

VENTURA VILLAGE HOMEBUYER ASSISTANCE LOAN PROGRAM 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)
- Copy of a current photo ID for all applicants
- 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, Ventura Village Homebuyer Assistance Loan 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**

Ventura Village NRP Homebuyer Assistance Loan Program Program Guidelines

Program Overview: This program is designed to supplement existing home buyer assistance programs available from the City of Minneapolis, MHFA, private lenders, and other similar sources.

Eligible Applicants: Anyone buying a residential property within the Ventura Village neighborhood that will become homesteaded and owner-occupied. Applicants do not have to be “first time homebuyers”.

Income Limit: There is no income limit for this program.

Eligible Properties: Properties must be located in the Ventura Village neighborhood. The properties must become homesteaded and owner-occupied by the applicant. Properties must be either single family dwellings or duplexes. Purchasers of a condominium unit or townhome unit shall be able to participate in this program. Purchasers of a property through a “community land trust” arrangement, or purchasers of a cooperatively owned unit shall not be able to participate in this program.

Loan Interest Rate: Zero percent (0%).

Maximum Loan Amount: The maximum loan amount shall be \$5,000.00.

Minimum Loan Amount: The minimum loan amount shall be \$2,000.00.

First-Time Homebuyer: A “first time homebuyer” is defined as someone who has never before had a mortgage for a principal primary residence individually (or jointly) in his/her/their name within the past three years. [For example: If two people (either singly or as a married couple) are going to buy a property together and one of them has had a mortgage for a principal property within the past three years, they do not qualify as “first time homebuyers”.]

Mortgage Approval: If not a “cash purchase transaction”, applicants must show the ability to obtain mortgage financing. The financing must be from a qualified financial institution. If applicants are first-time homebuyers as defined in the above paragraph and purchasing the property through a mortgage lender, they must also provide evidence of completion of the required first-time homebuyer “pre-purchase” counseling, as required by that lender.

Loan Term: The following condition governs the repayment (or the forgiveness) of the loan:

If the property ownership transfers within five (5) years of the loan closing date, 100% of the loan must be repaid. After the fifth anniversary of the loan closing date, the loan does not have to be repaid.

Loan Security: Loans will be secured with a mortgage in favor of the City of Minneapolis.

Eligible Costs: These loans can be used to finance the purchaser's down-payment, to finance the purchaser's closing costs, and/or to be applied toward the actual purchase price of the property. If the purchase price of the property is less than the maximum loan the purchaser could "afford", the loan proceeds can not be applied to reduce the mortgage amount.

Contract for Deed Purchasers: Homebuyers purchasing a property through a contract for deed can participate in this program. The contract-for-deed vendor (and the property owner of record) must agree to the placement of the City's mortgage. The signatures of all parties in the property ownership chain must sign the Mortgage used to secure the loan.

Application Processing: All applications must be submitted to GMHC, and they will be processed on a first-come, first-served basis.

Loan – to – Value Ratio: Generally, applicants who would have a potential "loan-to-value ratio" in excess of 110% will be denied this financing.

Loan Costs: Administrative fees and loan servicing costs will be paid out of the NRP budget for this homebuyers program. Borrowers will pay the mortgage filing fee.

Disbursement Process:

1. The applicant must notify GMHC of his/her/their intent to participate in the program at least 30 days prior to purchasing the property. A copy of the executed Purchase Agreement for the property (or a similar, alternate written document) must be submitted to GMHC to reserve funds.
2. The purchaser's "status" is reviewed by GMHC to determine preliminary eligibility for the program.
3. If the property is being purchased through a contract-for-deed, GMHC shall verify that all parties in the ownership chain of the property, including the owner of record, will sign the Mortgage that will be used to secure the loan.
4. The purchaser(s) must provide GMHC with a copy of the mortgage loan commitment letter, and written documentation relative to the exact loan amount and the loan closing date (if not already stated in the purchase agreement or the mortgage loan commitment letter).
5. The purchaser(s) sign the program's "Homebuyer's Agreement".
6. GMHC can handle the loan closing following one of two scenarios:
 - Scenario A:** GMHC will close the loan in its office prior to the closing of the purchase of the property. The homebuyer will sign all necessary documents and receive the loan proceeds to take to the closing/title company. The check will be made payable to both the closing/title company and homebuyer. GMHC will communicate with the closing/title company to ensure the first mortgage lender's mortgage is filed at Hennepin County prior to the City's mortgage.
 - Scenario B:** A closing/title company closes the loan. GMHC will provide the loan check to the closing/title company, and the check will be made payable to both the closing/title company and homebuyer. In addition, all loan documents (and related instructions) will be provided to the closing/title company prior to the purchase closing. The closing/title company will have the responsibility of collecting the appropriate filing fees and filing the mortgage accordingly.
 - Under either scenario:** After the purchase closing, the closing/title company must provide written evidence of the use of the funds (a copy of the HUD-1, for example) to GMHC.
7. Upon filing of the mortgage with Hennepin County, GMHC will retain the original filed mortgage in the homebuyer's file.

VENTURA VILLAGE NRP APPLICATION

Program: _____

Home Improvement Home Purchase

BORROWER INFORMATION

Applicant Name: _____ Soc. Sec. # ____-____-____ D.O.B. ____/____/____

Marital Status: Married Unmarried Separated

Home Phone: _____ Alternate Phone: _____ Email: _____

Co-Applicant Name: _____ Soc. Sec. # ____-____-____ D.O.B. ____/____/____

Marital Status: Married Unmarried Separated

Home Phone: _____ Alternate Phone: _____ Email: _____

Home Address: _____

City: _____ State: _____ Zip Code: _____

Number of Residents: 18 and older ____ under 18 ____

PROPERTY INFORMATION

Address to be improved/purchased: _____

Property Type (check one): Single family Duplex Triplex
 Fourplex Condo Townhome

Owner -Occupied? Yes No

I/We have outstanding code violations from the City of Minneapolis Inspections Department. Yes No

CREDIT INFORMATION

CREDIT HISTORY: These questions apply to all applicants. If you answer "yes", please provide a separate written explanation.

Are there any outstanding judgments or liens against you? Yes No

Have you been declared bankrupt within the past 36 months? Yes No

Have you had any property foreclosed upon or given title or deed in lieu thereof? Yes No

Are you a co-maker or endorser on a note? Yes No

DEBTS:

To Whom Indebted (Named)	Date Incurred	Original Amount	Present Balance	Monthly Payments	Check If Business Related
Mortgage:					
Contract-for-Deed:					
Auto:					
Student Loans:					
Credit Cards:					

ADDENDUM TO APPLICATION

Ventura Village 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

_____	XXX-XX-	_____
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

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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 _____