

TOWN OF WAYLAND
MUNICIPAL AFFORDABLE HOUSING TRUST FUND

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2017 AND 2016

TOWN OF WAYLAND
MUNICIPAL AFFORDABLE HOUSING TRUST FUND

YEARS ENDED JUNE 30, 2017 AND 2016

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees

Town of Wayland Municipal Affordable Housing Trust Fund

Additional Offices:

Nashua, NH
Manchester, NH
Greenfield, MA
Ellsworth, ME

Report on the Financial Statements

We have audited the accompanying financial statements of the Town of Wayland Municipal Affordable Housing Trust Fund (the Trust), a component unit of the Town of Wayland, Massachusetts, as of and for the years ended June 30, 2017 and 2016, as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

The Trust's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant

accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Town of Wayland Municipal Affordable Housing Trust Fund, as of June 30, 2017 and 2016, and the changes in financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Melanson Heath

August 30, 2017

Town of Wayland Municipal Affordable Housing Trust Fund

Management's Discussion and Analysis (MD&A)

YEARS ENDED JUNE 30, 2017 AND 2016

Introduction

The Trustees of the Town of Wayland Municipal Affordable Housing Trust Fund (the "Trust") offer readers of the Trust's financial statements this narrative overview and analysis of its financial activities for the years ended June 30, 2017 and 2016. The Trustees encourage readers to read the information presented here in conjunction with additional information that is included in the Trust's financial statements, which follow this narrative.

Organizational Overview and Purpose

The Trust was established pursuant to Chapter 491 of the Massachusetts Acts of 2004, as amended by Sections 1 through 6 of Chapter 109, i.e., M.G.L. c. 44 §55C, and authorized by the vote of the 2014 Annual Town Meeting under Article 12 of the Warrant therefor.

The Trust is governed by a Board of Trustees (the "Trustees") consisting of seven members appointed by the Board of Selectmen of the Town of Wayland. At least one of the Trustees shall be a member of the Board of Selectmen and, in making the appointments to fill the remaining positions, the Board of Selectmen shall give preference to the following: (i) a member of the Wayland Housing Authority; (ii) a member of the Planning Board; (iii) a member of the Wayland Housing Partnership; (iv) a real estate law specialist licensed to practice law in the Commonwealth of Massachusetts; and (v) two residents.

The purpose of the Trust is to provide for the creation and preservation of affordable housing in the Town of Wayland (the "Town") for the benefit of low- and moderate-income households.

Financial Highlights

The Trust's aggregate fund balances at June 30, 2017 and 2016 were \$1,200,402 and \$1,105,314, respectively.

During the years ended June 30, 2017 and 2016, the Trust received revenues and other funding from the following sources:

- 1) The Town transferred \$25,583 and \$370,952, respectively, of inclusionary housing payments it had received from Brendon Homes LLC, the developer of River Trail Place (a 42-unit market rate residential condominium development project located in the Town Center), which made the payments pursuant to an agreement approved by vote at the Special Town Meeting held in November 2009, to the Trust. Of the \$25,583 and \$370,952 noted above, the Trust reported \$25,583 and \$51,166 as revenue in its financial statements for the year ended June 30, 2016 and the period October 8, 2014 to June 30, 2015, respectively, under the modified accrual method of accounting;
- 2) The Trust was entitled to receive an additional \$25,583 of inclusionary housing payments owed to the Town by Brendon Homes LLC as of June 30, 2016. This amount has been included as

revenue pursuant to the modified accrual method of accounting with corresponding receivables shown in the Trust's balance sheet at June 30, 2016; and

- 3) The Town transferred \$89,019 and \$95,694 of community housing funds to the Trust from the Town's Community Preservation Fund ("CPF") pursuant to votes at the 2017 and 2016 Annual Town Meetings, respectively. Transfers from the Town's CPF are reported as restricted funds as the use of such funds must be used for "community housing" as defined in M.G.L. c. 44B, §1 et seq. of the Community Preservation Act ("CPA") and use of such funds is further subject to the CPA's restrictions and limitations.

In addition, during the years ended June 30, 2017 and 2016, the Trust earned interest income of \$8,694 and \$4,099, respectively, and incurred expenses of \$2,625 and \$2,520, respectively.

To date, the Trustees have not made any financial commitments involving the Trust's assets.

Overview of the Financial Statements

The Trust's financial statements consist of three components: (i) the MD&A; (ii) basic financial statements; and (iii) notes to the financial statements. The financial statements are presented on a fund basis. Fund balance is divided into five classifications based primarily on the extent to which the Trust is bound to observe constraints imposed upon the use of the resources in the governmental funds. For the years ended June 30, 2017 and 2016, the Trust has classified the transfers it received from the Town's CPF, together with interest earned thereon, as "restricted" for financial statement purposes.

All other revenues and transfers from the Town, together with interest earned thereon, have also been classified as "restricted" for financial statement purposes meaning that such funds are restricted to be used by the Trust in advancing its purpose pursuant to M.G.L. c. 44 §55C. The total fund balance amount is restricted by the enabling legislation.

The Trust is a discretely presented component unit of the Town of Wayland, MA and included in the Town's Comprehensive Annual Financial Report.

Request for Information

The financial statements are designed to provide a general overview of the Trust for those with an interest in the Trust's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Town of Wayland's Finance Director at 41 Cochituate Road, Wayland, MA 01778.

**TOWN OF WAYLAND
MUNICIPAL AFFORDABLE HOUSING TRUST FUND**

BALANCE SHEETS
As of June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and cash equivalents	\$ 590,084	\$ 676,914
Investments	610,318	402,817
Inclusionary housing payments receivable	0	25,583
Total assets	<u>\$ 1,200,402</u>	<u>\$ 1,105,314</u>
 LIABILITIES AND FUND BALANCES		
Liabilities	\$ 0	\$ 0
Total liabilities	<u>0</u>	<u>0</u>
 Fund balance		
Restricted	1,200,402	1,105,314
Total fund balance	<u>1,200,402</u>	<u>1,105,314</u>
Total liabilities and fund balance	<u>\$ 1,200,402</u>	<u>\$ 1,105,314</u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF WAYLAND
MUNICIPAL AFFORDABLE HOUSING TRUST FUND**

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Investment income	\$ 8,694	\$ 4,099
Inclusionary housing payments	<u>0</u>	<u>345,369</u>
Total revenues	8,694	349,468
EXPENDITURES		
Total expenditures	<u>2,625</u>	<u>2,520</u>
Excess of revenues over expenditures	6,069	346,948
OTHER FINANCING SOURCES (USES)		
Transfers in - Town of Wayland	<u>89,019</u>	<u>95,694</u>
Total other financing sources (uses)	89,019	95,694
Net change in fund balance	95,088	442,642
Fund balance, at beginning of year	<u>1,105,314</u>	<u>662,672</u>
Fund balance, end of year	<u>\$ 1,200,402</u>	<u>\$ 1,105,314</u>

The accompanying notes are an integral part of these financial statements.

Town of Wayland
Municipal Affordable Housing Trust Fund
June 30, 2017 and 2016
Notes to Financial Statements

1. Organization and Purpose

The Town of Wayland Municipal Affordable Housing Trust Fund (the "Trust") was established pursuant to Chapter 491 of the Massachusetts Acts of 2004, as amended by Sections 1 through 6 of Chapter 109, i.e., M.G.L. c. 44 §55C, and authorized by the vote of the 2014 Annual Town Meeting under Article 12 of the Warrant therefor.

The purpose of the Trust is to provide for the creation and preservation of affordable housing in the Town of Wayland for the benefit of low- and moderate-income households.

The Trust is governed by a Board of Trustees (the "Trustees") consisting of seven members appointed by the Board of Selectmen of the Town of Wayland. At least one of the Trustees shall be a member of the Board of Selectmen and, in making the appointments to fill the remaining positions, the Board of Selectmen shall give preference to the following: (i) a member of the Wayland Housing Authority; (ii) a member of the Planning Board; (iii) a member of the Wayland Housing Partnership; (iv) a real estate law specialist licensed to practice law in the Commonwealth of Massachusetts; and (v) two residents.

As of June 30, 2017, there was a vacancy on the Board of Trustees due to the resignation of the Wayland Housing Partnership's representative.

On August 3, 2016, the Board of Selectmen appointed an individual to fill the vacant resident position on the Board of Trustees for a two-year term ending June 30, 2018.

As of June 30, 2016, there was a vacancy on the Board of Trustees following the decision by one of the two resident appointees not to seek reappointment.

The Town of Wayland Treasurer/Collector is currently serving as the custodian of the Trust's funds which are held in two savings accounts and various certificates of deposit at The Village Bank, and the Town of Wayland's Finance Director maintains books and records for the Trust within the Town of Wayland's financial reporting system.

The Trust shall continue so long as authorized under the Laws of the Commonwealth of Massachusetts. Notwithstanding the foregoing, the Trust may be terminated by the Town of Wayland's rescission of its acceptance of the provisions of Chapter 491 of the Acts of 2004, as amended, by majority vote at an annual meeting of the Town pursuant to M.G.L. c. 4, §4B.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accounting and reporting policies of the Trust conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Government Accounting Standards Board ("GASB") and the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units*.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Trust is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

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Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted - Fund balance is reported as restricted when constraints placed on the use of resources are either (i) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (ii) imposed by law, through constitutional provisions or enabling legislation, or by other binding documents, e.g., the Declaration of Trust.

Enabling legislation may include a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Trust can be compelled by an external party, such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purpose imposed by formal action of the Trustees. Those committed amounts cannot be used for any other purpose unless the Trustees remove or change the specified use by taking the same type of action they employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classifications may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Trustees, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that the existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the Trust for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed.

Unassigned - The unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Trust applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles may require the Trustees to make estimates and assumptions that affect the reported

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amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financials, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Cash and cash equivalents

For financial statement purposes, the Trust considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

Investments

Investments in nonparticipating contracts, such as nonnegotiable certificates of deposit, are reported at cost. Other investments, if any, are carried at market value.

At June 30, 2017 and 2016, the Trust's investments are comprised solely of nonnegotiable certificates of deposit issued by The Village Bank.

Revenue Recognition

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, long-term payables, if any, are recorded only when payment is due.

Transfers In and Out

Transfers from the Town of Wayland's Community Preservation Fund ("CPF") are reported as restricted funds as the use of such funds must be used for "community housing" as defined in M.G.L. c. 44B, §1 et seq. of the Community Preservation Act ("CPA") and use of such funds is further subject to the CPA's restrictions and limitations. Transfers from the Town of Wayland's general fund are also classified as "restricted" for financial statement purposes meaning that such funds are restricted to be used by the Trust in advancing its purpose pursuant to M.G.L. c. 44 §55C.

Inclusionary Housing Payments Receivable

This includes inclusionary housing payments due to the Trust at the end of the fiscal year that have not been paid either directly to the Trust or to the Town of Wayland (see Note 5).

3. Cash and cash equivalents

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Trust's deposits may not be returned. M.G.L. c. 44 §55 limits the Trust's deposits "in a bank or trust company or banking company to an amount not exceeding sixty percent of the capital and surplus of such bank or trust company or banking company, unless satisfactory security is given to it by such bank or trust company or banking company for such excess." The Town of Wayland's investment policy requires the due diligence necessary to affirm the financial strength, capital adequacy, and reputation for any financial institution in which the Town places investments. Due diligence includes reviewing the institution's financial statements and the background of the sales representatives. The Town minimizes the concentration of credit risk by diversifying the investment portfolio among financial institutions. The policy prohibits the investment of more

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than ten percent (10%) of cash combined from all Town's funds in any single financial institution that is not fully collateralized. The Trust does not have a separate custodial credit risk policy.

As of June 30, 2017 and 2016, deposits in excess of FDIC limits (Federal Deposit Insurance Corporation) were insured by SIF (Share Insurance Fund).

4. Investments

a. General

Upon advice received from the Town of Wayland's town counsel, the Trust is considered a separate legal entity and, therefore, is not subject to the Town's investment policies. Nonetheless, the Trustees have determined that it is prudent to have the Town of Wayland's Treasurer/Collector manage the Trust's liquid assets, where possible, in accordance with the Town's investment policy.

b. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. For short-term investments that were purchased using surplus revenues, M.G.L. c. 44 § 55, limits the Town's investments to the top rating issued by at least one nationally recognized statistical rating organization (NRSROs).

The Trust invests in nonnegotiable certificates of deposits, which are exempt from this disclosure.

c. Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Town's custodial credit risk policy for investments mirrors the custodial credit risk policy for deposits (see Note 3 "Custodial Credit Risk - Deposits").

As of June 30, 2017 and 2016, nonnegotiable certificates of deposits in excess of FDIC limits were insured by SIF.

d. Concentration of Credit Risk

The Town minimizes Concentration of Credit Risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. There are no investments in any one issuer (other than U.S. Treasury securities and mutual funds) that represents 5% or more of total investments of the Town of Wayland.

As of June 30, 2017 and 2016, the Trust's investments are limited to nonnegotiable certificates of deposit (see "Custodial Credit Risk" above).

e. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Town will manage interest

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rate risk by managing duration in the account. The Town's investment policy requires investment of operating funds to have maturity of one year or less from the date of purchase.

During the years ended June 30, 2017 and 2016, the Trustees determined that a portion of the Trust's cash was not required for near term operations and, therefore, instructed the Town of Wayland's Treasurer/Collector to invest such excess cash in four (4) nonnegotiable 18-month certificates of deposits issued by The Village Bank, two (2) of which are in the amount of \$100,000, both with fixed interest rates of 1.24% and maturity dates of May 29, 2018 and two (2) of which are in the amount of \$200,000, both with fixed interest rates of 1.49% and maturity dates of July 11, 2017 (see Notes 6 and 8).

f. Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. The Town's policy prohibits exposure to foreign currency.

As of June 30, 2017 and 2016, the Trust has no exposure to foreign currency.

g. Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by Governmental Accounting Standards Board Statement No. 72 *Fair Value Measurement and Application* (GASB 72).

Per GASB 72, fair value measurement exceptions include the nonparticipating interest earning investment contracts, which have a cost based measurement under GASB 31, paragraph 8. The Trust reports its nonparticipating certificates of deposit on a cost basis.

5. Inclusionary Housing Payments

Pursuant to a vote under Article 3 at a Special Town Meeting held in November 2009 (which modified the Mixed Use Overlay District that governs the Wayland Town Center project) and certain changes to the original proposed residential development (which were approved by the Planning Board in 2013), Brendon Homes LLC, the developer of River Trail Place, a 42-unit, market rate residential condominium development project located in the Town Center ("River Trail Place"), agreed to donate an aggregate of \$537,240, or approximately \$12,791 per unit, to the Trust. The payments to the Trust were required to be made within thirty (30) days of the closing of the sale of each of condominium unit.

During the year ended June 30, 2016, the remaining twenty (27) condominium units were sold. As of June 30, 2016, the developer owed \$25,583 to the Trust with respect to two (2) of such units.

During the years ended June 30, 2017 and 2016, the developer paid the Town of Wayland a total of \$25,583 and \$370,952, respectively, (representing payments for two (2) and twenty-nine (29) units, respectively). Of the \$25,583 and \$370,952 noted above, the Trust reported \$25,583 and \$51,166 as revenue in its financial statements for the year ended June 30, 2016 and the period October 8, 2014 to June 30, 2015, respectively, under the modified accrual method of accounting.

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The Town transferred the funds it received from the developer to the Trust by depositing such funds in one of two savings accounts maintained by the Town, for the benefit of the Trust, at The Village Bank.

6. Transfers from the Town of Wayland

On May 10, 2017, the Town of Wayland transferred \$89,019, which was authorized by the vote of the 2017 Annual Town Meeting under Article 16 of the Warrant therefor, to the Trust.

On April 19, 2016, the Town of Wayland transferred \$95,694, which was authorized by the vote of the 2016 Annual Town Meeting under Article 25 of the Warrant therefor, to the Trust.

The funds authorized at the 2017 and 2016 Annual Town Meetings, which were transferred from funds set aside in the Town of Wayland's CPF for community housing, were deposited in a separate savings account maintained by the Town, for the benefit of the Trust, at The Village Bank (see Notes 2 and 3).

During the years ended June 30, 2017 and 2016, the Trust invested \$100,000 and \$200,000, respectively, of the amounts previously held in the special savings account noted above in certificate of deposits at The Village Bank which are identified as having been funded with funds received from the Town of Wayland's CPF (see Notes 2 and 4).

7. Income and Other Taxes

Upon advice received from the Town of Wayland's town counsel, the Trust is exempt from federal income taxes by virtue of its status as an "instrumentality" of the Town of Wayland. To date, the Trust has not sought a private letter ruling from the Internal Revenue Service with respect to its status for federal income tax purposes and it is uncertain whether or not the Trust will do so in the future.

On September 11, 2015, the Trust timely filed its initial Form 1041, *U.S. Income Tax Return for Estates and Trusts*, for the taxable period October 8, 2014 to December 31, 2014, on which the Trust disclosed its tax-exempt status and indicated that no further tax returns will be filed by the Trust. No tax returns were filed for the taxable years ended December 31, 2016 or 2015.

Pursuant to M.G.L. c. 44, §55C(g), the Trust is exempt from the provisions of M.G.L. c. 59 and 62, and from any other provisions of law concerning payment of taxes based upon or measured by property or income imposed by the Commonwealth of Massachusetts or the Town of Wayland.

8. Subsequent Events

The Trust has evaluated subsequent events through August 30, 2017, the date on which these financial statements were available to be issued.

On July 11, 2017, two (2) of the Trust's nonnegotiable certificates deposits matured. The Trust reinvested the principal amount of each of the maturing nonnegotiable certificates of deposit, each in the amount of \$200,000, in two (2) new 18-month nonnegotiable certificates of deposit at The Village Bank, both with fixed interest rates of 1.49% and maturity dates of January 13, 2019. The Trust deposited the accrued interest on each of the maturing nonnegotiable certificates of deposit, each in the amount of \$4,529, in the two savings accounts held at The Village Bank (see Note 6).

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On July 24, 2017, the Trust entered into a purchase and sale agreement with 150 Main Street, LLC to acquire the property located at 11 Hammond Road, Wayland, MA for a purchase price of \$390,000. The property consists of an existing four-bedroom single family house and approximately 0.4 acres of land. The acquisition is anticipated to be funded with cash held in the Trust's savings accounts. A cash deposit of \$20,000 was paid upon execution of the purchase and sale agreement. Subject to the satisfactory completion of its due diligence, the Trust anticipates closing on the acquisition on or around September 14, 2017.