



Chapter 40B Affordable Housing: Frequently Asked Questions

What is Chapter 40B Housing?

Chapter 40B is the state's Affordable Housing Law. Because Massachusetts is such an expensive place to live, the Affordable Housing Law was enacted many years ago with the goal of making at least 10 percent of every community's housing affordable. The law allows developers to build affordable housing by allowing for a streamlined permit process and more flexible zoning rules. The process is available to developments that devote at least 25% of their units to low and moderate income families.

The 25% of the units designated as "affordable" are the homes that you may be interested in trying to purchase. These homes are located in developments across the state, and include single family homes, townhouses, duplexes and condominiums. They can be sold as new units by the developer, or as "resales" by people who own one of the homes and now want to sell it. Some developments are "age-restricted" (age 55 and over).

(There are also apartment buildings with affordable rental units developed under Chapter 40B. *See below for more information.*)

How do I find out about affordable properties for sale?

If you are interested in buying a Chapter 40B affordable unit, visit the MassAccess Housing Registry at <http://www.massaccesshousingregistry.org/> to search for currently opportunities.

How do I know if I qualify?

To be eligible to purchase an affordable unit, you must:

- Have income below 80% of the Area Median Income – [available here](#).
- Have less than \$75,000 in liquid assets (or \$275,000 for age-restricted developments)
- Be a first-time homebuyer (with some exceptions)
- Agree to a deed restriction that creates certain responsibilities you will have as an affordable unit owner
- Live in the home as your principal residence

What are the income limits?

Income limits vary by area and family size. The advertisement for the property you are interested in should include the income limits specific to the town or city where it is located. To find the specific income limit for your area, you can go to the HUD website where they are published annually: <https://www.huduser.gov/portal/datasets/il.html>

How about asset limits?

An individual or family can have no more than \$75,000 in assets. If the household is applying for an age-restricted development (55+), they can have up to \$275,000 in combined assets, including both liquid assets and property equity from the sale of a home.

What if I used to own a home?

For units that are not age-restricted, you must be a first-time homebuyer. This means you have had no ownership interest in a principal residence during the past 3 years OR you are a displaced homemaker or single parent who has only owned a home with a former spouse while married. For age-restricted units, you must sell your current home and live in the affordable property that you purchase as your principal residence.

What is a Deed Restriction?

A Deed Restriction or Deed Rider describes your responsibilities as an affordable home owner. For instance, you must get permission from CHAPA to refinance your mortgage or make any capital improvements to your home. If you want to sell your home, the price you may sell your home for is limited by a formula contained in the deed restriction. You will also have to notify CHAPA in writing if you want to sell your Chapter 40B property and follow certain procedures in order find another income-eligible buyer.

How do I apply?

To purchase an affordable home, contact the resale consultant or real estate agent selling the property. You will have to complete an application and provide documentation to show that you are eligible. You will need to have a pre-approval letter from a mortgage lender.

What about affordable apartments for rent?

There are also Chapter 40B rental developments. If you are interested in renting an affordable unit, visit the MassAccess Housing Registry at <http://www.massaccesshousingregistry.org/> to search for available rental opportunities.