

## Dakota County Community Development Agency

# DPA Loan Program Forms

### Key Form Descriptions

**Application:** The application includes information on household composition, income and assets and the property to be purchased. The income and assets of the buyer(s) as well as all other household members, 18 years of age and older, that will occupy the property are verified by the lender through third party verifications and submitted to the CDA either during the pre-closing income compliance review.

The borrower and lender work together to complete the application. All buyers must sign the application. In addition, the application includes the DPA loan calculation/reservation, which is completed by the lender.

**Buyers Certification of Rented Property:** The buyer(s) signs this if the property being purchased is currently being used as a rental property and they are the current renters.

**Disclosure of Information Regarding Lead Based Paint:** Homes built prior to 1978 have the potential to contain lead based paint. This form contains a seller's disclosure regarding lead based paint information, records and reports. It also contains a buyer's acknowledgement that all information regarding the property and lead based paint has been provided in addition to the lender's acknowledgement that the Protect Your Family From Lead in Your Home pamphlet was provided to the buyer. This form must be completed and signed by all sellers, all buyers and the lender.

**Lead Base Paint Pamphlet Receipt:** The lender must supply to the buyer(s) the pamphlet titled "Protect Your Family from Lead in Your Home". This receipt is signed by the buyer(s) acknowledging that they have received the pamphlet. It is best to submit this receipt along with the application.

**Homebuyer Agreement:** The buyer(s) must sign this form to acknowledge the terms of the DPA loan, including the amount of the loan and the fact that it must be repaid when the home is sold, refinanced, or no longer the buyer(s) principle residence, or when the first mortgage amount is paid in full.

**Second Mortgage & Note:** The buyer(s) must sign a second mortgage and note. The second mortgage must be recorded with the Dakota County Recorder by the lender or closing agent immediately after closing, with instructions to have the recorded second mortgage forwarded to the CDA.

**Verifications:** The income of all individuals 18 years old or old that will be living in the property must be verified, whether or not they are a party to the first mortgage. The CDA provides forms to verify income and assets. The lender can use these forms or their own, as long as their forms capture all required information. These forms include:

- Verification of Child Support Payments
- Verification of Employment
- Verification of Unemployment
- Verification of Assets on Deposit
- Verification of Spousal Support/Separation Payments
- Verification of Student Status
- Verification of Recurring Cash Contributions
- Verification of Zero Income
- Verification of Social Security Benefits
- Verification of Public Assistance Benefits
- Verification of Income from Business
- Verification of VA Benefits
- Verification of Pension and Annuities
- Verification of Income from Military Service