

AFFIDAVITS/CERTIFICATION

Minneapolis/Saint Paul Housing Finance Board (the "Issuer")
Take Credit! MORTGAGE CREDIT CERTIFICATE PROGRAM

There are important legal consequences to this Affidavit. Read carefully before signing.
APPLICANT AFFIDAVIT

STATE OF MINNESOTA

COUNTY OF _____ (Hennepin or Ramsey only)

MCC NUMBER # _____

The undersigned, as part of my(our) application for a Mortgage Credit Certificate for a single-family residence (the Residence) that will become my(our) permanent, primary residence from a participating lender (the Lender) of my(our) choice, being first duly sworn state that we qualify as first-time homebuyers under the program requirements and that the following information is true and correct:

APPLICANT LAST NAME FIRST MIDDLE

COAPPLICANT LAST NAME FIRST MIDDLE

ADDRESS BEING PURCHASED

CITY _____ (Minneapolis or Saint Paul Only) ZIP CODE _____ MN

CHECK AS APPLICABLE:

- New Construction Existing Non-Targeted Area Targeted Area Qualified Veteran's Loan Qualified Rehabilitation Loan

Copies of Federal Income Tax Returns filed with the IRS for the past three (3) years for all resident adults are submitted herewith or the reasons for exemption from filing are stated as follows: _____

CHECK IF APPLICABLE: _____ Mortgagor (Comortgagor) meets the requirements to qualify as a "veteran" as defined in 38 U.S.C. Section 101 and has not previously obtained a loan financed by single family mortgage revenue bonds utilizing the veteran exception to the first-time homebuyer requirement set forth in Section 416 of the Tax Relief and Health Care Act of 2006. Attached hereto are true and correct copies of my discharge or release papers, which demonstrate that such discharge or release was other than dishonorable.

Total Persons in Household _____ Number of Income Recipients _____ Number of Minors _____

HOUSEHOLD INCOME. The Household Income of my family is stated below. For this purpose, I understand that household income includes total income from all sources (before taxes and withholding) of all persons 18 or over residing or intending to reside in the residence to be financed with the proceeds of the mortgage loan. Household Income is defined as the current family income of a potential Mortgagor, and shall in any event include the current gross income of all persons who live or intend to live with such Mortgagor in the same dwelling unit (other than persons under 18 years of age who are not primarily liable or secondarily liable on the Note), but exclusive of the income of any co-signor of a Note who does not live or intend to live in the home, as evidenced by documentation satisfactory to the Lender. Current gross income is annualized gross monthly income. Gross monthly income is the sum of monthly gross pay; any additional income from overtime; part-time employment; bonuses; dividends; interest; royalties; pensions; VA compensation; net rental income; and other income (such a alimony, child support, public assistance, sick pay, social security benefits, unemployment compensation, income received from trusts, and income received from business activities or investments).

	<u>Applicant</u>	<u>CoApplicant/Spouse</u>	<u>Other Occupants</u>
Annual Wages, Commissions, Bonuses	\$ _____	\$ _____	\$ _____
Self-Employment (Plus Depreciation)	\$ _____	\$ _____	\$ _____
Dividends/Interest/Annuities/Pensions	\$ _____	\$ _____	\$ _____
Child Support/Alimony/Public Assistance	\$ _____	\$ _____	\$ _____
Other Income	\$ _____	\$ _____	\$ _____
Grand Total Annual Household Income (Add All Amounts Above)	\$ _____		

TOTAL ACQUISITION COST

\$ _____

ACQUISITION COST. I understand that for the purposes of the foregoing the acquisition cost of the home is the cost of acquiring the home from the seller as a completed residential unit. The acquisition cost includes: (a) all amounts paid, either in cash or in kind, by the purchaser (or a related party or for the benefit of the purchaser) to the seller (or a related party or for the benefit of the seller) as consideration for the residence; (b) if a residence is incomplete, the reasonable cost of completing the residence, whether or not the cost of completing construction is to be financed with proceeds of the mortgage loan; (c) where a residence is purchased subject to a ground rent, the capitalized value of the ground rent shall be included in the Acquisition Cost (such value shall be computed using a discount rate determined by the Issuer); and (d) fixtures such as wall-to-wall carpeting, light fixtures and curtain rods. The acquisition cost does not include: (a) personal property purchased from the seller, except to the extent the cost of such property exceeds its fair market value; (b) the usual and reasonable settlement or financing costs (settlement costs include titling and transfer costs, title insurance, survey fees, or other similar costs) (financing costs include credit reference fees, legal fees, appraisal expenses, or other costs of financing the residence); (c) the value of services performed by my family in completing the residence. For purposes of the preceding sentence, my family includes only my brothers and sisters (whether by whole or half blood), spouse, ancestors, and lineal descendants; (d) the cost of land which has been owned by me for at least two (2) years prior to the date on which construction of the residences begins.

PRINCIPAL RESIDENCE. I(we) will occupy the residence as my (our) principal residence within a reasonable time not to exceed 60 days of loan closing. We will not use any part of the residence as investment property, a vacation, or recreational home, or in conjunction with business activities (as evidenced by the use of more than fifteen percent (15%) of the total floor space in a trade or business except for the rental of one to three of the units in a two-to-four family residence. I(we) will immediately notify the Mortgage Servicer in writing if the residence ceases to be my(our) principal, permanent residence;

NEW MORTGAGE. Unless the loan being requested is a Qualified Rehabilitation Loan, none of the Loan proceeds are or will be used to acquire or replace an existing mortgage, and I(we) did not have a mortgage (whether or not paid off) on the residence at any time prior to the execution of the mortgage (except that I(we) may have a construction period loan or temporary initial financing of twenty-four (24) months or less with respect to the home and may use the proceeds of the mortgage to repay such financing.

FIRST TIME HOMEBUYER. Unless this is a Qualified Rehabilitation Loan, Qualified Veterans Loans or finances a residence in a Targeted Area, all borrowers have submitted the most recent 3 years federal income tax returns or reasons exempted by law from doing so, and individually or together have not had an ownership interest in a principal residence within 3 years of loan closing (*principal residence includes single family detached, condominium, shares in housing cooperative, occupancy in an owned multi-family housing unit, factory made housing affixed to real property; ownership includes full or partial ownership interest, fee simple, joint ownership interest by joint tenancy, tenancy in common or tenancy in entirety, in interest of a tenant-stockholder in a cooperative, a land contract under which possession and the burdens and benefits of ownership are transferred, even if legal title is until some later date, ownership interest in trust or life estate interest*).

NO MORTGAGE REVENUE BOND FINANCING. no portion of the financing of the residence will be from Mortgage Revenue Bond funds. I(we) do not have an application in process nor have I(we) received a commitment for a mortgage loan under any single family mortgage revenue bond program.

NO LOAN FROM RELATED PERSON. No person related to me (us) has or is expected to have an interest as a creditor in the mortgage loan. I(we) must meet all federally and locally mandated requirements to qualify for the mortgage loan;

SAINT PAUL HERO LOAN QUALIFICATION. I/we have applied for a Hero Loan in the amount of \$_____ (not less than \$1,000 and not more than \$15,000) pursuant to the Saint Paul Heroes First-time Homebuyer Loan Program and understand that I qualify for such loan only if I/we are described in one of the following categories. I have checked the category under which I/we qualify for such loan, and have provided to the Lender pay stubs and other evidence necessary to show that I qualify:

- Active Military, Active Reserve, National Guard or Veterans:** Qualified Active Duty Service personnel include members of the U.S. Armed Services, Reserve Forces or National Guard. Qualified veterans include military members honorably discharged from any branch of the U.S. Armed Forces.
- Firefighters, Emergency Medical Technicians or Paramedics:** Sworn paid members of a fire department whose regular duties include fire suppression or prevention, emergency medical response or hazardous materials response.
- Health Care Workers:** Certified, accredited or licensed health care workers who are employed full-time as a medical resident or fellow, dental hygienist, nurse, nursing assistant, pharmacist, pharmacy technician, physician's assistant, medical technician, technologist or therapist.

- Police Officers:** Individuals commissioned as a police officer by a federal, state, regional, county or municipal or township government, or a public or private college or university; must be sworn to uphold, and make arrests for violations of the federal, state, regional, county, municipal or township law or respond to terrorism.
- Teachers:** Individuals employed full-time by an accredited or state recognized public school, private school, or federal, state, county or municipal educational agency as a state-certified classroom teacher or administrator in grades K-12 or higher education.
- Public Employees:** Individuals employed full-time by a federal, state, regional, county, municipal or township government and postal workers.

I/we understand that the Hero Loan is a non-interest bearing loan, secured by a second mortgage, and must be repaid in full if I/we sell the Residence or cease to occupy the residence as my (our) principal residence within 10 years following the closing of the Loan. I also understand that if I/we occupy the Residence as my (our) principal residence for 10 years, the Hero Loan will be forgiven. I also understand that proceeds of the Hero Loan may be used to (a) pay up to 1/2 of the downpayment, (b) pay closing costs, and/or (c) reduce the principal amount of my first loan.

RELIANCE. This Affidavit will be relied upon for the purposes of determining my(our) eligibility and if any information contained in this certification contains a material misstatement which is due to fraud or intentionally made, the MCC will be subject to immediate revocation and I(we) may be subject to criminal penalties including a \$10,000 penalty under section 6709 of the Internal revenue Code.

Further, I/We state not

SIGNATURE OF APPLICANT

SIGNATURE OF COAPPLICANT

Sworn to and subscribed before me on the _____ day of _____, _____.

PERSONALIZED
SEAL

Notary Public Signature

SELLER/BUILDER AFFIDAVIT

I/We the undersigned, as an essential participant in an application for a Mortgage Credit Certificate being submitted by the above named Applicants in connection with the Applicant's(s') purchase from the undersigned of a single family residence (the "Residence"), being first duly sworn hereby state the following:

I(We) certify that I(we) are the present owner and Seller (or Builder) of the Residence and that the Residence is a single family residence located at the above address.

I(We) understand that the selling price of the home is the purchaser's cost of acquiring the home from me as a completed residential unit. **The selling price includes:** (a) all amounts paid, either in cash or in kind, by the purchaser (or a related party or for the benefit of the purchaser) to me as seller (or related party or for the benefit of me as seller) as consideration for the residence; (b) if the residence is incomplete, the reasonable cost of completing the residence whether or not the cost of completing construction is to be financed with proceeds of the purchaser's mortgage loan; (c) where the residence is purchased subject to a ground rent, the capitalized value of the ground rent shall be included in the Purchase Price. Such value shall be computed using a discount rate equal to the yield on the Bonds; and (d) fixtures, such as wall-to-wall carpeting, light fixtures and curtain rods. **The selling price does not include:** personal property purchased from me, except to the extent the cost of such property exceeds its fair market value; (b) the usual and reasonable settlement or financing costs. Settlement costs include titling and transfer costs, title insurance, survey fees, or other similar costs. Financing costs include credit reference fees, legal fees, appraisal expenses, "points" which are paid by the purchaser (but not the seller, even though borne by the purchaser through a higher purchase price) or other costs of financing the residence; (c) the value of services performed by any member of the purchaser's family in completing the residence. For purposes of the preceding sentence, the family of an individual includes only the individual's brothers and sisters (whether by whole or half blood), spouse, ancestors, and lineal descendants, or (d) the cost of land which has been owned by the purchaser for at least 2 years prior to the date on which construction of the residence begins.

I(We) have not entered into any other contract or agreement with the Applicant(s), either expressed or implied, to perform additional construction on the residence or to transfer any additional property at additional cost other than personal property contained in the residence which are listed by item and amount and attached hereto and incorporated into this Affidavit.

I(We) acknowledge and understand that this Affidavit will be relied upon for purposes of determining the Applicant(s) eligibility and that any fraudulent statement may result in penalties, including a \$10,000 penalty under section 6709 of the Internal Revenue Code.

Dated Signature of Seller or Signature of Builder Representative

Dated Signature of Seller -If Seller Is Not an Individual, Type/print Name and Title and Name of Selling Entity.
If Signator Is Not the Owner, Type/print Name and Title. Attach Copy of Power of Attorney.

Sworn to and subscribed before me on the _____ day of _____, _____.

PERSONALIZED
SEAL

Notary Public Signature

LENDER CERTIFICATION

_____, the Lender, as of the date of closing has (1) reviewed the foregoing certifications of the Applicant(s) and the Seller/Builder and found them to be true and correct; (2) has charged the Applicant(s) only reasonable and customary fees of processing the financing (for non-MCC related charges -- no more than charged for other loans) and any fees permitted under the MCC Program; and (3) after completion of all underwriting, verifications and investigations has approved determined that the applicant and the mortgage loan meet all requirements of the MCC Program and has approved the mortgage loan. The Lender hereby agrees that it will immediately forward to the Program Administrator all information which it may receive during the life of the mortgage loan which may indicate that the Applicant(s) (1) may have made a misrepresentation in applying or (2) may affect the Applicant's continued eligibility. Lender acknowledges that a fraudulent statement in this certification or in information provided to the Administrator may result in criminal penalties, including a \$10,000 penalty under section 6709 of the Internal Revenue Code.

LENDER ALSO CERTIFIES:
IF NEW CONSTRUCTION, CERTIFICATE OF OCCUPANCY DATE: _____

Dated Signature of Authorized Officer

Telephone Number of Authorized Officer Print Name & Title of Authorized Officer