



CITY OF
EVERETT

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Mayor

CITY OF EVERETT FIRST -TIME HOMEBUYER DOWN PAYMENT ASSISTANCE PROGRAM



Department of Planning & Community Development
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First-Time Homebuyer Down Payment Assistance Program Guidelines

Purpose: The **First-Time Homebuyer Assistance Program** aims to provide financial assistance to eligible individuals and families in Everett, helping them overcome financial barriers to homeownership. The program focuses on providing down payment assistance to make purchasing a home more accessible for income eligible buyers.

Assistance provided: The program offers up to **\$20,000** in assistance to eligible applicants. The assistance is provided in a first-come, first-served basis based on the date and time of the receipt of completed application.

Repayment: The assistance is structured as a fully **forgivable loan if conditions are met**. The loan is forgiven over a five-year period, with 20% of the loan forgiven each year. Pro-rated loan repayment is required **only** if the homeowner sells, **refinances with the purpose of obtaining equity**, transfers title to the property, or if the home no longer serves as the owner's primary residence.

Eligible properties: This program is available only for properties located within the **City of Everett**. Eligible properties include: **Single-family homes, Condominiums, 2-4 family homes**, provided the non-owner-occupied units are rented below market rates in accordance with state guidelines.

Applications are available at: - City of Everett, Office of Planning and Development, Room 25 Everett MA 02149 Everett Public Libraries, - online at [Planning & Development - Everett, MA - Official Website \(cityofeverett.com\)](https://www.cityofeverett.com/planning-development).

Eligibility Requirements

1. **First-Time Homebuyer Status:** The program uses the definition from HUD of a "first-time home buyer"¹ Neither applicant nor his/her spouse can have a deeded interest in any property in the past three years;
2. **Income Limits:** Household income must fall between 60% and 100% of the Area Median Income (AMI). Refer to the latest income limits provided by HUD below.

In the context of this application, the term "**household**" refers to a collective of individuals who plan to reside together as a family or cohesive unit in the property they intend to purchase. Individuals, who the applicants currently share a property with, but who will not reside in the intended property purchase, such as roommates, should not be included in the household size.

2023 Inclusionary Ownership Income Limits (Effective 6/15/23)

Household size	1	2	3	4	5	6
60% income limit	\$62,340.00	\$71,280.00	\$80,160.00	\$89,040.00	\$96,180.00	\$103,320.00
80% income limit	\$82,950.00	\$94,800.00	\$106,650.00	\$118,450.00	\$127,950.00	\$137,450.00
100% income limit	\$107,600.00	\$122,950.00	\$138,300.00	\$153,650.00	\$165,950.00	\$178,250.00

All income sources for household members must be verified. This includes wages, child support, pensions, and other forms of income. For child support income verification, contact the Child Support Customer Service Bureau at 1-800-332-2733 for an information letter.

3. **Primary Residence:** The home purchased must be the applicant/s primary residence. Applicant/s must be the owner/s of the property after purchase.

¹ U.S. Department of Housing and Urban Development. Section 3-02: **HUD HOC Reference Guide** HUD, <https://archives.hud.gov/offices/hsg/sfh/ref/sfhp3-02.cfm>. Accessed 10/17/2024].

4. **Liquid Assets:** The total household liquid assets must not exceed \$75,000.
 - **Definition of Liquid Asset for this program:** Funds that can easily converted into cash without penalties, includes cash, bank accounts (savings, checking, certificates of deposit), stocks, bonds, and gifted funds.) For checking account balances, the 3-month average balance will be used for calculations.
 - **Excluded Assets:** Includes government-approved college savings plans, down payment assistance or closing costs received from other sources with the purpose of buying this property, 403(b), 401(k), IRA, 457(b), and pension funds.
5. **Everett Residency.** The Applicant must be an Everett Resident, and/or work for the City of Everett (City of Everett Public Schools, Everett Fire Department, Everett City Police Department, City Hall, Public Libraries, Department of Public Works etc.)
6. **Mortgage Approval:** Applicant/s must qualify for a conventional or government sponsored fixed interest rate mortgage with a lender of their choice The applicant's primary mortgage lender must agree to fund the DPA amount at closing.
7. **First-Time Homebuyer Certification:** The Applicant **or** the Co-applicant must attend and complete a First-Time Homebuyer counseling workshop offered by a certified organizations or agency. For a list of organizations that provide homebuyer classes check: [Workshop Calendar | My Mass Home](#)
8. **Social Security Number:** Both the applicant and co-applicant must have valid Social Security numbers.
9. **Inspection Requirement:** The applicant and the buyer must agree to a third-party inspection conducted at least 10 days before closing. There will be no associated costs to the buyer or seller for the inspection service. The home intended to be purchased must be in compliance with State and local building, zoning, and health and safety codes and ordinances.
10. **Lead Paint Compliance:** Homes built before 1978 are subject to federal lead-based paint regulations. Applicants must sign an acknowledgment form stating they understand the risks of lead-based paint exposure, especially for pregnant women and children under 6 years old.

Required Documentation

In order to properly process the application, the following documents must be provided to the City of Everett at time of application submission. **Additional materials may be requested as determined by the City of Everett in order to verify information.**

Step 1: Please provide the following documents:

1. **Completed and Signed Application** (from both the applicant and co-applicant).
2. **Mortgage Pre-Approval** from a lender.
3. **First-Time Homebuyer Counseling Certificate** (issued within the past 2 years).
4. **Proof of Everett Residency** (Massachusetts ID/Driver's License or a utility bill).
5. **Bank Statements:** Provide the last three months' statements for all accounts, including savings, checking, CDs, stocks, bonds, and gifted funds.
6. **Income Verification:** Provide pay stubs for the last two months for all household members aged 18 or older. **Income for all family members must be counted and verified.** If a child in your household receives child support, it must be reported. For child support income verification, contact the Child Support Customer Service Bureau at 1-800-332-2733 for an information letter. If self-employed provide Year-to-Date Profit& Loss Statement from accountant.
7. **Affidavit of no income (if needed).**
8. **Tax Returns:** Submit signed **copies** of federal tax returns for the last two years. If you need a copy of the tax return visit the **IRS, Get Transcript** website: <https://www.irs.gov/individuals/get-transcript> or you can also request a transcript be mailed to you by calling our automated phone transcript service at [800-908-9946](tel:800-908-9946).
9. **Credit Report:** Provide a current credit report for each household member aged 18 or older.

Please allow 15-20 business days for processing after submitting the **complete application and all supporting documents listed in Step 1**. You will be notified by mail and email once it is determined whether your household qualifies by receiving a Preliminary Eligibility Letter.

The Preliminary Eligibility Certificate is valid for 6 months. A closing must occur within this six-month period.

If the closing does not take place within six months, the applicant may reapply by submitting a new application and supporting documentation.

Once your household receives a Preliminary Eligibility Letter and has an accepted Offer to Purchase from the seller, please submit the remaining documents outlined in Step 2.

Step 2

It is the Applicant’s responsibility to provide the Lender’s, the Realtor’s and the Attorney’s contact information, to prepare and send the required documentation in timely manner to the: City of Everett, Planning & Community Development Department, 484 Broadway, Everett MA 02149 or email: Everett.FTHB@ci.everett.ma.us.

The Buyer provides	The Lender provides
<ul style="list-style-type: none"> • Purchase and Sales Agreement 	<ul style="list-style-type: none"> • Bank V.O.E (Verification of Employment) • Bank Credit Report • Mortgage Application • Mortgage Commitment Letter • Property Appraisal • Underwriter’s Worksheet or Form 1008, or Transmittal Summary • Loan estimate detailing the principal, interest, taxes, and insurance (PITI).

Step 3- Home Inspection

A third-party inspection must be conducted at least 10 days before closing. The city staff will notify the inspector that an inspection is required, and will provide the applicant’s contact information to arrange the inspection. After the inspection, the inspector must submit a copy to the City of Everett Planning Department within three business days. The home intended to be purchased must be in compliance with State and local building, zoning, and health and safety codes and ordinances.

Step 4: Review of Final Documents

Upon receipt of the complete application, the Planning Department staff will review and verify the applicant’s eligibility. If eligible, the applicant will be issued a final commitment letter.

Step 5: Final Approval

The City of Everett Planning Department staff will forward the closing documents to the closing attorney, to be signed by the buyer at the closing as well as detailed closing instructions.

Step 5: Closing

The homebuyer(s) will sign all required Program grant documents at the mortgage closing. Lender must send the Closing Disclosure and Loan Commitment Letter to the City of Everett, Department of Planning and Community Development. The closing attorney and/or lender is to provide the City of Everett with the recorded promissory note.

Step 6: Congratulations on your new Home!



CITY OF EVERETT FIRST -TIME HOMEBUYER DOWN PAYMENT ASSISTANCE APPLICATION

	Applicant	Co-Applicant
Name: First/ MI/ Last		
Current Address:		
Date of birth:		
Social Security		
Phone Number		
Email:		
Are you a U.S Citizen? Please write yes/ no. (If no, please attach proof of permanent residency)		
Are you a first - time homebuyer?		
Do you own or have a financial interest in any other real estate or business?		
Have you participated in a certified homebuyer counseling program within the last 24 months		
Are you applying as a first-time home buyer working for the City of Everett Public Schools /Everett Fire Department, /Everett City Police Department, /City Hall/ City Librarians?		

Household Composition

Please list all persons who intend to reside in the property.

Household Member Name	Relationship to Applicant	Age

Employment Information

All income must be listed for all household members **over the age of 18**. **If an individual has more than one income, please include each as a separate entry.**

	Applicant	Co-Applicant	Member over 18	Member over 18
Employer 1 Name:				
Job position 1:				
Address:				
Employer contact info				
Length of employment				
Monthly gross Salary:				
	\$	\$	\$	\$

	Applicant	Co-Applicant	Member over 18	Member over 18
Employer 2 Name:				
Job position 2:				
Address:				
Employer contact info				
Length of employment				
Monthly gross Salary:				
	\$	\$	\$	\$

Annual Household Income

Please list all people’s income who intend to reside in the property (including the applicant and co-applicant). All income must be listed for all household members. Types of income to be included: gross wages, salaries, overtime, fees, tips, and bonuses from all jobs, net income from business, interest and dividends, social security income (if applicable), SSI Disability, annuities, pensions, welfare assistance, alimony, child support and all regular and special pay through the Armed Forces.

Household Member Name	Source of Income	Annual Income

	Total annual household income	\$

If the buyer's anticipated income differs from the information listed above, please explain:

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Note: If income is less stable, up to 6 months of documentation may be required.

Zero Income Disclosure

Please complete the information if it applies to any household member over the age of 18. If it does not apply to your household, please write N/A below.

Household member over the age of 18: _____

1. I hereby certify that I **do not individually receive income** from any of the following sources:

- Wages from employment (including commissions, tips, bonuses, fees, etc.).
- Income from operation of a business.
- Rental income from real or personal property.
- Interest or dividends from assets. Social Security payments, annuities, insurance policies, retirement funds, pensions or death benefits.
- Unemployment or disability payments.
- Public assistance payments. Periodic allowances such as alimony, child support or gifts received from persons living in my household.

2. I currently have no income of any kind and there is no imminent change expected in my financial status or employment status during the next 12 months.

Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge.

The undersigned further understands that providing false representation herein constitutes an act of fraud. False, misleading or incomplete information may result in the cancelation of assistance from through the City of Everett First Time Homebuyer Down Payment Assistance Program.

Household Member/ Applicant printed Name:

Date:

Assets Information

Attach proof of liquid assets (bank statements for the last three months' statements for all accounts, including savings, checking, CDs, stocks, bonds, and gifted funds).

Name on the Account	Financial Institution	Type of Asset	Balance

Total Liquid Assets:

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

The Purchaser(s) has/have reviewed and understand the information.

Applicant: _____ **Date:** _____

Co-Applicant: _____ **Date:** _____

Agreement to Inspection and Compliance Requirements

By signing below, the applicant and buyer agree to the following conditions:

A third-party inspection will be conducted at least 10 days before closing. There will be no financial cost to the buyer or seller for the inspection service. The property intended for purchase must comply with all State and local building, zoning, and health and safety codes and ordinances.

Applicant's Signature: _____ **Date:** _____

Co-Applicant's Signature: _____ **Date:** _____

Privacy Notice

As a result of your request and/or receipt of financial assistance through “The City of Everett First -Time Homebuyer Program”, the City of Everett is requiring the collection of this information to determine your eligibility for assistance through the program to verify the accuracy of the information you provide.

Please provide the contact information for your Realtor, Mortgage Lender, and Closing Attorney. By submitting this information, you consent to the discussion of your application and any related details with the individuals listed below.

<u>1.Realtor</u>
Name:
Email Address:
Telephone:
<u>2.Mortgage Lender</u>
Name:
Email Address:
Telephone:
<u>3.Closing Attorney</u>
Name:
Email Address:
Telephone:

If you wish to allow City of Everett staff to discuss your application with another party, you must list the individual that you wish to allow access to your information below. By listing the individual below and signing this application, you are authorizing The City of Everett staff to discuss your case with this individual.

Name: _____ **Relationship:** _____ **Telephone #:** _____

Applicant: _____ **Date:** _____

Co-Applicant: _____ **Date:** _____

Conflict of interest requirements

The following conflict of interest provisions apply to the Program. In accordance with Code of Federal Regulations, Title 24, Section 570.611 Conflict of interest: The conflict-of-interest provisions of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or of sub-recipients that are receiving funds under this part.

Exception to the above conflict of interest provision: Program grant funds may be provided to regular City employees who do not exercise policy or decision-making responsibilities over the Program.

Nondiscrimination requirements: The Program will be implemented in ways consistent with the City’s commitment to nondiscrimination. No person shall be excluded from participation in, denied the benefit of, or be subject to discrimination under any program or activity funded in whole or in part with Federal funds on the basis of

his or her religion or religious affiliation, age, race, color, creed, gender, sexual orientation, marital status, familial status (children), physical or mental disability, national origin, or ancestry, or other arbitrary cause.

The City of Everett may make amendments to these Guidelines from time to time. Any changes shall be made in accordance with the EOHLIC approval and will be update in the official City of Everett website.

Acknowledgment and Agreement

The applicant(s) certifies that all information provided in this application is true to the best of his/her knowledge and belief and no information has been excluded, which might reasonably affect a judgment regarding the applicant’s eligibility. Signing this application will give the City of Everett’s Planning & Development Office the right to obtain verification from any sourced named herein.

ALL HOUSEHOLD MEMBERS OVER THE AGE OF 18 MUST SIGN BELOW: PENALTY FOR FALSE OR FRAUDULENT STATEMENT U.S.C. TITLE 18, SECTION 1001, PROVIDES: “Whoever, in any matter, within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statements or entry, shall be fined not more than \$10,000 or imprisoned not more than five (5) years or both.”

Applicant’s Signature: _____ **Date:** _____
Co-Applicant’s Signature: _____ **Date:** _____
Household member over the age of 18 Signature: _____ **Date:** _____
Household member over the age of 18 Signature: _____ **Date:** _____

For Office use only

Received by:

Date & Time:

