



Provincetown Housing Office



Down Payment & Closing Cost Assistance Program 2022/2023

Purpose: The Town of Provincetown, through its Affordable Housing Trust Fund & Community Preservation Fund, offers up to 10% of the sale price, capped at \$30,000 for each eligible buyer to put towards downpayment and closing costs for the purchase of an eligible affordable unit. It is intended to assist year-round residents qualifying at the CPA 100% AMI [Area Median Income] or less income level who can afford monthly mortgage payments yet do not have enough money to pay the initial home purchase downpayment and closing costs. The goal of the program is to increase homeownership among the low and moderate income households in the Town of Provincetown. This is a zero-percent (0%) interest, deferred forgivable loan program, subject to repayment as described below.

Eligibility:

- Available to qualified applicants earning up to 100% AMI [total household income; see below]
- The property must be the homeowner's principal year round residence; not a second home
- Purchaser must be first-time homebuyer defined as someone who has not owned a home in the past three years, some exceptions.
- First Time Homebuyer Workshop: purchaser must provide certificate from an approved Homebuyer Education Workshop Series [*may waive for delayed participation due to COVID*].
- Applicant must provide written confirmation that they have been deemed eligible to purchase a year round home through an approved lottery process or have a fully executed P&S for an eligible unit
- Applicant must have a mortgage pre-qualification letter from a recognized financial institution on bank letterhead clearly indicating their qualification to purchase the unit
- The property must be located in Provincetown

Other requirements / details:

- Available on a first-come, first-serve basis until the allocation for this program is depleted
- Loans are up to 10% of sale price, capped at \$30,000 solely for downpayment and closing costs based on a bona fide Loan Estimate from a recognized financial institution
- A minimum of 1.5% of sale price of homebuyer's funds are required. Loan funds are given at closing, so purchaser will need their own funds for Offer & P&S deposits and other pre-closing costs.
- Funds to be released to closing attorney following receipt of bona fide mortgage loan commitment letter and once the purchase is approved to close
- Downpayment & Closing cost funds loan based on approved legitimate closing costs and limited to 10% of sale price and capped at \$30,000
- This is a zero-percent (0%) interest loan secured by a second mortgage on the property from the purchaser to the Town of Provincetown which will be recorded as a subordinate lien by the closing attorney
- The loan must be repaid in whole or in part when property is sold or transferred in less than ten (10) years; the repayment will be pro-rated based upon the length of time since purchase and will be forgiven after ten (10) years
- The loan will be subordinated if refinanced by original owner(s)



Provincetown Housing Office



Down Payment & Closing Cost Assistance Program - GUIDELINES & APPLICATION

The Down Payment and Closing Cost Assistance Program (“DPCC”) is offered through the Town of Provincetown’s Housing Office and offers up to 10% of sale and capped at \$30,000 for eligible buyers to be put toward bona fide downpayment and closing costs for the purchase of deed-restricted affordable units restricted to buyers at a 100% AMI or less income level. The program is intended for lower to moderate income home buyers who can afford monthly mortgage payments but do not have enough to pay the initial home purchase closing costs. The goal is to increase homeownership among 100% and below AMI households in the Town of Provincetown. *You are encouraged to begin your house-hunting process by applying for DPCC early. If submitted as part of an application for a deed-restricted home, that application may cover this program. If a market unit, to avoid unnecessary delays, submit your application and all required documentation a minimum of eight (8) weeks prior to your loan closing. Once qualified, your conditional letter of approval is valid for 6 months.*

What Type of Assistance is Available?

The DPCC is considered a “deferred payment loan.” The loan is interest free, and you will not have to pay anything back unless you sell or transfer the property. If the property is sold prior to the tenth anniversary of the sale, you will be required to pay back some or all of amount upon sale; the repayment amount will be pro-rated based upon number of years since the purchase.

What is the Maximum Amount of Assistance?

The DPCC program will loan eligible buyers bona fide downpayment and closing costs up to 10% of sale price, capped at \$30,000.

Who is Eligible?

Applicants must meet the following eligibility requirements:

- The household must occupy the property as their principal year-round residence.
- This is a fist-time homebuyer opportunity with look back of 3-years [some exceptions]
- You must complete an approved homebuyer training course and provide certification of completion [may waive for delayed participation due to COVID].
- A household cannot have more than \$75,000 in assets
- You must be approved for a mortgage with a recognized commercial lender
- You must provide a minimum of 1.5% down payment from your own funds
- You must either purchase a permanently deed-restricted affordable unit in the Town of Provincetown and agree to future resale restrictions or other such eligible unit
- Your total household income must not exceed 100% of the HUD/CPA annual median household income. In Provincetown, 100% AMI is (as of 2022; updated annually):

Household Size	1	2	3	4	5	6
Income Limits	\$80,920	\$92,480	\$104,040	\$115,600	\$124,848	\$134,096

For more information contact: Housing Director Michelle Jarusiewicz 508/487-7087 or mjarusiewicz@provincetown-ma.gov



Provincetown Housing Office



Down Payment & Closing Cost Assistance Payment Application



Applicants are selected without regard to race, sex, national origin, color, creed, military status, marital status, familial status, sexual orientation, disability or handicap, genetic information, ancestry, children, or public assistance reciprocity.

Applicant/Co-applicant Information

Today's Date _____

This application is to be filled out jointly by ALL Adult Members of Household, 18 years old and over. If there are more than two adult members of household who are not full-time students, please provide additional pages with same information.

Applicant #1 _____ SS# ____ - ____ - ____

Other Name(s) You Have Used _____ Date Of Birth _____

Current Address _____ phone _____

Mailing Address (if different) _____

E-mail address _____ Length of Time at Present Address _____

Applicant #2 _____ SS# ____ - ____ - ____

Other Name(s) You Have Used _____ Date Of Birth _____

Current Address _____ phone _____

Mailing Address (if different) _____

E-mail address _____ Length of Time at Present Address _____

HOUSEHOLD INFORMATION

TOTAL NUMBER OF PERSONS IN HOUSEHOLD (INCLUDING SELF): _____

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

NAME	AGE	RELATIONSHIP

HOME OWNERSHIP

Has anyone listed on this application owned a home in the past 3 years or does anyone on this application currently own a home? Yes ___ No ___

If you answered no, please move on to the next section. If you answered **yes**, please answer the following questions.

To qualify as a **displaced homemaker**, please answer the following questions about the person that has been an owner of a home in the past 3 years or currently owns a home:

Is person an adult? Yes ___ No ___

Has person owned a home only with a partner? Yes ___ No ___

While married, did person not work full-time, full year in the labor force but worked primarily without remuneration to care for the home or family? Yes ___ No ___

Is person currently legally separated from spouse? Yes ___ No ___

Has the home in question already been sold? Yes ___ No ___

If you answered NO to the last two questions you may still be eligible but you must finalize your separation and/or sell your home before you will be given an opportunity to purchase an affordable unit.

To qualify as a **single parent**, please answer the following questions:

Do you have 1 or more children, of whom you have custody/joint custody, or are you pregnant? Yes ___ No ___

Did you own a home with your partner or reside in a home owned by your partner? Yes ___ No ___

Has the home in question already been sold? Yes ___ No ___

Are you unmarried or legally separated from your spouse? Yes ___ No ___

If you answered NO to the last two questions you may still be eligible for this assistance but you must finalize your separation and/or sell your home before you will be given an opportunity to purchase an affordable unit.

1. Do you own or have financial interest in any other real estate and/or business? YES ___ NO ___

If yes, please describe: _____

2. Have you attended an approved First Time Home Buyer Education class*? YES _____ NO _____

If yes, please provide a copy of your completion certification.

** Attendance is a requirement of funding [may waive for delayed participation due to COVID].*

3. Do you have an executed Purchase and Sales Agreement? YES ___ NO ___

Have you been awarded a right to purchase a 100% AMI through an approved lottery program?

YES ___ NO ___

SUBJECT PROPERTY:

Address: _____

Purchase Price: \$ _____ Scheduled Closing Date: _____

HOUSEHOLD INCOME

INSTRUCTIONS FOR COMPLETING THE FOLLOWING INCOME TABLE:

- List **ALL** sources of income as requested below for **ALL household members** over 18 years old.
- The gross income must include income for the next 12 months
- For self employed applicants- please put net-income in the gross annual income column (please include a current business income/ expense report)

- For periodic payments (like Social Security and child support) please include the amount received per week or per month (*ex: \$100/month*) in the space provided under “Source / type of Income”. Then provide under “Gross Annual Income” provide the annual amount (*ex: \$1200*)
- Please attach verification for each source of income to include copies of three consecutive months pay stubs, for salaried employed household members over 18, longer for seasonal and hourly workers. If you are self-employed, you have provided a current year-to-date Income & Expense report signed by the preparer. Statements and documents that indicate the payment amounts from all other sources of income of all members listed on the application, such as alimony and/or child support, Social Security benefits, all types of pensions, employment, unemployment Compensation, Workman's Compensation, alimony, disability or death benefits and any other form of income – on organization letterhead
- **Copy of 2020 and 2021 Federal tax returns, as filed, with 2021 1099’s, W-2’s and schedules, for every current or future person living in the household over the age of 18**
- TOTAL ALL INCOME AND CONTINUE TO ASSET SECTION

EMPLOYMENT INCOME: List all household members who are employed. Include all employers for the next 12 months. For Gross Annual Income please write the anticipated gross income for the NEXT 12 months. Total all employment income.			
Employed Household Member	Employer/Contact	Employer Address & Phone	Gross Annual Income
TOTAL EMPLOYMENT INCOME			

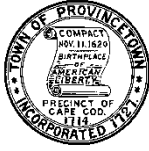
ADDITIONAL INCOME: List all other sources of recurrent income, such as Social Security, SSI, pensions, annuities, military pay, disability, public assistance, TANF, regular monetary contributions from outside sources, unemployment benefits, grants/scholarships, additional financial assistance in excess of tuition, etc.			
Household Member Who Receives Income	Source/Type of Income	Address of Source	Gross Annual Income
TOTAL ADITIONAL			

ALIMONY & CHILD SUPPORT	
Are you legally entitled to receive alimony? If yes, list the amount you are entitled to receive: \$	Yes _____ No _____
Do you receive alimony? If yes, list the amount you receive: \$	Yes _____ No _____
Are you legally entitled to receive child support? If yes, list the amount you are entitled to receive: \$	Yes _____ No _____
Do you receive child support? If yes, list the amount you receive: \$	Yes _____ No _____
TOTAL ALIMONY and CHILD SUPPORT you are entitled to receive(annually)	

HOUSEHOLD ASSETS

Assets are items of value, such as IRAs, CDs, and checking and savings accounts. Interest received from assets are included as part of your income. Assets do not include necessary personal property such as clothing, furniture, automobiles, jewelry, etc. Please describe your assets and income or dividends from these assets in the chart below. Continue on a separate sheet if necessary.

Household Member	Asset Description	Cash Value
		\$ _____
		\$ _____
		\$ _____
		\$ _____
		\$ _____
Total cash value of all assets =		\$ _____



Provincetown Housing Office



Down Payment & Closing Cost Assistance Program Certification

In signing this application, I/we hereby certify that:

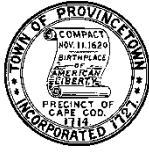
- I/we have correctly indicated the number of persons in the household;
- My/our total liquid assets do not exceed \$75,000;
- We have been qualified to purchase a permanently deed-restricted home in the Town of Provincetown, MA, for buyers at 100% or below Area Median Income [CPA] or other eligible property;
- The information contained in this application is true and accurate to the best of my/our knowledge and belief under the full pains and penalties of perjury and understand that perjury will result in disqualification from further consideration; and
- I/we 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/we will furnish to the Town of Provincetown upon request at any time any and all income and/or asset and other financial information, any and all household, resident location, and workplace information and I further direct any employer, landlord, or financial institution to release any information to the Town for the purpose of income and/or asset determination eligibility.

_____ Signature	_____ Date	_____ Signature	_____ Date
_____ Printed Name		_____ Printed Name	

Submit to:
Housing Director Michelle Jarusiewicz
Town of Provincetown
260 Commercial Street
Provincetown, MA 02657

For more information:
Contact: 508/487-7087 or mjarusiewicz@provincetown-ma.gov



Provincetown Housing Office



Down Payment & Closing Cost Assistance Program Application Checklist

Applying for downpayment and closing cost payment assistance is a two-step process. The first step is to submit an application and copies of all required income documentation in order for us to determine if you qualify for the program. Second, once you have found a home, submit all of the property eligibility information for review. After the property's eligibility is confirmed, at your loan closing with your primary lender, you will sign loan agreements provided by the closing attorney.

Step 1: Submit Applicant Eligibility Information

- Completed Downpayment & Closing Cost Assistance Program Application
- Written verification from a recognized Lottery Agent or Monitoring Agent that you are income and asset qualified to be purchasing the permanently deed-restricted 100% or below AMI restricted unit or eligible unit on the application. If you are applying for a Provincetown deed-restricted home through the Provincetown Housing Office, that application may be sufficient. Contact Housing Office for mor information.
- Bona fide Loan Estimate including estimated downpayment and closing costs from a recognized financial institution
- Mortgage Pre-Qualification letter on bank letterhead from a recognized financial institution

Step 2: Submit Property Eligibility Information

- An executed Purchase and Sale Agreement, as soon as it is available
- Executed Final Loan Commitment Letter on bank letterhead from a recognized financial institution
- Copy of the final affordability deed rider to be executed at closing

Step 3: Post-closing

- Prompt return to the Town of Provincetown by the closing attorney any excess funds beyond downpayment & closing costs disclosed on the Closing Disclosure
- Copy of the Closing Disclosure statement
- Copy of the recorded mortgages & loan