

HIGHLAND RIDGE
570 Meriden Waterbury Rd.
Southington, CT 06489

Affordability Plan for
Workforce Housing Units

Submitted by AA
Denorfia Building &
Development, LLC

To the Southington
Planning and Zoning
Commission

DEFINITIONS:

Community: a single family home development, approved by the Southington Planning and Zoning Commission, as more fully described in Schedule A. The site plan is on file with that Commission.

Workforce Housing Unit or "WHU Home" - means a home within the Highland Ridge development that is subject to long-term price restrictions as set forth in this plan.

Model Home - means a unit in a single family home within the development that will be constructed to the minimum specifications set forth in schedule C of this plan, and will be sold/leased at market value.

Developer- means, AA Denorfia Building & Development, LLC or its successors and assigns.

I. Homes Designated for Affordable Housing.

Ten percent (10%), or THREE (3), of the homes of the Community will be designated as affordable housing units, in accordance with Southington Planning & Zoning Regulations. The specific homes designated as affordable housing (to be called "WHU Homes") are identified in Schedule B attached hereto.

II. Forty (40) Year Period.

The WHU Homes shall be designated as affordable for forty (40) years. The forty (40) year affordability period shall be calculated separately for each WHU Home, and the period shall begin on the date of conveyance of such WHU Home from the Developer or its successors or assigns to an eligible purchaser/leasee, as hereinafter defined.

III. Construction Sequence.

The Community shall be constructed in 1 phase *as follows*:

Twenty Three homes will be constructed on the property. Three of these homes, or 10 percent, will be price-restricted.

IV. Nature of Construction of WHU Homes and Market-Rate Homes.

Within the Community, the Developer shall offer a Model Home, for sale/lease at market value, which shall be built in compliance with the minimum specification which includes square footage, exterior finishes, interior materials, and amenities set forth in Schedule C of this Affordability Plan. Purchasers of market-rate homes within the Community may upgrade or alter any aspect of the specifications for the Model Home, However, each WHU Home shall contain not less than seventy-five percent (75%) of the square footage of the Model Home, and shall be constructed in compliance with the minimum specification set forth in Schedule C, the intent of this section being that each WHU Home shall be comparable-in size, quality, and 'appearance to the Model Home.

V. Entity Responsible for Administration and Compliance.

This Affordability Plan will be administered by AA Denorfia Building & Development, LLC, or its designees, successors and assigns (“Administrator”). The Administrator shall be responsible for the following:

- A. Ensuring that households applying for affordable units qualify within applicable maximum income limits;
- B. Assuring the accuracy of sale and resale prices or rents, and providing documentation where necessary to buyers, sellers, lessors, lessees, and financing institutions;
- C. Ensuring that the designated WHU Homes remain affordable for the 40 year affordability period.

The Administrator shall submit a status report to the Town Planner or her designee, in compliance with this Affordability Plan annually on or about January 31. Sellers, purchasers, lenders or title insurers may, upon written request to the Administrator, obtain written certification of compliance with applicable set aside, household income, sale, or resale price limitations or requirements. The Administrator shall provide the requested information in a timely manner. '

Notwithstanding any of the above, the Developer will be responsible for all advertising and marketing requirements for initial rental or sales under this Plan,

VI. Notice of Initial Sale/ Lease of WHU Homes.

Except as provided in Section X hereof, the Developer shall provide notice of the availability of each WHU Home for purchase or lease (the "Notice of Initial Sale /Lease"). Such notices shall be provided in accordance with the Affirmative Fair Housing Marketing Plan as outlined in Section VIII. The Administrator shall also provide such notice to the Commission. Such notice shall include a description of the available WHU Home(s), the eligibility criteria for potential purchasers/renters, the Maximum Sale/Rental Price (as hereinafter defined), and the availability of application forms and additional information. All such notices shall comply with the federal Fair Housing Act, 42 U.S.C. §§ 3601 et seq. and the Connecticut Fair Housing Act, Conn. Gen. Stat. §§ 46a- 64b, 64c (together, the Fair Housing Acts).

VII. Purchaser/Renter Eligibility.

Ten percent ((10 %) three (3) homes in the Community) of the homes for sale/lease shall be offered to families whose income is less than or equal to eighty percent (80%) of the area or statewide median income. The area and statewide median income shall be as determined by the U.S. Department of Housing and Urban Development ("HUD"). Purchasers shall be permitted to make down payments that exceed twenty (20%) percent of the purchase price; however, for the purposes of calculating the Maximum Sales Price, a twenty percent (20%) down payment shall be used.

VIII. Affirmative Fair Housing Marketing Plan.

The sale/lease of both WHU Homes and market-rate units in the community shall be publicized, using State regulations for affirmative fair housing marketing programs as guidelines. The purpose of such efforts shall be to apprise residents of municipalities of relatively high concentrations of minority populations of the availability of such units. The Developer shall have responsibility for compliance with this section. Notices of initial availability of units shall be provided,

at a minimum, by advertising at least two times in a newspaper of general circulation in such identified municipalities, and notices of initial availability of units may be provided by advertising in a newspaper of general circulations in Southington. The Administrator shall also provide such notices to the Southington Planning and Zoning Commission and the local housing authority. Such notices shall include a description of the available WHU Home(s), the eligibility criteria for potential purchasers/renters, the Maximum Sale/Rental Price (as hereinafter defined), and the availability of application forms and additional information.

Using the above referenced State regulations as guidelines, dissemination of information about available affordable and market rate units shall include:

- A. Analyzing census, Connecticut Department of Economic and Community Development town profiles, and other data that identify racial and ethnic groups least likely to apply based on representation in Southington's population, including Asian Pacific, Black, Hispanic, and Native American populations.
- B. Announcements/advertisements in publications and other media that will reach minority populations, including newspapers and radio stations serving Southington's Metropolitan Statistical Area and Regional Planning Area, and advertisements or flyers likely to be viewed on public transportation or public highway areas,
- C. Announcements to social service agencies and Other community contacts serving low-income minority families (such as churches, civil rights organizations, the housing authority and other housing authorities in towns represented in the Central Connecticut Regional Planning Agency, legal services organizations, etc.),
- D. Assistance to minority applicants in processing applications.
- E. Marketing efforts in geographic areas of high minority concentrations within the housing market area and metropolitan statistical area.
- F. Beginning affirmative marketing efforts prior to general marketing of units, and repeating again during initial marketing and at 50 percent completion, and thereafter at reasonable period intervals with respect to resales.
- G. Collection of basic racial and ethnic information for all residents and persons on the wait list for the Community.

All notices shall comply with the federal Fair Housing Act, 42 U.S.C. §§ 3601 et seq. and the Connecticut Fair Housing Act, Conn. Gen. Stal. §§ 46a 64b, 64c (together, the Fair Housing Acts). Preference in the sale/rental of WHU homes may be given to Southington residents in accordance with the Fair Housing Acts.

IX. Application Process,

A family or household seeking to purchase or rent one of the WHU Homes (Applicant) must complete an application to determine eligibility. The application form and process shall comply with the Fair Housing Act.

A. Application Form

The application form shall be provided by the Administrator and shall include an income pre-certification eligibility form and an income certification form. In general, income for purposes of determining an Applicant's qualification shall include the Applicant's family's total anticipated income from all sources for the twelve (12) month Period following the date the application is submitted ("Application Date"). If the Applicant's financial disclosures indicate that the Applicant may experience a significant change in the Applicant's future income during the twelve (12) month period, the Administrator shall not consider this change unless there is a reasonable assurance that the change will in fact occur. The Applicant's income need not be re-verified after the time of initial purchase. In determining what is and is not to be included in the definition of family annual income, the Administrator shall use the criteria set forth by HUD and listed on **Schedule D**, attached.

A. Applicant Interview.

The Administrator shall interview an Applicant upon submission of the completed application. Specifically, the Administrator shall, during the interview, undertake the following:

1. Review with the Applicant all the information provided on the application.
2. Explain to the Applicant the requirements for eligibility, verification procedures, and the penalties for supplying false information.
3. Verify that all sources of family income and family assets have been listed in the application. The term "family" shall be as defined by the Zoning Regulations of the Town of Southington,

Request the Applicant to sign the necessary release forms to be used in verifying income.

Inform the Applicant of what verification and documentation must be provided before the application is deemed complete.

5. Inform the Applicant that a certified decision as to eligibility cannot be made until all items on the application have been verified.
6. Review with the Applicant the process and restrictions regarding re-sale.

B. Verification of Applicant's Income.

Where it is evident from the income certification form provided by the Applicant that the Applicant is not eligible, additional verification procedures shall not be necessary. However, if the Applicant appears to be eligible, the Administrator shall issue a pre-certification letter. The letter shall indicate to the Applicant and the Developer that the Applicant is income eligible, subject to the verification of the information provided in the Application. The letter will notify the Applicant that he/she will have thirty (30) days to submit all required documentation.

If applicable, the Applicant shall provide the documentation listed on **Schedule E** attached hereto, to the Administrator. This list is not exclusive, and the Administrator may require any other verification or documentation, as the Administrator deems necessary.

X. Prioritization of Applicants for Initial Sale / Lease ,

If, after publication of the Notice of Initial Sale/Lease as described in Section VI hereof, the number of qualified Applicants exceeds the number of WHU Homes, then the Administrator shall establish a priority list of applicants based on a “first come, first served” basis, subject to the applicant's income pre-certification eligibility and the preferences as established in this Section X. The WHU Homes will then be offered according to the applicant's numerical listing. In the event the Community is built in phases, the same procedure shall be held for each phase.

Those who meet the criteria of “least likely to apply” as defined in Connecticut State Agency Regulations § 8-37ee, and meet the income eligibility criteria as set forth in Section VII hereof, shall be given first preference in the purchase/lease of WHU Homes offered for sale/lease in the Community (“Preferred Units”). This preference category is subject to revision as may be required by the federal Office of Fair Housing and Equal Opportunity. This preference shall apply to the initial sales, but not to subsequent re-sales, of the WHU Homes.

XI. Maximum Initial Sale/Rent Price.

Calculation of the maximum initial sale/lease price (“Maximum Initial Sale/Rent Price”) for a WHU Home, so as to satisfy Conn. Gen. Stat. § 8 30g, shall utilize the lesser of the area median income data for the Town or the statewide median income as published by HUD as in effect on the day purchase and sale agreement is accepted by the owner of the WHU Home (“Owner”). The Maximum Initial Sale/Rent Price shall be calculated as follows:

THREE BEDROOM SALE @ 80%

	\$112,600
(1) Determine lower of area: Hartford – East Hartford –West Hartford Metro Area or statewide Median Income for a family of four.	
(2) Determine the adjusted income for a household of 4.5 persons by calculating 104% of Item 1	\$117,104
(3) Calculate 80% of Item 2 to determine maximum Annual Household Income to Qualify	\$93,683
(4) Calculate 30 percent of Item 3 representing the maximum portion of a family’s income that may be used for housing	\$28,105
(5) Divide Item 4 by twelve to determine the Maximum Monthly Housing Payment	\$2,342
(6) Determine the reasonable estimate expenses including real estate taxes (\$350), utilities (\$240), insurance (\$50), association fee (\$75).	\$715
(7) Subtract Item 6 from Item 5 to determine the amount available for mortgage principal and interest	\$1,627
(8) Apply Item 7 to reasonable mortgage term (30yr) at a reasonable available interest rate (6.4%)	\$260,000
(9) Assume 20% down payment	\$52,000
(10) Add Items 8 & 9 to determine Maximum Sales Price	\$312,000

TWO BEDROOM SALE @ 80%

	\$112,600
(1) Determine lower of area: Hartford – East Hartford –West Hartford Metro Area or statewide Median Income for a family of four.	
(2) Determine the adjusted income for a household of 3 persons by calculating 90% of Item 1	\$101,340
(3) Calculate 80% of Item 2 to determine maximum Annual Household Income to Qualify	\$81,072
(4) Calculate 30 percent of Item 3 representing the maximum portion of a family’s income that may be used for housing	\$24,322
(5) Divide Item 4 by twelve to determine the Maximum Monthly Housing Payment	\$2,027

(6) Determine the reasonable estimate expenses including real estate taxes (\$320), utilities (\$220), insurance (\$50), association fee (\$75).	\$665
(7) Subtract Item 6 from Item 5 to determine the amount available for mortgage principal and interest	\$1,362
(8) Apply Item 7 to reasonable mortgage term (30yr) at a reasonable available interest rate (6.4%)	\$1,362
(9) Assume 20% down payment	\$43,600
(10) Add Items 8 & 9 to determine Maximum Sales Price	\$261,600

THREE BEDROOM RENTAL @ 80%

	\$112,600
(1) Determine lower of area: Hartford – East Hartford –West Hartford Metro Area or statewide Median Income for a family of four.	
(2) Determine the adjusted income for a household of 4.5 persons by calculating 104% of Item 1	\$117,104
(3) Calculate 80% of Item 2 to determine maximum Annual Household Income to Qualify	\$93,683
(4) Calculate 30 percent of Item 3 representing the maximum portion of a family's income that may be used for housing	\$28,105
(5) Divide Item 4 by twelve to determine the Maximum Monthly Housing Payment	\$2,342
(6) Determine the fair market rent for a unit with the same number of bedrooms as published by US Department of Housing and Urban Development.	\$1,675
(7) Multiply fair market rent by 120%	\$2,010
(8) Maximum monthly housing payment is the less of Steps (5) and (7).	\$2,010
(9) Tenant paid costs, including heat and utility costs ²	\$220
(10) Maximum monthly rent is tenant paid costs, (9) subtracted from maximum monthly housing payment, (8).	\$1,790

TWO BEDROOM RENTAL @ 80%

	\$112,600
(1) Determine lower of area: Hartford – East Hartford –West Hartford Metro Area or statewide Median Income for a family of four.	
(2) Determine the adjusted income for a household of 3 persons by calculating 90% of Item 1	\$101,340
(3) Calculate 80% of Item 2 to determine maximum Annual Household Income to Qualify	\$81,072
(4) Calculate 30 percent of Item 3 representing the maximum portion of a family's income that may be used for housing	\$24,322
(5) Divide Item 4 by twelve to determine the Maximum Monthly Housing Payment	\$2,027
(6) Determine the fair market rent for a unit with the same number of bedrooms as published by US Department of Housing and Urban Development.	\$1,347
(7) Multiply fair market rent by 120%	\$1,616
(8) Maximum monthly housing payment is the less of Steps (5) and (7).	\$1,616
(9) Tenant paid costs, including heat and utility costs ²	\$200
(10) Maximum monthly rent is tenant paid costs, (9) subtracted from maximum monthly housing payment, (8).	\$1,416

XII. Principal Residence,

WHU Homes shall be occupied only as an Owner's principal residence. Leasing of WHU Homes by the Owner shall be prohibited.

XIII. Requirement to Maintain Condition.

All Owners/Tenants are required to maintain their homes. The Owner/Tenant shall not destroy, damage or impair the home, allow the home to deteriorate) or commit waste on the home. When a WHU Home is offered for re sale, the Administrator may cause the home to be inspected,

XIV. Resale of a WHU Home.

An Owner may sell his or her WHU Home at any time provided that the Owner complies with the restrictions concerning the sale of homes as set forth in the Affordability plan and the deed restrictions attached hereto attached hereto as Schedule F (the "Deed Restrictions"). If the Owner wishes to sell, the Owner shall notify the Administrator in writing. The Owner shall pay the Administrator a fee to cover the cost of administering the sale. The Administrator shall then work with the Owner to calculate a Maximum Resale Price, as set forth in Section XI. The Administrator shall publish notice of the availability of the home in the same manner as was followed for the initial sale as set forth in Section VI above. The Administrator shall bring any purchase offers received to the attention of the Owner.

The Owner may hire a real estate broker or otherwise individually solicit offers, independent of the Administrator's action, from potential purchasers. The Owner shall inform any potential purchaser of the affordability restrictions before any purchase and sale agreement is executed by furnishing the potential purchaser with a copy of this Affordability Plan. The purchase and sale agreement shall contain a provision to the effect that the sale is contingent upon a determination by the Administrator that the potential purchaser meets the eligibility criteria set forth in this Plan. Once the Owner and potential purchaser execute the purchase and sale agreement, the potential purchaser shall immediately notify the Administrator in writing. The Administrator shall have thirty (30) days from such notice to determine the eligibility of the potential purchaser in accordance with the application process set forth in Section IX above. The Administrator shall notify the Owner and the potential purchaser of its determination of eligibility in writing within said thirty (30) day period, If the Administrator determines that the potential purchaser is not eligible, the purchase and sale agreement shall be void and the Owner may solicit other potential purchasers. If the Administrator determines that the potential purchaser is eligible, the Administrator shall provide the potential purchaser and the Owner with a signed certification, executed in recordable form, to the effect that the sale of the particular Home has complied with the provisions of this Affordability Plan. The Owner shall bear the cost of recording the certification.

XV. Enforcement.

A violation of this Affordability Plan or the Deed Restrictions shall not result in a forfeiture of title, but the Southington Planning and Zoning Commission or its designated agent shall otherwise retain all enforcement powers granted by the Connecticut General Statutes, including § 8-12, which powers include, but are not limited to, the authority, at any reasonable time, to inspect the property and to examine the books and records of the Administrator to determine compliance of WHU Homes with the affordable housing regulations. The developer shall hold harmless and indemnify the Town of Southington and its duly appointed officials from any claims or liability arising from the correction of violations within the project. The provisions of this subsection shall survive the issuance of certificate of occupancy or certificate of zoning compliance and shall run with the land.

XVI. Deed Restrictions.

The Deed Restrictions contained in Schedule F shall be included in each deed of a WHU Home during the forty (40) year period in which the affordability program is in place to provide notice of the affordability restrictions and to bind future purchasers.

XVII. Binding Effect.

This Affordability Plan shall be binding on the successors and assigns of the Developer.

XVIII. Recordation of Covenant.

A Restrictive Covenant in substantially the same form as Schedule F shall be recorded upon approval of this Affordability Plan and shall remain in place until the Deed Restrictions identified in Section XVI and Schedule F are implemented.

SCHEDULE A

Metes and Bounds Description For #570 Meriden Waterbury Turnpike Southington, Connecticut

Beginning at a point on the northwest property corner of #570 Meriden Waterbury Turnpike as depicted on a map titled “Denorfia Building & Development, LLC 570 Meriden Waterbury Turnpike Southington, Connecticut, Prepared For Denorfia Building and Development, LLC, Sheet Description: Zone Change Map, Scale: 1” = 100’, Dated: February 8, 2022, Scale: 1” = 100’, Project # 2235” Prepared by Harry E. Cole and Son, said point is the point and place of beginning.

Bounded on the west by properties along Blatchley Avenue 1,170 feet more or less; Bounded on the south by properties along Kiefer Road 349 feet more or less; Bounded on the east by properties along the Hillcrest Village Development 867 feet more or less; Bounded on the north 115 feet more or less and east 40 feet more or less by #566 Meriden Waterbury Turnpike; Bounded on the north 157 feet more or less and east 255 feet more or less by the remaining property of #570 Meriden Waterbury Turnpike to a point on the south highway line of Meriden Waterbury Turnpike; Bounded again on the north by Meriden Waterbury Turnpike 75 feet more or less to a point, said point is the point and place of beginning.

SCHEDULE B

IDENTIFICATON OF WHU HOMES

UNIT #1
UNIT #17
UNIT # 21

SCHEDULE C
Standard Specs
Harvest Creek
570 Meriden Waterbury Rd., Southington, CT

ARCHITECTURAL STYLE: COLONIAL WITH 2 CAR GARAGE

Cellar Walls:	Poured concrete 10" - 3000 psi
Cellar Floor:	Poured concrete - 3500 psi
Rear or side deck / Patio:	pressure treated pine – 12' x 14' or brick paver patio from builders selection – 12' x 14'
Sills:	2X6 pressure treated pine
Supporting beam:	LVL
First Floor Joist:	2X10 - Kiln dried Spruce (sized per plan)
Second Floor Joist:	2X10 - Kiln dried Spruce (sized per plan)
Framing Basement:	None
1 st Floor:	2X6 exterior studs 16" o.c. Kiln dried Spruce
2 nd Floor:	2X6 exterior studs 16" o.c. Kiln dries Spruce
Gar. walls:	2X6 exterior studs 16" o.c. Kiln dries Spruce
Int. walls:	2X4 Doug Fir
Rough Flooring:	1 st Floor: 3/4" OSB glued and nailed T & G 2 nd Floor: 3/4" OSB glued and nailed T & G
Roof Sheathing:	½" Plyscore
Roof Shingles:	30 year architectural shingles
Wall Sheathing:	½" OSB
Exterior Siding:	Vinyl clapboard style-with shutters or 3 ½" trim on front windows, 6" corners, 8" skirt
Soffit & Fascia:	Vinyl: Aluminum
Insulation:	Per Code / Res Check
Windows:	White vinyl clad double hung thermal pane with full screens, argon and low-e glass, Casement window over kitchen sink
Finished Flooring:	Carpeting – bedrooms, hallways, closets – per builders selections 3 1/4" Strip oak - dining room, living room, kitchen, foyer, family room

Tile -bathrooms, laundry, & mudroom,(\$2.50 per sq. ft. allowance for material);

Interior Trim: 2 ½" colonial - 1 piece trim, 3 1/4' baseboard

Interior Doors: 6 panel fiber board doors painted, style from Builder's selection

Front Exterior Door: Smoothstar fiberglass 6 panel with clear glass side lights

Rear Exterior Door: Slider unit or per plan

Overhead Garage Door: steel insulated or per plan, with openers

Rear Basement Door: Hatchway metal unit or per plan

Light Fixtures: Per Builder's selections

Kit. Cabinet, sinks, Vanities
Countertops & Labor: Custom made Raised Panel Cabinets & Vanities per Builders selections.
Granite Counter Tops in Kitchen and Baths per Builders selections.

Electrical wiring: 200 amp service/ GFI plugs per code
2 Exterior plugs, 6 recessed lights

Walls & Ceiling: ½" Sheetrock

Bathroom Fixtures: Kohler Builders package

Interior painting: 2 coats one color thru out

Plumbing: Mixed cast iron/fiberglass, copper/plastics, 2 exterior cold water faucets, 50 gallon hybrid hot water heater

Heating/cooling: Heating: Hot air heat - natural gas; 2 zone, Central air conditioning

Gutters & Leaders:	Aluminum
Appliances:	Stainless steel appliance package per Builder's selections
Fireplace:	Gas fireplace with cultured stone face and slate mantle, remote from builders selection
	Site Work and landscaping: rake & seed disturbed areas - top soil as found on site
Driveway:	3/4" processed gravel
Walks:	3/4" processed gravel from driveway to front door
Water:	city water
Sewer:	city sewer
Telephone Jacks:	2
Cable Jacks:	4
	Gas Connections: 3

SCHEDULE D

DEFINITIONS AND ELEMENTS OF ANNUAL FAMILY INCOME

I. Annual income shall be calculated with reference to 24 C.F.R. § 5,609 and includes, but is not limited to, the following:

a. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips, bonuses and other compensation for personal services;

b. The net income from operations of a business or profession, before any capital expenditures but including any allowance for depreciation expense;

c. Interest, dividends, and other net income of any kind from real or personal property;

d-. The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, or other similar types of periodic payments;

e. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay;

f. Welfare assistance. If the welfare assistance payments include an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance to be included as income consists of the following:

(1) The amount of the allowance exclusive of the amounts designated for shelter or utilities, plus

(2) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities;

g. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing with the Applicant (e.g. periodic gifts from family members, churches, or other sponsored group, even if the gifts are designated as rental or other assistance);

- h. All regular pay, special pay and allowances of a member of the armed forces;
 - i. Any assets not earning a verifiable income shall have an imputed interest income using a current average annual savings interest rate.
- 2. Excluded from the definition of family annual income are the following:
 - a. Income from employment of children under the age of 18;
 - b. Payments received for the care of foster children;
 - c. Lump sum additions to family assets, such as inheritances, insurance payments, capital gains and settlement for personal or property losses;
 - d. Amounts received that are specifically for, or in reimbursement of, the cost of medical expense for any family member;
 - e. Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the government to a veteran in connection with education costs;
 - f. Amounts received under training programs funded by HUD;
 - g. Income of a live-in aide, as defined in 24 C.F.R., § 5.403;
 - h. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
 - i. Food stamps; and
 - J. Temporary, nonrecurring or sporadic income (including gifts that are not regular or periodic).

3. Net family assets for purposes of imputing annual income include the following:

- a. Cash held in savings and checking accounts, safety deposit boxes, etc;
- b. The current market value of a trust for which any household member has an interest;

- c. The current market value, less any outstanding loan balances of any rental property or other capital investment;
- d. The current market value of all stocks, bonds, treasury bills, certificates of deposit and money market funds;
- e. The current value of any individual retirement, 401k or Keogh account;
- f. The cash value of a retirement or pension fund which the family member can withdraw without terminating employment or retiring;
- g. Any lump-sum receipts not otherwise included in income (i.e., inheritances, capital gains, one-time lottery winnings, and settlement on insurance claims);
- h. The current market value of any personal property held for investment (i.e., gems, jewelry, coin collections); and
- i. Assets disposed of within two (2) years before the Application Date, but only to the extent consideration received was less than the fair market value of the asset at the time it was sold.

4. Net family assets do not include the following:

- a. Necessary personal property (clothing, furniture, cars, etc.);
- b. Vehicles equipped for handicapped individuals.
- c. Life Insurance policies;
- d. Assets which are part of an active business, not including rental properties; and
- e. Assets that are not accessible to the Applicant and provide no income to the Applicant.

SCHEDULE E DOCUMENTATION OF INCOME

The following documents Shall be provided, where applicable, to the Administrator to determine income eligibility:

I. Employment Income.

Verification forms must request the employer to specify the frequency of pay, the effective date of the last pay increase, and the probability and effective date of any increase during the next twelve (12) months. Acceptable forms of verification (of which at least one must be included in the Applicant file) include:

- a. An employment verification form completed by the employer.
- b. Check stubs or earnings statement showing Applicant's gross pay period and frequency of pay.
- c. W-2 forms if the Applicant has had the same job for at least two years and pay increases can be accurately projected,
- d. Notarized statements, affidavits or income tax returns signed by the Applicant describing self-employment and amount of income, or income from tips and other gratuities.

2. Social Security, Pensions, Supplementary Security Income, Disability income.

- a. Benefit verification form completed by agency providing the benefits,
- b. Award or benefit notification letters prepared and signed by the authorizing agency. (Since checks or bank deposit slips show only net amounts remaining after deducting SSI or Medicare, they may be used only when award letter cannot be obtained.)
- c. If a local Social Security Administration (SSA) office refuses to provide written verification, the Administrator should meet with the SSA office supervisor. If the supervisor refuses to complete the verification forms in a timely manner, the Administrator may accept a check or automatic deposit slip as interim verification of Social Security or SSI benefits as long as any Medicare or state health insurance withholdings are included in the annual income.

3. Unemployment Compensation.

- a. Verification form completed by the unemployment compensation agency.
- b. Records from unemployment office stating payment dates and amounts.

4. Government Assistance.

a. All Government Assistance Programs. Agency's written statements as to type and amount of assistance Applicant is now receiving, and any changes in assistance expected during the next twelve (12) months.

b. Additional information for "As-paid" Programs; Agency's written schedule or statement that describes how the "as-paid" system works the maximum amount the Applicant may receive for shelter and utilities and, if applicable, any factors used to ratably reduce the Applicant's grant.

5. Alimony or Child Support Payments.

a. Copy of a separation or settlement agreement or a divorce decree; stating the amount and type of support and payment schedules.

b. A letter from the person paying the support.

c. Copy of latest check. The date, amount, and number of the check must be documented.

d. Applicant's notarized statement or affidavit of amount received or that support payments are not being received and the likelihood of support payments being received in the future.

6. Net Income from a Business.

The following documents show income for the prior years. The Administrator must consult with applicant and use this date to estimate income for the next twelve (12) months.

- a. IRS Tax Return, Form I040, including any:
 - (1) Schedule C (Small Business).
 - (2) Schedule E (Rental Property Income).

(3) Schedule F (Farm Income).

b. An accountant's calculation of depreciation expense, computed using straight-line depreciation rules. (Required when accelerated depreciation was used on the tax return or financial statement.)

c. Audited or unaudited financial statement(s) of the business.

d. A copy of a recent loan application listing income derived from the business during the previous twelve (12) months.

e. Applicants notarized statement or affidavit as to net income realized from the business during previous years.

7. Recurring Gifts.

a. Notarized statement or affidavit signed by the person providing the assistance. Must give the purpose, dates and value of gifts.

b. Applicant's notarized statement or affidavit that provides the information above.

8. Scholarships, Grants, and Veterans Administration Benefits for Education.

a. Benefactor's written confirmation of amount of assistance, and educational institution's written confirmation of expected cost of the student's tuition, fees, books and equipment for the next twelve (12) months. To the extent the amount of assistance received is less than or equal to actual educational costs, the assistance payments will be excluded from the Applicant's gross income. Any excess will be included in income.

b. Copies of latest benefit checks, if benefits are paid directly to student. Copies of canceled checks or receipts for tuition, fees, books, and equipment, if such income and expenses are not expected to change for the next twelve (12) months.

c. Lease and receipts or bills for rent and utility costs paid by students living away from home.

9. Family Assets Currently Held.

For non-liquid assets, collect enough information to determine the current cash value (i.e., the net amount the Applicant would receive if the asset were converted to cash).

- a. Verification forms, letters, or documents from a financial institution, and broker
- b. Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- c. Quotes from a stock broker or realty agent as to net amount Applicant would receive if Applicant liquidated securities or real estate.
- d. Real estate tax statements if tax authority uses approximate market value.
- e. Copies of closing documents showing the selling price, the distribution of the sales proceeds and the net amount to the borrower.
- f. Appraisals of personal property held as an investment.
- g. Applicants notarized statements or signed affidavits describing assets or verifying the amount of cash held at the Applicants home or in safe deposit boxes.

10. Assets Disposed of for Less Than Fair Market Value (“FMV”) During Two Years Preceding Application Date.

- a. Applicant's certification as to whether it has disposed of assets for less than FMV during the two (2) years preceding the Application Date.
- b. If the Applicant slates that it did dispose of assets for less than FMV, then a written statement by the Applicant must include the following:
 - (1) A list of all assets disposed of for less than FMV;
 - (2) The date Applicant disposed of the assets;
 - (3) The amount the Applicant received; and
 - (4) The market value to the asset(s) at the time of disposition.

11. Savings Account Interest Income and Dividends.

a. Account statements, passbooks, certificates of deposit, etc., if they show enough information and are signed by the financial institution.

b. Broker's quarterly statements showing value of stocks or bonds and the earnings credited the Applicant.

c. If an IRS Form 1099 is accepted from the financial institution for prior year earnings, the Administrator must adjust the information to project earnings expected for the next twelve (12) months.

12. Rental Income from Property Owned by Applicant.

used: The following, adjusted for changes expected during the next twelve (12) months, may be

a. IRS Form 1040 with Schedule E (Rental Income)

b. Copies of latest rent checks, leases, or utility bills.

c. Documentation of Applicant's income and expenses in renting the property (tax statements, insurance premiums, receipts for reasonable maintenance and utilities, bank statements or amortization schedule showing monthly interest expense).

d. Lessee's written statement identifying monthly payments due the Applicant and Applicant's affidavit as to the net income realized.

13. Full-Time Student Status.

- a. Written verification from the registrar's office or appropriate school official.
- b. School records indicating enrollment for sufficient number of credits to be considered a full-time student by the school.

**SCHEDULE F
DEED RESTRICTIONS**

The language below shall be inserted in each deed for a WHU Home for the duration of the forty (40) year sale price restriction period.

The property conveyed hereby is an "affordable housing" home as defined in Conn. Gen. Stat. § 8-30g. Said property is subject to the following restrictions (the Restrictions"):

1. The owners of said unit shall sell or transfer said unit ("a moderate income home") only to a family or household whose income is less than or equal to eighty percent (80%) of the lesser of the median income for the Town of Southington ("Town"), or the statewide median as determined by the Connecticut Department of Housing and the U.S. Department of Housing and Urban Development ("HUD"). The designation as a moderate income home shall remain in place for the duration of the price restriction period. Determination of a potential purchaser's eligibility shall be made by the Administrator (as defined in that certain Affordability Plan (the "Affordability Plan") for the Community of which said property is a part, a copy of which site plan is on file in the Town's Planning and Zoning Office.

2. In the event said owner desires to make said property available for sale, said Owner shall notify the Administrator in writing. The owner shall pay the Administrator a fee to cover the cost of administering the sale. The Administrator shall then provide notice of the availability of said property for purchase. Such notice shall be provided, at a minimum, by advertising at least two times -in newspapers of general circulation in the Town. The owner shall bear the cost of such advertisement. The Administrator shall also provide such notice to the Southington Planning and Zoning Commission and the Town of Southington. Such notice shall include a description of said property, the eligibility criteria for potential purchasers, the Maximum Sale Price and the availability of application forms and additional information. All such notices shall comply with the Federal Fair Housing Act, 42 U.S.C. 3601et seq. and the Connecticut Fair Housing, Conn. Gen. Stat. §§ 46a 64b, 64C. Said owner may hire a real estate broker or otherwise individually solicit offers, independent of the Administrator's action from potential purchasers. Said owner shall inform any potential

purchaser of the affordability restrictions before any purchase and sale agreement is executed by furnishing the potential purchaser with a copy of the Affordability Plan. The purchase and sale agreement shall contain a provision to the effect that the sale is contingent upon a determination by the Administrator that the potential purchaser meets the eligibility criteria set forth in the Affordability Plan. Once the purchase and sale agreement is executed by said owner and the potential purchaser, the potential purchaser shall immediately notify Administrator in writing. The Administrator shall have thirty (30) days from such notice to determine the eligibility of the potential purchaser in accordance with the application process set forth in the Affordability Plan. The Administrator shall notify said owner and the potential purchaser of its determination of eligibility in writing within said thirty (30) day period. If the Administrator determines that the potential purchaser is not eligible, the purchase and sale agreement shall be void, and said owner may solicit other potential purchasers. If the Administrator determines that that the potential purchaser is eligible, the Administrator shall provide potential and said owner with a signed certification, executed in recordable form, to the effect that the sale of the particular WHU Home has complied with the provisions of the Affordability Plan. The owner shall bear the cost of recording said certification.

1. Said owner shall occupy said property as said owner's principal residence and shall not lease said property.
2. Said owner shall maintain in said property. Said owner shall not destroy, damage or impair said property, allow said property to deteriorate, or commit waste on said Property. When said property is offered for re-sale, the Administrator may cause said property to be inspected.
3. A Site plan for this community was approved by agencies of the Town based in part on the condition that a defined percentage of the homes in the community would be preserved as affordable homes, The Restrictions are required by law to be strictly enforced.
4. A violation of the Restrictions shall not result in a forfeiture of title, but the Southington Planning and Zoning Commission or its designated agent shall otherwise retain all enforcement powers granted by the Connecticut General Statutes, including § 8-12, which powers include, but are not limited to, the authority, at any reasonable time, to inspect said property and to examine the books and records of the Administrator to determine compliance of said property with the affordable housing regulations, This provision is not intended to confer and does not confer any authority on the Planning and Zoning Commission that it does not have under the General Statutes or the Zoning Regulations.

In Witness Whereof, _____ has caused this Affordability Plan to be executed this
____ day of _____, 20____.

Witnessed by:

By _____
Its _____, Duly
Authorized

State of Connecticut)
) ss: Southington
County of Hartford)

On this the ____ day of _____, 2022, before me, _____, the undersigned
officer, personally appeared _____, who acknowledged himself to be the
_____ (title) of _____, a limited liability company, and that he, as such
_____ (title), being authorized so to do, executed the foregoing instrument for the
purposes therein contained, by signing the name of the limited liability company by himself as
_____ (title).

In witness whereof I hereunto set my hand.

Commissioner of the Superior Court
Notary Public