

SHERIDAN NEIGHBORHOOD ORGANIZATION HOMEBUYER ASSISTANCE NRP APPLICATION

Please submit the following documents at least 30 days prior to your scheduled closing date:

- Application Form (attached)
- Government Monitoring Addendum (attached)
- Data Privacy Act Statement (attached)
- Authorization to Release (attached)
- Subordination Disclosure (attached)
- IRS Form 4506-T (attached)
- Copy of a current photo ID for all applicants
- Copy of 2 most recent paystubs
- Copy of last 2 years Federal Income Tax Returns including W-2's and all schedules
- Executed Purchase Agreement – most recent copy
- Uniform Residential Loan Application
- Good Faith Estimate

After all of the above documents have been received by the *HousingResource* Center and your application has been processed, Sheridan Homebuyer Assistance Program funds will be reserved.

Once funds are reserved, the following documents must be received at least 10 days before closing:

- Lender Closing Certification
- Lender Request for Check
- Title Commitment
- Appraisal
- Lender Commitment Letter
- Home Stretch Class Certificate

Loan consultants are available to advise and answer questions about the program. For assistance call: 612-722-7141

SUBMIT COMPLETED DOCUMENTS TO:

***HousingResource* Center
3749 Cedar Avenue S
Minneapolis, MN 55407
612-722-7141**

SHERIDAN NEIGHBORHOOD

Homebuyer Assistance Program

PROGRAM OVERVIEW: The purpose of SNO’s Homebuyer Assistance Program is to encourage potential homebuyers to become owner-occupants by providing down-payment and closing cost assistance.

Homebuyer Assistance Program

- 1. **Loan Pool:** Approximately \$200,000 in NRP funds is available.
- 2. **Income Limits:** Household incomes must be 80% of the area median income or less.

<u>Family Size</u>	<u>80% of Median</u>
1	\$47,040
2	\$53,760
3	\$60,480
4	\$67,120
5	\$72,560
6	\$77,920
7	\$83,280
8	\$88,640

*Data obtained from Department of Housing and Urban Development in January 2012.
Amounts will be updated annually.*

- 3. **Loan Amounts:** Up to a maximum of \$5,000.
- 4. **Mortgage Approval:** Applicants must show ability to obtain mortgage financing. Financing of purchase must be from a qualified financial institution. Contract-for-Deed purchasers are not eligible for funds from this program.
- 5. **Deferred Loan Interest Rate:** 0%
- 6. **Deferred Loan Repayment Terms:** No repayment is due to SNO or NRP if the property owner remains as an owner-occupant for a period of six years following the date of the deferred loan closing.
- 7. **Eligible Uses of Funds:** The deferred loan money can only be used to assist as down payment and closing cost money.
- 8. **Application Processing:** All applications must be submitted to GMHC and processed on a first-come, first-served basis.

9. **Eligible Properties:** Owner occupied dwellings no larger than 4 units that will be homesteaded properties located in the Sheridan neighborhood. Properties with a condition of 8, 9 or 10 rating by the City of Minneapolis Inspection Department are not eligible to receive funds.
10. **Eligible participants:** Any one household can receive one homebuyer assistance loan over the life of the program. Even if the household moves to a different property in the Sheridan Neighborhood.
11. **Loan- to –Value Ratio:** Generally, applicants who have a potential “Loan-to-Value Ratio” in excess of 110% will be denied loan financing.
12. **Loan Security:** All deferred loans will be secured by a mortgage.
13. **Loan Costs:** SNO will pay the loan origination fee and servicing fees. The borrower will pay the mortgage filing fee and related closing costs. Borrowers will also pay a fee for the preparation of the Mortgage Satisfaction document – once requested by borrowers.
14. **Disbursement Process:** The following procedures shall apply:
 - a.) The purchaser must notify GMHC of his/her intent to participate in the program. The purchaser must provide an executed copy of the purchase agreement at least 30 days prior to purchasing the property.
 - b.) The purchaser must provide GMHC with a copy of the mortgage loan commitment letter, and written documentation relative to the loan closing date.
 - c.) From funds made available to GMHC by the MCDA through the NRP and in accordance with the Sheridan Homebuyer Assistance Program, GMHC will provide a check (not to exceed \$5,000) to the loan closing or title insurance company prior to the loan closing.
 - d.) The purchaser must sign the deferred loan note and mortgage at the loan closing. The loan closing or title insurance company conducting the loan closing will be responsible for recording the mortgage. The purchaser will pay the filing fee.
 - e.) After the loan closing, the purchaser must provide GMHC with written evidence from the loan closing or title insurance company of the use of the home ownership program funds. A copy of a fully executed HUD-1 form, showing the use of these funds, is one example of an acceptable type of documentation.
15. **Program Timelines**

SNO adoption of Guidelines	February 27, 2003
GMHC begins accepting applications	March 1, 2003

INCOME & EMPLOYMENT VERIFICATION

WAGE INCOME: (Include bonus, overtime, seasonal and sporadic income)

Applicant Name	Employer Name, Address, and Phone Number	Position	Years Employed	Annual Gross Income

OTHER SOURCES OF INCOME: (ex. Social Security, child support, public assistance, alimony, pensions, military reserve, contract-for-deed, rental income, unemployment compensation, etc.)

Applicant Name	Income Source	Annual Gross Income

If you own your own business, please contact the HousingResource Center for further instructions.

IMPROVEMENTS

Briefly describe the proposed improvements: _____

Estimated Loan Amount: \$ _____

Who will be completing the work? Borrower Contractor

SIGNATURES

I/We certify that the statements contained in this application are true and complete to the best of my/our knowledge and belief.
I/We have read and understand the Program Guidelines.

Applicant's Signature

Date

Co-Applicant's Signature

Date

Return completed application and other required materials to:

HousingResource Center, 3749 Cedar Ave S, Minneapolis, MN 55407

For information on additional programs offered in your community, please call 612-722-7141 or visit www.gmhchousing.org

ADDENDUM TO APPLICATION

Sheridan NRP

Information for Government Monitoring Purposes

The information being requested below is for determining compliance with federal equal credit opportunity, fair housing and home mortgage disclosure law. You are not required to furnish this information, but are encouraged to do so. The law provides that a Lender may not discriminate on the basis of this information, or on whether you choose to furnish the information. If you choose not to furnish this information and you have made the application in person, we are required to note ethnicity, race and sex on the basis of visual observation or surname. Please check below if you choose not to furnish the information.

DATE OF APPLICATION: _____

APPLICANT	CO-APPLICANT
APPLICANT NAME:	CO-APPLICANT NAME:
<input type="checkbox"/> I do not wish to furnish this information	<input type="checkbox"/> I do not wish to furnish this information
ETHNICITY: (select only one) <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	ETHNICITY: (select only one) <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
GENDER: <input type="checkbox"/> Female <input type="checkbox"/> Male	GENDER: <input type="checkbox"/> Female <input type="checkbox"/> Male
RACE: (select one or more) <input type="checkbox"/> White <input type="checkbox"/> Black/African American <input type="checkbox"/> Asian <input type="checkbox"/> American Indian/Alaska Native <input type="checkbox"/> Native Hawaiian/Other Pacific Islander <input type="checkbox"/> American Indian/Alaska Native & White <input type="checkbox"/> Asian & White <input type="checkbox"/> Black/African American & White <input type="checkbox"/> American Indian/Alaska Native & Black/African American <input type="checkbox"/> Other Multi Racial	RACE: (select one or more) <input type="checkbox"/> White <input type="checkbox"/> Black/African American <input type="checkbox"/> Asian <input type="checkbox"/> American Indian/Alaska Native <input type="checkbox"/> Native Hawaiian/Other Pacific Islander <input type="checkbox"/> American Indian/Alaska Native & White <input type="checkbox"/> Asian & White <input type="checkbox"/> Black/African American & White <input type="checkbox"/> American Indian/Alaska Native & Black/African American <input type="checkbox"/> Other Multi Racial

APPLICANT SIGNATURE

CO-APPLICANT SIGNATURE

This Section For Lender Use	
Greater Metropolitan Housing Corporation	
Application received by: _____ mail _____ face-to-face interview _____ telephone _____	
Staff Name: _____	Date _____

THIS FORM MUST BE SIGNED AND RETURNED WITH THE APPLICATION

DATA PRIVACY ACT

In accordance with Minnesota Government Data Practices Act the Greater Metropolitan Housing Corporation (GMHC) is required to inform you of your rights regarding the private data collected from you.

Private data, collected from you or from other organizations authorized by you, is used to determine your eligibility for programs administered by GMHC. The use of private data we collect is limited to that necessary for administering programs and providing our services.

You may refuse to provide the requested information. If you do not provide the requested information, you may not be eligible for specific loans, grants or services.

Unless authorized by state or federal law, other government agencies using the reported private data must also treat the information as private. You may wish to exercise your rights as contained in the Minnesota Government Data Practices Act. These rights include:

- 1) The right to see and obtain copies of the data maintained on you
- 2) The right to be told the contents and meaning of data
- 3) The right to contest the accuracy and completeness of the data

I have read and understand the above information regarding my rights as a subject of government data.

Print Name _____

Print Name _____

Date: _____ Signature _____

Date: _____ Signature _____

Print Name _____

Print Name _____

Date: _____ Signature _____

Date: _____ Signature _____

THIS FORM MUST BE SIGNED AND RETURNED WITH THE APPLICATION

AUTHORIZATION TO RELEASE INFORMATION

I have applied for a loan or grant through the Greater Metropolitan Housing Corporation (GMHC), at the HousingResource Center™. As part of the application process, employees of GMHC may verify information contained in my/our loan or grant application and in other documents required in connection with the loan. This verification process can be conducted either prior to closing or subsequent to closing, and may be performed either by employees of GMHC or by independent third parties, as a part of the origination, processing, underwriting, closing or quality control programs of GMHC.

I authorize you to provide to GMHC and to any investor to whom GMHC may sell my loan, to any servicer or any funder of the program for which I have applied, any and all information and documentation that they request. Such information includes, but is not limited to employment history, income; bank, money market and other financial account balances; credit history; copies of income tax returns and property information.

A copy of this authorization may be accepted as an original.

Your prompt reply is appreciated.

Thank you

Print Name

Social Security Number – last 4 digits

Date

Signature

NOTE: Use a separate form for each individual who is an applicant, guarantor or other individual whose information is considered in the application. Only one person signs each form.

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Print Name

XXX-XX-
Social Security Number – last 4 digits

Date

Signature

NOTE: Use a separate form for each individual who is an applicant, guarantor or other individual whose information is considered in the application. Only one person signs each form.

Subordination Disclosure

City of Minneapolis

105 5th Avenue South, Suite 200
Minneapolis, MN 55401

You are receiving or have received a loan from the City of Minneapolis. This loan is being closed in the name of the City of Minneapolis (City). If at some future date, you choose to obtain a new first mortgage or other financing that uses your home as security, there are some facts you should know about your City loan that may guide your decision.

The first fact you should know is that most, if not all, lenders will want their new mortgage to have as high a lien position as possible. If your new financing is a refinance of your current first mortgage, when your first mortgage is paid off, the City's loan along with any other financing automatically moves up in lien position and the new mortgage takes the lowest lien position on the title of your property. The only way for your new mortgage lender to obtain a first lien position is to either pay off the City's lien or request and obtain the City's approval to have its loan subordinated. Subordinated means that the City signs an agreement that says it will let its lien move to a lower lien position behind the new mortgage, which allows your new mortgage to move to a higher lien position.

The City will consider each subordination request subject to the *CITY'S SUBORDINATION POLICY* in effect at the time of the request.

The City will not consider a subordination request if any of the following conditions exist:

- ◆ New financing is an open-ended line-of credit
- ◆ Violation of Owner Occupancy requirement

All loan subordinations should be approved by the City prior to the closing of the new financing. The City reserves the right to refuse any subordination request that does not meet the *CITY'S SUBORDINATION POLICY* in effect at the time of the request, or if the request is determined to not be in the City's best interest.

There is a processing/review fee charged for each subordination request.

Borrower _____

Co-Borrower _____

Date _____

(Rev. January 2011)

Department of the Treasury
Internal Revenue Service

► Request may be rejected if the form is incomplete or illegible.

Tip. Use Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can quickly request transcripts by using our automated self-help service tools. Please visit us at IRS.gov and click on "Order a Transcript" or call 1-800-908-9946. If you need a copy of your return, use **Form 4506, Request for Copy of Tax Return**. There is a fee to get a copy of your return.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)
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2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number or individual taxpayer identification number if joint tax return
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3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code (See instructions)

4 Previous address shown on the last return filed if different from line 3 (See instructions)

5 If the transcript or tax information is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number. The IRS has no control over what the third party does with the tax information.

GMHC Housing Resource Center - South (612) 722-7141
3749 Cedar Avenue S, Minneapolis, MN 55407

Caution. If the transcript is being mailed to a third party, ensure that you have filled in line 6 and line 9 before signing. Sign and date the form once you have filled in these lines. Completing these steps helps to protect your privacy.

6 Transcript requested. Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. ► 1040

a Return Transcript, which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days

b Account Transcript, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 30 calendar days.

c Record of Account, which is a combination of line item information and later adjustments to the account. Available for current year and 3 prior tax years. Most requests will be processed within 30 calendar days

7 Verification of Nonfiling, which is proof from the IRS that you **did not** file a return for the year. Current year requests are only available after June 15th. There are no availability restrictions on prior year requests. Most requests will be processed within 10 business days

8 Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript. The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2007, filed in 2008, will not be available from the IRS until 2009. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 45 days

Caution. If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.

9 Year or period requested. Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.

12/31/2010

12/31/2011

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, **either** husband or wife must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer. **Note.** For transcripts being sent to a third party, this form must be received within 120 days of signature date.

Telephone number of taxpayer on line 1a or 2a

Sign Here	Signature (see instructions)	Date
	Title (if line 1a above is a corporation, partnership, estate, or trust)	
	Spouse's signature	Date