottery.**

- The most recent three years SIGNED Federal Tax Returns, or IRS letter of non-filing- all pages – do not send State Tax Returns
- Five consecutive most recent pay stubs indicating year to date income
- Three years of W-2's and 1099 Forms
- Three most current statements for all bank accounts, brokerage accounts, retirement accounts, Venmo/Paypal etc. – all pages
- Asset Information Sheet and Income Worksheet and supporting documentation
- Other income documentation (child support, pensions, Social Security benefits, etc.)
- A photo ID (license, passport, or equivalent)
- An explanation of deposits for all unclear deposits into asset accounts explaining the source and nature of each deposit, if applicable.
- An explanation detailing reasons if one or more of the preceding documents cannot be submitted. Staff reserves the right to accept or reject such explanations.

*Other documents may also be requested by the Town at the time of the income certification.*

**DO NOT SUBMIT INCOME & ASSET DOCUMENTATION WITH YOUR PRE-LOTTERY APPLICATION. Income assets and tax returns are only required if a household is selected in the lottery.**

Important Dates	
Application Release Date	
Open House Date	
Application Deadline	
Late, incomplete, or applications submitted in piecemeal, will not be entered into the lottery. Applications sent to other emails or faxes will not be accepted.	
Lottery Date	

**Households selected in the lottery will complete an income certification packet and will submit necessary income, asset, and tax documentation to verify income eligibility.**

**Please keep this information packet as you may have questions moving forward.**

**THE INFORMATION PACKET ENDS HERE**