

## NEW SITE OCCUPANCY - Minimum Document Requirements

All New Site Occupancy requests need to be accompanied by a complete application and the minimum documentary standards noted in the table below; additional documentation may be requested to better understand a specific site, program attribute, or expense. Applications and documents are to be presented in electronic format. Paper applications or documents will not be accepted.

All expenses must have proper supporting documentation in order to be considered as part of the occupancy rate. The only exception to this rule are expenses at or below the EOHHS standardized amounts in application version 07312015, Section [8], for utilities, maintenance, homeowner insurance, etc.

Related Party transactions may have significant financial implications for providers. See the entry for Related Parties in the table below. For further information, please refer to pages 59-61 in “UFR Audit & Preparation Manual, FY16” <http://www.mass.gov/anf/docs/osd/ufr/ufr2016.pdf>

In addition to a complete, accurate and current application, these are the minimum documentary requirements for new site applications:

PURCHASE EXISTING HOUSE	NEW CONSTRUCTION	LEASE & CAPITAL LEASE	RELATED PARTY LEASES
<ol style="list-style-type: none"><li>1. <b>HUD1 Settlement Statement</b> (or other documentation of Purchase Price)</li><li>2. <b>Mortgage or Loan document</b> with Amount Financed and finance terms (amortization, interest rate, and length of financing).</li><li>3. <b>Land Card</b> from town assessor office (for Land Value amount)</li><li>4. <b>Renovations.</b> If renovations have been made or are in process. Include a contract with details of work and associated costs, and documentation of payment.</li></ol>	<ol style="list-style-type: none"><li>1. <b>Mortgage or Loan document</b> for construction costs (including total cost, amount financed, interest rate, terms of loan)</li><li>2. <b>Mortgage or Loan document</b> for Land Cost, land financed, terms of sale, if a separate transaction and not part of construction mortgage</li><li>3. <b>Land Card</b> from town assessor office (for Land Value amount)</li><li>4. <b>Contract</b> with details of work and associated costs related to construction and documentation of payment.</li></ol>	<p><b>Lease</b> including full legal address, monthly rent, length of lease.</p> <p>Additional documentation will be requested if it is determined that a <b>lease</b> is actually a <b>Capital Lease</b>. A <b>Capital Lease</b> is a <b>lease</b> agreement in which the lessor (owner) agrees to transfer the ownership rights to the lessee (renter) after the completion of the <b>lease</b> period.</p> <p>Determination of <b>Capital Lease</b> status will be made by EOHHS, but should be disclosed if it is discovered, or otherwise becomes known, at the Area or Regional Office.</p>	<p>When a <b>Related Party</b> to the provider is involved in an Adult Long Term Residential (ALTR) housing transaction, documents will be requested to help determine whether the lease amount is greater than the <b>Related Party</b> site acquisition costs (mortgage interest + depreciation). The lesser of the 2 amounts is the reimbursable lease amount.</p> <p>Determination of <b>Related Party</b> status will be made by EOHHS, but should be disclosed if it is discovered, or otherwise becomes known, at the Area or Regional Office.</p>