

HomeBridge

Financial Assistance for First-Time Homebuyers

www.cambridgema.gov/homebridge

What is HomeBridge?

The City of Cambridge Community Development Department's Housing Division administers HomeBridge, a program that provides funding for income-eligible first-time homebuyers to purchase a home on the open market. Within price limits set by the Housing Division, eligible buyers can receive up to 50% of the purchase price for a three-bedroom unit, 45% for a two-bedroom, and 40% for a one-bedroom unit from the City.

How does HomeBridge work?

Approved applicants receive a pre-approval letter from the City stating the amount of funding they are eligible to receive. This can be combined with a mortgage pre-approval to use when making offers on market units for sale in the city.

Applicants are responsible for finding a unit in Cambridge that meets that meets their needs and the program's requirements (described on page 2).

Household Size	Minimum Income <i>(60% of AMI)</i>	Maximum Income <i>(100% of AMI)</i>
1-Person	\$53,750	\$83,300
2-Person	\$61,450	\$95,200
3- Person	\$69,100	\$107,100
4- Person	\$76,750	\$119,000
5- Person	\$82,900	\$128,500
6- Person	\$89,050	\$138,050

HomeBridge funds are not a loan; they do not need to be repaid. HomeBridge buyers enter into a permanent affordable housing restriction that includes residency, resale, and limited equity provisions.

How do I qualify?

In order to qualify, applicants must:

- Be a First-time Homebuyer.
- Complete a CHAPA-certified First-Time Homebuyer workshop prior to purchase.
- Meet income eligibility requirements with a household income of at least 60% and no more than 100% Area Median Income (AMI).
- Be a current Cambridge resident; or be a non-Cambridge resident with least one household member employed in Cambridge full-time (as defined on page 3).
- Purchase a single-family home or condominium in the city that has been approved by Housing Division staff and is within the current maximum price limits; units larger than one bedroom must be deleted.
- Obtain a conventional fixed-rate mortgage from a bank with a combined monthly housing payment (mortgage, condo fee, taxes and insurance) that is no less than 25 percent and no more than 33 percent of gross monthly income.
- Reside in the purchased property as their only residence.

- Demonstrate access to sufficient liquid assets to cover the down payment and closing costs. Typical first-time homebuyer mortgage products require a 3% down payment.
- Agree to the City's Affordable Housing Covenant, which includes resale, limited equity and residency restrictions.

HomeBridge Price Limits and Percent of Assistance

HomeBridge serves to reduce (or "buy down") the cost of a property purchased on the open market in Cambridge. The assistance is based on a percentage of the purchase price, up to a set price limit. The maximum program price limit is based on the size unit for which a household is eligible. Prices are calculated annually, based on the median sales price for typical units based on square footage.

HomeBridge provides 50% of the purchase price for a three-bedroom unit; 45% for a two-bedroom; and 40% for a one-bedroom unit. Not all applicants are eligible to purchase at the maximum price. Each applicant's maximum purchase price will be determined based on household income and maximum mortgage price, but may not exceed the program maximum for unit size.

Occupancy Standards

Unit size eligibility is based on having at least one occupant per bedroom, with the exception of married persons or domestic partners, who are expected to share a bedroom. Up to two children of the same sex may choose to share a bedroom. Families may choose to under house themselves by having children of the opposite sex share a bedroom.

For example, an eligible household of one person is only eligible to purchase a unit up to the maximum one-bedroom price. An eligible family of one parent and one child is eligible to purchase up to the two-bedroom limit. However, a family with one parent and two children would be approved to purchase either a two- or a three-bedroom unit. Each unit type must be within the maximum price; a household approved for either a two- or a three-bedroom may not purchase a two-bedroom for more than the two-bedroom maximum.

Eligible applicants may purchase a larger unit as long as it is within their approved price limit. For example, a single person may purchase a two-bedroom unit as long as it is priced within their approved one-bedroom limit.

Financial Eligibility Requirements

Participants must finance the unit with mortgage financing within a range determined by the City based on each applicant's income. A mortgage preapproval is required to demonstrate that the applicant can secure the required financing. Applicants must also demonstrate that they have sufficient liquid assets for the required down payment. Participants must also contribute all liquid assets above the \$40,000 in liquid assets.

City of Cambridge Resale and Primary Residence Restrictions

Buyers participating in this program enter into an Affordable Housing Covenant and Mortgage with the City. These documents outline the terms and conditions of the City assistance, which include the requirement that the unit is the owner's only residence, the City's right to re-purchase, and the method of calculating the future resale price. Buyers must occupy the property as their only residence.

I'm a resale pool applicant. Do I need to submit a separate application for HomeBridge?

Applicants that have already applied for the Homeownership Resale Pool *and* would also like to be considered for HomeBridge do not need to complete this application. However, Resale Pool applicants must provide the following documents to be reviewed for HomeBridge:

- A copy of a consumer credit report issued within the previous sixty (60) days for all applicants to be listed on the deed and mortgage.
- A pre-approval from a bank for a 30-year fixed rate mortgage. The pre-approval must be dated no more than sixty (60) days prior to the submission.
- Updated Income and Asset documents:
 - **One month of paystubs** for all household employment income (4 most recent paystubs for weekly payrolls; 2 paystubs for bi-weekly or semi-monthly payrolls, etc.)
 - Submit **three months' worth** of the most recent statements for all bank accounts for all members of the household. Include all Checking, Savings, Money Market, and Investment accounts. Provide the most recent quarterly statement for Retirement funds (i.e. 401K, 403B, 457 plans).

Required Documentation & Household Information to Submit with Application

Cambridge Residency. If you are currently living in Cambridge, please provide evidence of residency from **two** of the following options (additional documentation may be requested):

- Rental lease signed and dated within the last year in your name
- Utility bill in the applicant's name: original gas, electric, phone, cable. *We will need to see the entire bill before payment and it must be dated within thirty days.*
- Car registration or driver's license with your current address that is listed on application.
- Current school registration record with current address

Cambridge Employment. If you are not a current Cambridge resident, you are eligible to apply for HomeBridge if at least one adult family member works full time in Cambridge. This is defined as the following:

- Employment of at least 30 hours per week average over the course of one year. Seasonal employment must average to 30 hours per week for a full year to be considered full-time.
- The primary place of employment is fixed in Cambridge. This does not mean that all working hours are exclusively in Cambridge, but the primary physical work location requires the employee to be in Cambridge.

The following documentation must be submitted:

- Paystubs demonstrating an average of at least 30 hours per week of employment. You may use the paystubs requested for income documentation below.
- Verification of the location of employment in the form of an employer letter on company letterhead. **Additional documentation may be required.**
- Self-employed applicants will be reviewed on a case by case basis.

Employment Income. All employed household members must provide recent income documentation. Provide either:

- Four (4) most recent paystubs for weekly payrolls, two (2) paystubs for bi-weekly or semi-monthly payrolls
- Verification from your employer through the payroll department on company letterhead verifying your annual gross salary.

Self-Employment. If you are a self-employed household, you must provide the following information to be considered:

- A copy of **the last two years** of their Federal Income tax forms, all schedules (including Schedule C), and a statement of income expenses and all related tax documents to verify income information.

The Community Development Department reserves the right to request additional income verification.

Federal Tax Return Documentation. All household members must submit a copy of their most recent **federal tax return, including all W-2's and 1040's, 1099's** and all associated forms for each household member over the age of 18. If a household member is not listed on the federal tax return and has not submitted an individual tax return, provide an explanation and appropriate documentation.

Household Assets. Submit **three months' worth** of the most recent statements for all bank accounts for all members of the household. Include all Checking, Savings, Money Market, and Investment accounts. Provide the most recent quarterly statement for Retirement funds (i.e. 401K, 403B, 457 plans).

No Income Documentation. Any household member over 18 years of age who has no source of income (including no employment or financial benefits) must contact CDD for a "Statement of No Income" form and explanation of circumstances. Additional documentation may be requested.

Income from Other Sources. Complete this section (page 8) on the CDD application if applicable to your household.

Full time students. Any household member over 18 years of age who is a full-time student must provide documentation from the school describing enrollment status.

Social Security Card. Social Security cards must be provided for all household members. *Provide photocopies only.*

Birth Certificate. Birth certificates must be provided for all household members under 18 years of age. *Provide photocopies only.*

Credit Report. Submit a copy of a consumer credit report issued within the previous sixty (60) days for all applicants to be listed on the deed and mortgage.

Mortgage Preapproval Letter. Submit a pre-approval from a bank for a 30-year fixed rate mortgage. The pre-approval must be dated no more than sixty (60) days prior to the submission of the application.

Applications without a pre-approval will not be considered.

Complete application (pages 5- 10) with all required documentation. *Incomplete applications will not be considered.*

Mail or drop-off completed applications to:

Cambridge Community Development Department
344 Broadway, 3rd Floor
Cambridge, MA 02139

For more information, visit: www.cambridge.gov/HomeBridge

Household Members

Beginning with Head of household, list the legal names, birth dates, and relationship to head of household of each person who will reside in the unit.

Head of Household

<i>Name</i>	<i>Date of Birth (mo/day/yr)</i>	<i>Gender (F/M)</i>	<i>Relationship to Applicant</i>
<hr/>			
<i>Name</i>	<i>Date of Birth (mo/day/yr)</i>	<i>Gender (F/M)</i>	<i>Relationship to Applicant</i>
<hr/>			
<i>Name</i>	<i>Date of Birth (mo/day/yr)</i>	<i>Gender (F/M)</i>	<i>Relationship to Applicant</i>
<hr/>			
<i>Name</i>	<i>Date of Birth (mo/day/yr)</i>	<i>Gender (F/M)</i>	<i>Relationship to Applicant</i>
<hr/>			
<i>Name</i>	<i>Date of Birth (mo/day/yr)</i>	<i>Gender (F/M)</i>	<i>Relationship to Applicant</i>
<hr/>			
<i>Name</i>	<i>Date of Birth (mo/day/yr)</i>	<i>Gender (F/M)</i>	<i>Relationship to Applicant</i>
<hr/>			

Required Documentation: Social Security cards for all household members and birth certificates for all household members under 18.

Employment Information

List the current sources of all household income: This includes but not limited to, full and/or part-time employment.

<i>Household Member</i>	<i>Employer</i>	<i>Position Title</i>	<i>Gross Annual Income</i>	<i>Paid</i>	<i>Weekly</i>	<i>Bi-Weekly</i>	<i>Semi-monthly</i>	<i>Monthly</i>
			\$ _____	<input type="checkbox"/>				
<hr/>								
<i>Household Member</i>	<i>Employer</i>	<i>Position Title</i>	<i>Gross Annual Income</i>	<i>Paid</i>	<i>Weekly</i>	<i>Bi-Weekly</i>	<i>Semi-monthly</i>	<i>Monthly</i>
			\$ _____	<input type="checkbox"/>				
<hr/>								
<i>Household Member</i>	<i>Employer</i>	<i>Position Title</i>	<i>Gross Annual Income</i>	<i>Paid</i>	<i>Weekly</i>	<i>Bi-Weekly</i>	<i>Semi-monthly</i>	<i>Monthly</i>
			\$ _____	<input type="checkbox"/>				
<hr/>								
			\$ _____	<input type="checkbox"/>				

Required Documentation: Four (4) most recent paystubs for weekly payrolls or two (2) paystubs for bi-weekly payrolls, or verification from your employer through the payroll department on company stationery verifying your annual gross salary.

Self-employed applicants must provide us with copies of **two-years** of your most recent Federal Income tax forms and all related tax documents and all associated schedules (includes Schedule C) and a statement of income expenses, such as, Profit and Loss Statement (Schedule C) and all related tax documents to verify income information.

ASSETS

List all checking, savings, retirement, and stock accounts for all applicants

Checking	<u>\$</u>		Savings	<u>\$</u>	
<i>Institution</i>		<i>Current Balance</i>	<i>Institution</i>		<i>Current Balance</i>
	\$			\$	
<i>Institution</i>		<i>Current Balance</i>	<i>Institution</i>		<i>Current Balance</i>
	\$			\$	
<i>Institution</i>		<i>Current Balance</i>	<i>Institution</i>		<i>Current Balance</i>
	\$			\$	
<i>Institution</i>		<i>Current Balance</i>	<i>Institution</i>		<i>Current Balance</i>
	\$			\$	

Retirement	<u>\$</u>		Investment Account	<u>\$</u>	
<i>Institution</i>		<i>Current Balance</i>	<i>Institution</i>		<i>Current Balance</i>
	\$			\$	
<i>Institution</i>		<i>Current Balance</i>	<i>Institution</i>		<i>Current Balance</i>
	\$			\$	
<i>Institution</i>		<i>Current Balance</i>	<i>Institution</i>		<i>Current Balance</i>
	\$			\$	

Required Documentation: Attach three months' worth of your most recent financial statements for all account.

DEBT

List all loans (including car, personal, and student loans) and credit cards with outstanding balances.

Loans	<u>\$</u>	<u>\$</u>	Credit Card	<u>\$</u>	<u>\$</u>
<i>Lender</i>	<i>Balance</i>	<i>Monthly payment</i>	<i>Card Name</i>	<i>Balance</i>	<i>Monthly payment</i>
	\$	\$		\$	\$
<i>Lender</i>	<i>Balance</i>	<i>Monthly payment</i>	<i>Card Name</i>	<i>Balance</i>	<i>Monthly payment</i>
	\$	\$		\$	\$
<i>Lender</i>	<i>Balance</i>	<i>Monthly payment</i>	<i>Card Name</i>	<i>Balance</i>	<i>Monthly payment</i>
	\$	\$		\$	\$
<i>Lender</i>	<i>Balance</i>	<i>Monthly payment</i>	<i>Card Name</i>	<i>Balance</i>	<i>Monthly payment</i>
	\$	\$		\$	\$

Other	<u>\$</u>	<u>\$</u>	Other	<u>\$</u>	<u>\$</u>
<i>Lender</i>	<i>Balance</i>	<i>Monthly payment</i>	<i>Lender</i>	<i>Balance</i>	<i>Monthly payment</i>
	\$	\$		\$	\$
<i>Lender</i>	<i>Balance</i>	<i>Monthly payment</i>	<i>Lender</i>	<i>Balance</i>	<i>Monthly payment</i>
	\$	\$		\$	\$

Non-Employment Income Sources

Indicate if any household members receive income from sources other than employment

Retirement or Disability: _____ \$
Name of Recipient *Name of company* *Amount of monthly income*

Required Documentation: A letter from the source of retirement or disability income stating your benefits and how long you have been receiving them or a copy of your most recent check.

Child Support/Alimony \$ _____ Weekly Bi-Weekly Monthly

Amount Received *Payment(s)*

Required Documentation: A copy of most recent check(s) for one month's alimony/child support or a copy of the court order or a letter from your lawyer stating the amount received, frequency you receive payment, and the date you started receiving that amount.

Social Security Income: _____ \$
 Name of Recipient *Gross monthly income*

Required Documentation: A letter from Social Security stating your benefits or a copy of your most recent check or a bank statement.

Veterans Assistance: _____ \$
 Name of Recipient *Gross monthly income*

Required Documentation: A letter from Veteran's Administration stating your benefits or a copy of your most recent check or a bank statement.

Public Assistance: _____ \$
 Name of Recipient *Gross monthly income*

Required Documentation: A letter from the Public Assistance Office stating your benefits and how long you have been receiving them.

Unemployment: _____ \$
 Name of Recipient *Gross monthly income*

Required Documentation: Your most recent unemployment check stubs or a letter from unemployment stating amount of benefits and the date benefits began.

Interest/Dividend
 (in excess of \$100) _____ \$
 Name of Recipient *Source of Interest/Dividend* *Gross monthly income*

Required Documentation: A letter from the source of the income stating the amount of interest earned in the last twelve months.

Other: \$ _____ Weekly Bi-Weekly Monthly

Amount Received *Source of Income*

Required Documentation: Explanation of non-employment income.

If there are any unusual circumstances in your household, please document them in writing and submit with your application. (Examples of unusual circumstances include, but are not limited to part-year employment, adult household members without income or who are full-time students, dependents not on your tax forms).

Certifications

I/We certify, under penalty of perjury, all information on this application to the best of my/our knowledge is true. I/We understand that false information given is sufficient grounds for rejection of this application. Furthermore, verification may be obtained from any source herein.

Lead Paint Hazards

I/We, as prospective owners of property are aware of the hazards of lead paint that may affect the occupants of the property for which we are seeking assistance, specifically any child aged six or younger.

I/We understand that I/We may be required to eliminate the hazard should it pose a threat to the future inhabitants of the property pursuant to the requirements of the Massachusetts Lead Law.

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."

All persons whose names will appear on the deed when property purchased must sign here:

Signature: _____ Date: _____

Signature: _____ Date: _____

All persons whose names will appear on the deed when property purchased must sign here:

I _____, authorize the City of Cambridge and all designees to obtain information regarding my household's eligibility for housing or housing subsidy, income, present or former tenancies, and credit history, including court judgments and bankruptcies, from any parties having information, including any agency or housing authority managing any housing subsidy for which I am eligible. I authorize and release any parties from whom that information is requested to release it to the City of Cambridge and their employees.

Signature: _____ Date: _____

Signature: _____ Date: _____

Completed applications should be submitted to:

City of Cambridge, Community Development Department
344 Broadway, 3rd floor
Cambridge, MA 02139

Please note, we cannot accept applications via email or fax. Incomplete applications will not be considered. Photocopies of all required documents must be made prior to submittal.

Questions? Contact the Housing Division at 617-349-4622 or visit <http://www.cambridgema.gov/Homebridge>



The City of Cambridge Community Development Department does not discriminate on the basis of disability. The Department will provide auxiliary aids and services, written materials in alternative formats, and reasonable modifications in policies and procedures to persons with disabilities upon request.





HomeBridge Application Checklist

Please make sure that you have attached all of the required documentation along with your application.

Incomplete applications will not be considered.

- Fully completed and signed application
- Are you a Cambridge Resident? If yes, you must provide documentation to receive Cambridge Residency preference. Provide **two** (2) of the following:
 - Rental lease signed and dated within the last year, in your name
 - Utility bill in the applicant's name: original gas, electric, phone, cable.
 - Car registration or driver's license with your current address that is listed on application.
 - Current school registration record with current address.
- * Non-Cambridge residents do not need to provide these documents.*
- Signed copy of most recent Federal Tax Return with all associated schedules and W-2 forms
- One month worth of paystubs to document employment for all jobs held.
 - 4 pay stubs, if you are paid weekly.
 - 2 bi-weekly pay stubs, if you are paid every 2 weeks or twice a month.
 - 1 monthly pay stub, if you are paid monthly
- Are you self-employed? If so, provide a copy of the last two-years of Federal Income tax forms, all schedules (including Schedule C), and a statement of income expenses and all related tax documents to verify income information.
- If you have non-employment income sources, submit documentation to show receipt of the following (see page 8 for more information):
 - Retirement income
 - Disability income
 - Social Security income
 - Veteran's assistance
 - Public assistance
 - Unemployment benefits
 - Interest/Dividend income (in excess of \$100)
 - Child support
- Birth Certificate for all children under 18
- Social Security Cards for all household members
- Three months of current statements for all assets including:
 - Savings accounts
 - Checking accounts
 - Retirement accounts
 - Money Market accounts
 - Stocks and Investment holdings (one Quarterly statement is sufficient)
 - Other
- 'Statement of No Income' form for unemployed adults. Please call (617) 349-4622 to request form.
- Submit a copy of a consumer credit report issued within the previous sixty (60) days for all applicants to be listed on the deed and mortgage.
- Pre-approval letter from a bank for a 30-year fixed rate mortgage. The pre-approval must be dated no more than sixty (60) days prior to the submission of the application.