

Granite City Homeownership Program

Application Quicklist

Items that need to be submitted before approval

- Sales Contract, including lead based paint disclosure
- G. C. Program Application
- G.C. General Release form
- Worksheet for Calculating Income
- Mortgage Credit Analysis Worksheet (MCAW), if primary loan is FHA loan
- Details of Transaction Form, if primary loan is not an FHA loan
- Program Provision Form
- Mortgage Application
- Good Faith Estimate
- Credit Report
- Approval/Commitment Letter from Primary Lender
- Recent pay stubs
- Zero Income Verification for all household members over 18 who are full-time students or have no income
- Name of the title company where closing will take place
- IHDA Certification of Income form, with STF-2535 on it

Items that need to be submitted before closing

- Appraisal
- Flood Certification
- HQS inspection and re-inspection form, showing corrections, if needed, have been made
- Lead visual assessment report
- Inspection Amendment (signed by buyer and seller)
- URA Notification (signed by seller)
- Insurance certificate with MCCD/City of Granite City listed as additional insured
- Proof of \$1000 invested in purchase
- Homebuyer Counseling certificate
- Title Commitment
- Color pictures of the front and back of the home. These can be e-mailed to vhudson@granitecity.illinois.gov or mailed to Granite City City Hall, 2000 Edison Ave.

MEMORANDUM

To: All participating lenders and realtors
From: Vivian Hudson, Neighborhood Improvement Coordinator
Date: June 1, 2009
Subject: 2009 Check schedule for the Granite City HOMEbuyer Program

Enclosed with this memo is the check request schedule for 2009 and January of 2010 for the Granite City Homebuyer Program. This schedule allows for county and city holidays and weeks with single check runs, the internal time needed to approve a file for this program, reserve the necessary funds and request the check. However, due to the county's and city's holiday schedule, the attached schedule is subject to change. **Please be aware that the request dates on this schedule are the last possible date that the file can be submitted as far in advance of that date as possible.**

In order to have a check on the scheduled day of closing, all items necessary for approval must be on or before noon on the appropriate day. All items needed for approval must be submitted before a file can be approved. All items needed before closing must be submitted before the closing or the closing will not take place. I will try to remind you of the time frame with faxes, but the schedule we must follow will not allow for last minute phone calls or faxes if something is missing from the file.

Please note: Submit an approval ready file as early as possible. Do not wait until the day that the check must be requested to submit a new file. **If you do, we cannot guarantee a check in time for closing.**

MEMORANDUM

To: All participating lenders and realtors
From: Vivian Hudson, Neighborhood Improvement Coordinator
Date: January 5, 2010
Subject: 2010 Check schedule for the Granite City HOMEbuyer Program

Enclosed with this memo is the check request schedule for 2010 for the Granite City Homebuyer Program. This schedule allows for county and city holidays and weeks with single check runs, the internal time needed to approve a file for this program, reserve the necessary funds and request the check. However, due to the county's and city's holiday schedule, the attached schedule is subject to change. **Please be aware that the request dates on this schedule are the last possible date that the file can be submitted as far in advance of that date as possible.**

In order to have a check on the scheduled day of closing, all items necessary for approval must be on or before noon on the appropriate day. All items needed for approval must be submitted before a file can be approved. All items needed before closing must be submitted before the closing or the closing will not take place. I will try to remind you of the time frame with faxes, but the schedule we must follow will not allow for last minute phone calls or faxes if something is missing from the file.

Please note: Submit an approval ready file as early as possible. Do not wait until the day that the check must be requested to submit a new file. **If you do, we cannot guarantee a check in time for closing.**

**Granite City HOME Programs
Details of Transaction Form (for non-FHA usage)**

Name of Loan Applicant:

| | |
|-------------------------------------|--|
| Purchase Price | |
| + Estimated Prepaid Items | |
| + Estimated Closing Costs | |
| + PMI, MIP Funding fee paid in Cash | |
| = Total Costs | |
| - First Mortgage Amount | |
| - MCCD Forgivable Loan | |
| - Seller Paid Costs | |
| = Amount Needed from Borrower | |

Loan Terms

| | Mortgage Amount | Interest Rate | Term | Monthly Payment |
|----------------------|-----------------|---------------|------------|-----------------|
| Bank Mortgage | \$ | % | | \$ |
| MCCD Mortgage | \$ | % | | \$ |
| Escrow for Taxes | | | | \$ |
| Escrow for Insurance | | | | \$ |
| | | | Total PITI | \$ |

| | | |
|-----------------------|---|--------------------------------------|
| Debt to Income ratios | | |
| Front End | % | Monthly Payments on Non-Housing debt |
| Back End | % | |

Completed By: _____ Date: _____

General Release Form

I/We hereby authorize Madison County Community Development/City of Granite City or its designated agents to obtain and receive all records and information pertaining to eligibility for any and all housing programs offered by Madison County Community Development/Granite City. These records and information may include verification of employment, verification of income (including IRS returns), credit, residency, and banking information from all persons, companies, or firms holding or having access to such information. The term of this authorization shall commence on the date of the signature(s) and be in force for a period of two (2) years.

Signature of Applicant

Signature of Applicant

Social Security Number

Social Security Number

Date

Date

**Madison County Community Development/
City of Granite City
HOMEbuyer Program Application**

Program Name: Granite City HOMEbuyer Program

Program Address: 2000 Edison Ave.
Granite City, Illinois

Applicant: _____

Current Address: _____

City: _____ **State:** _____ **Phone:** _____

The undersigned hereby certifies that:

1. This Application is being delivered in connection with the undersigned's application for funds from Madison County Community Development/City of Granite City, in connection with the above referenced program.
2. The following individuals will occupy the home:

| <u>Occupant</u> | <u>Relationship</u> | <u>Age</u> |
|-----------------|---------------------|------------|
| a. _____ | Head of Household | _____ |
| b. _____ | _____ | _____ |
| c. _____ | _____ | _____ |
| d. _____ | _____ | _____ |
| e. _____ | _____ | _____ |
| f. _____ | _____ | _____ |

3. The total annual household income as of the date of application by Buyers to Madison County Community Development/City of Granite City is as follows:

\$

I certify that the information above is true and complete to the best of my knowledge on the date hereof. If this Application is executed more than 90 days prior to the closing date, I agree to update and re-certify the accuracy of the information herein provided within 90 days of the closing date.

Applicant Date

Applicant Date

HOMEbuyer Program File Checklist

Name of Homebuyer _____

Current Address _____

Home Phone _____ Work Phone _____

SS# Borrower _____ Co-Borrower _____

% of Median Income _____ Household Size _____ Race _____

Household Type _____ Debt Ratio _____ Loan Type _____

Address of Prospective Property _____

Parcel I. D. No. _____ Census Tract _____

Name of Real Estate Company _____

Contact Person _____

Phone Number _____

Name of Financial Institution _____

Contact Person _____

Phone Number _____

_____ Sales Contract Sale price _____ Estimated Closing Date _____

_____ Disclosure of Information on Lead-Paint and Lead-Based Paint Hazards

_____ Signed Program Application (MCCD form) _____ Mortgage Application Interest Rate

_____ Signed General Release Form (MCCD form) Primary Loan Amt. w/o MIP _____

_____ Worksheet for Calculating Income (MCCD form) _____ Credit Report

_____ Mortgage Credit Analysis Worksheet (MCAW) _____ Approval/Commitment Letter from Lender

_____ Good Faith Estimate _____ VOE/W2s/tax returns (not required)

_____ Program Provision Form (MCCD form) _____ 1 month's current paystubs

_____ File Approved (MCCD form) _____ Check requested

_____ Approval request package sent to IHDA _____ Closing letter sent to homebuyer

_____ Set up in One Roof _____ MCCD Approval Letter Sent to Lender

_____ Entered on IDIS HUD # _____ _____ MCCD Loan #

_____ Appraisal report Appraised value _____

_____ Flood Plain # of Bedrooms _____ Built in _____

Appraisal Co. _____ Appraiser _____

_____ Flood Certification _____ Title Commitment

_____ Title Company _____

_____ Copy of HQS inspection and list of needed repairs Pass _____ Fail _____

_____ Re-inspection form, if necessary Pass _____ Fail _____

_____ Copy of Lead Visual Assessment Pass _____ Fail _____

Inspector _____

_____ Inspection Amendment _____ Signed URA Notification

_____ Copy of Housing Counseling Certificate _____ Proof of \$1000 Investment

_____ Earnest Money _____

_____ Copy of recorded IHDA recapture agreement

_____ Copy of recorded MCCD mortgage _____ Copy of MCCD promissory note

_____ Copy of all other mortgages used at closing _____ Copy of all other promissory notes used at closing

_____ Copy of settlement statement _____ Acknowledgement of Receipt of Documents

_____ Compliance Affidavit _____ Agreement to Provide Insurance

_____ IHDA Certification of Income

_____ Property Insurance Certificate showing MCCD as Additional Insured or Loss Payee (original in accounting)

_____ Closing documents sent to IHDA _____ MATCH voucher completed

_____ Completed in IDIS _____ Completion forms given to accounting

GRANITE CITY
HOMEBUYER PROGRAM
INCOME GUIDELINES

May 26, 2009

| Household Size | Gross Income |
|----------------|--------------|
| 1 | \$38,000.00 |
| 2 | \$43,450.00 |
| 3 | \$48,850.00 |
| 4 | \$54,300.00 |
| 5 | \$58,650.00 |
| 6 | \$63,000.00 |
| 7 | \$67,350.00 |
| 8 | \$71,700.00 |

**MADISON COUNTY COMMUNITY DEVELOPMENT/GRANITE CITY
HOMEBUYER PROGRAM
POLICY AND PROCEDURES**

I. PROGRAM SUMMARY/OBJECTIVES

The Madison County Community Development (MCCD) Granite City Homebuyer Program assists persons in low-income households with an identifiable housing finance gap in purchasing a home in Granite City by:

1. Providing assistance, one-time only per household, toward down payment and closing costs, **in the form of a five-year forgivable loan for \$3,000 or \$5,000, depending on income level;** and
2. Ensuring that the home to be purchased complies with HUD defined rehabilitation standards before loan closing, and HUD's Lead-Based Paint standards, as outlined in the Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X), before occupancy by the buyer.

MCCD will loan eligible buyers an amount to cover the following items: 1% origination fee, processing fees, document preparation fees, appraisal fee, credit report, flood certification, settlement fee, title insurance, recording fees, pest inspection fee (if it is to be paid by buyer), HQS inspection, lead visual assessment, housing counseling fee, and the down payment. (MCCD cannot pay for any "pre-pays", such as funds used to set up escrow accounts.) The funds will be loaned over a 5-year term. Some loans, if funded with our HUD funds, will depreciate at a rate of 20% per year. Others, funded from our IHDA grant, pro-rated on a monthly basis over the 5-year period. HOME-funded loans made to the buyers by MCCD will be processed and serviced by MCCD. **Loans funded with IHDA funds will be processed by MCCD, but they will be serviced by IHDA.**

Funds from this program cannot be given back to the buyer. If funds exceed the amount needed for down payment and closing costs, the excess funds must be used as a principal reduction against the borrower's primary mortgage.

The program is intended to assist persons in low-income households, whose gross annual household income falls at or below the guidelines listed below, to purchase homes in Granite City. Household, for purposes of this program, is defined as: "one or more persons occupying a housing unit." **Applications in which the primary lender requires a non-occupying co-signer, will be considered on a case-by-case basis.**

| HOUSEHOLD SIZE | GROSS INCOME* |
|----------------|---------------|
| 1 | |
| 2 | \$38,000.00 |
| 3 | 43,450.00 |
| 4 | 48,850.00 |
| 5 | 54,300.00 |
| 6 | 58,650.00 |
| 7 | 63,000.00 |
| 8 | 67,350.00 |
| | 71,700.00 |

*Income limits are modified from time to time by the U.S. Department of Housing and Urban Development. Such modifications are automatically incorporated into this prospectus.

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II. HOW THE PROGRAM OPERATES

MCCD funds a HOMEbuyer Program through an allocation of the HOME program from HUD and, when available, funds from the Illinois Housing Development Authority (IHDA). The program is administered by MCCD/Granite City, with the assistance of local participating lending institutions and realtors.

Realtors will participate in this program by assisting the buyers in signing and submitting to MCCD the following documents (these items may also be submitted as part of the lender's package):

REALTOR PROCESS

1. After the buyers have been pre-qualified by a participating lending institution and have signed the program provision form, they should contact a realtor.
2. The realtor helps the buyers select an appropriate house.
3. After the buyers have selected the home they wish to purchase, they should enter into a sales contract with the sellers of the home. This sales contract should have an inspection addendum stating that the sales contract is contingent on the inspection of the property. It should also have a lead-based paint disclosure, signed by both the buyer and the seller. In the case of a property for sale by owner, a lead-based paint disclosure form can be requested from MCCD.
4. When the buyers have signed a sales contract, the realtor will refer buyer back to lending institution to finish the application process.
5. Lender or realtor should provide the buyer with the names and numbers of the MCCD approved home inspection agencies and HUD-approved housing counseling agencies.
6. The buyers will then hire a MCCD approved inspector, schedule and pay for a HUD inspection, using HUD's Housing Quality Standards and the Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X) as guidelines. This inspection is a federal requirement for participation in this program.
7. As soon as possible after the buyers call to schedule an inspection, the housing inspectors will conduct an inspection and a visual lead assessment and provide the seller, the buyers, the realtor, and MCCD with copies of the inspection reports, which specifically identify any violations and the work needed to correct the violations.
8. The buyers and the realtor will then review the inspection reports with the sellers and negotiate an agreement concerning the needed repairs. Such repairs must be inspected and approved by the housing inspector prior to loan closing. If the sellers are not willing to make and pay for repairs, and repairs are needed, the buyers may want to have the repairs done at their expense. However, if the buyers and the sellers cannot reach an agreement on who is to be responsible for the repairs, the contract may be terminated and all deposits paid on the contract by the buyers shall be refunded to the buyers. It is recommended that neither party begin needed repairs, nor should any lead-based paint stabilization be done, until it is certain that the buyers are approved for a loan from MCCD and a participating lending institution. If HQS repairs are done, they must be inspected and approved by the housing inspector prior to loan closing. **Please notify our office as soon as possible if problems arise concerning the inspection or the necessary repairs. These delays could affect the timing in requesting the check.**

If any paint stabilization was completed in excess of de minimis levels outlined in Title X, a risk assessment must be done, stabilization of the paint must be addressed, and a clearance test must be conducted and passed, before occupancy by the buyers.

De minimis levels are identified as follows:

20 square feet (2 square meters) on exterior surfaces;

2 square feet (0.2 square meters) in any one interior room or space; or

10 percent of the total surface area on an interior or exterior type of component with a small surface area. Examples include window sills, baseboards, and trim.

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9. The sellers will also sign the Uniform Relocation Act form, which is required for the buyers' participation in this program. This form states that the sale of the property in question is an arms length voluntary transaction. It gives an estimate of the present fair market value of the subject property. It further states that Madison County will not use eminent domain to acquire the property and that the subject property is not part of a planned or designated project area where substantially all property within the area will be purchased. This document will also state that the property to be purchased is not occupied by a rental tenant who would be displaced by the purchase of the property, **and has not been occupied as rental property for the past 6 months.**

10. Once agreement is reached between the sellers and the buyers, the realtor will assist in the completion of the sales contract.

11. The realtor will give a copy of the sales contract to the lender along with the original signed Uniform Relocation Act form and a signed inspection amendment.

12. At this point a sales contract with the required attachments will have been signed and the buyers can seek financing through a lending institution. The appropriate persons can pursue making the repairs but it is recommended that they wait until the buyers have received loan approval from MCCD and the participating lending institution.

13. The buyers may seek financing from the lender of their choice, provided that the lender is willing to participate in the MCCD HOMEbuyer Program. Participation in the program for a new lender will require that the lender come to the MCCD office to pick up the lender package. The lender will also receive a brief training on how the program works at that time.

14. The realtor may be asked to provide color pictures of the front and back of the home. These can be e-mailed to vHUDSON@granitecit.illinois.gov, or mailed to City of Granite City Neighborhood Improvement Department. Pictures may also be obtained from the appraisal, or in the case of a property for sale by owner, the buyers may be asked to provide the pictures.

LENDER PROCESS

Participating lenders are asked to waive all points, with the exception of a 1% origination fee.

The following items must be submitted before MCCD will approve a file:

1. A copy of the sales contract, including a lead-based paint disclosure, signed by both the buyer and the seller;
2. Signed HOMEbuyer Program application form, - document provided by Madison County Community Development, stating **projected** yearly income for household, and other household information signed by the buyers;
3. Signed general release form - document provided by Madison County Community Development, allowing Madison County Community Development and lending institution to gather information about applicants, signed by the buyers;
4. Worksheet for Calculating Anticipated, Annual Income - document provided by Madison County Community Development, stating that applicants are within income guidelines for the homebuyer program, signed by lending institution personnel;
5. Mortgage Credit Analysis Worksheet (MCAW) for FHA loans or a Details of Transaction form, for non-FHA loans;
6. Signed program provision form - document provided by Madison County Community Development, stating that the applicants have read, understand, and agree to the provisions of Madison County Community Development's HOMEbuyer Program, signed by the buyers.
7. Lender's Mortgage Application form;

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8. Good Faith Estimate;
9. A copy of the buyers' credit report, obtained by lending institution, with any explanations provided by the applicant or noted by the lender;
10. An approval/commitment letter, stating that the financial institution will make a loan for the purchase of the home, identifying the terms of assistance, including loan amount, interest rate and term of loan;
11. Income verification information - copies of the documentation the lending institution used to verify the applicants' projected annual household income, including such items as tax returns, pay stubs, and verification of employment records;
12. Bank statements, if needed to verify periodic payments, such as child support, Social Security payments, pension or annuity payments;

In addition to the above items, the following items must be submitted before closing:

1. A copy of the property appraisal report, including a flood plain map clearly identifying the subject property location, obtained by lending institution;
2. A flood certification letter;
3. A copy of the title commitment
4. A copy of HUD inspection, using HUD's Housing Quality Standards **and The Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X) as guidelines**, done by MCCD-approved inspector and a re-inspection form, if corrections were required;
5. A lead visual assessment report, done at the time of the HUD inspection, by the inspector;
6. Inspection amendment, signed by buyer and seller;
7. URA Notification, signed by the seller;
8. Proof of homeowners insurance, with MCCD listed as additional insured. Also proof of flood insurance, if home is in a flood zone;
9. A copy of the housing counseling certificate, verifying that the homebuyer attended homebuyer pro-purchase counseling, offered by a HUD-approved housing counseling agency.

Documents may be faxed or e-mailed to Granite City in order to expedite the process.

MCCD/Granite City will review each request for assistance submitted by participating lenders on a case-by-case basis. Assistance will only be provided for the down payment and closing costs for the purchase of existing single family, owner-occupied dwellings in Madison County on a first come, first served policy. Incomplete packages submitted by financial institutions will not be processed until complete. Buyers must demonstrate the ability to comply with the loan standards of the lending institution and with applicable MCCD regulations, including a monthly housing debt ratio (principal, interest, taxes, and insurance) less than or equal to ratios (front end ratio – 35%, back end ratio, no more than 40%, 41% if the credit score is over 620) required by IHDA and have no credit blemishes within the previous 12 months. MCCD/Granite City prefers that the primary mortgage be fixed rate, and can be either a conventional or an FHA loan. The interest rate charged by the lender on fixed-rate mortgages can be no greater than 2% over the published rate for that week. Adjustable rate mortgages are no longer permitted in the HOMEbuyer Program. The maintenance of property insurance for the full, replacement value of the property, and flood insurance, if necessary, is required with MCCD listed as a mortgage holder on the insurance certificate for the term of the loan. **The buyers will also be required to have an escrow account established with the lending institution to cover the cost of property insurance and property taxes.**

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MCCD/Granite City will assist with the required down payment and closing costs (if the buyers are approved), through a 5-year forgivable loan for an amount up to \$3,000 or \$5,000, depending upon income of the buyer. The loan is forgiven at a rate of 20% per year, if funded by HOME funds. If funded by IHDA funds, the loan will be forgiven on a monthly basis over the five-year period. A lien will be filed for the amount and term of the forgivable loan.

MCCD will monitor the repayment (if any is due) of all loans funded with HOME funds. IHDA will monitor all loans funded with IHDA funds.

Because Madison County has the power of eminent domain and is using Federal funds in this program, certain requirements of the Uniform Relocation Act (URA) must be met.

The URA requirements applicable to this program include MCCD's responsibility to inform the property seller in writing that:

1. Madison County/Granite City will not use its power of eminent domain to acquire the property;
2. MCCD does not have a specific site required for this homebuyer program;
3. The property in question is not to be part of a planned or designated project area where substantially all property within the area is to be purchased within a specific time frame; and
4. The property in question is not rental property occupied by a tenant who will be displaced by the purchase of the property.

III. ELIGIBLE PROSPECTIVE HOMEBUYER

1. A prospective homebuyer must be low income; that is, he/she must have a **projected** annual household income that does not exceed the guidelines listed on page one of this document. This requirement must be met at the time of closing. There is no requirement, however, that the homebuyer remain low income.
2. The homebuyer must occupy the purchased property as a principal residence. These criteria will be incorporated into the mortgage and the loan documents.

IV. ELIGIBLE PROPERTIES

The property being purchased can be an existing or newly constructed home. It may be either a detached single-family dwelling or condominium. This program will not lend money for the purchase of rental property, manufactured or mobile homes. The maximum value of the property being purchased must not exceed the program limit of \$281,250.00.

If the property is located in a flood plain, adequate flood insurance will be required for the life of the loan. If the property being purchased is located in a flood zone, additional time is required by MCCD/Granite City for processing the purchase of a home located in a flood plain.

V. PROPERTY STANDARDS

Before loan closing:

1. The buyers will be responsible for hiring MCCD-approved housing inspectors approved by MCCD/Granite City to inspect the home using HUD's Housing Quality Standards and the Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X) as guidelines. A list of approved inspectors is included in this packet. Inspections by inspectors who are not on this list will not be accepted. These inspections will

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identify the items that do not meet these guidelines and will be used to inform the seller of repairs and/or the deterioration of lead-based paint that need to be addressed;

2. The buyers will inform the seller of the repairs that must be made, and negotiate with the seller as to who will be responsible for repairs. **Please notify our office as soon as possible if inspection issues arise that could delay the closing.**
3. A sales contract must be signed. This contract must state that, if needed repairs have been identified in a HUD Housing Quality Standards inspection, the repairs must be completed and the home must be re-inspected and approved by an MCCD approved inspector prior to closing to assure that the repairs have been made. The closing will not take place unless the repairs have been completed.
4. In addition, if deteriorating paint has been identified in excess of the de minimis levels listed in Title X, a risk assessment must be conducted, stabilization of this paint must be addressed and a clearance test conducted and passed, before occupancy.

De minimis levels are identified as follows:

20 square feet (2 square meters) on exterior surfaces;
2 square feet (0.2 square meters) in any one interior room or space; or
10 percent of the total surface area on an interior or exterior type of component with a small surface area.
Examples include window sills, baseboards, and trim.

5. Provisions for adverse weather will be decided on a case-by-case basis.

COMPLETION OF REPAIRS

As specified in the sales contract, the required repairs to the house must be completed before the closing and, if any paint stabilization was completed in excess of de minimis levels, a clearance test must be performed and the dwelling must pass clearance before occupancy.

1. It is suggested that the repair work be completed and inspected at least a few days before the scheduled closing in case part of the work does not pass inspection and must be corrected and re-inspected.

The buyers will hire the same housing inspector to review the repairs made.

2. If the repairs pass the inspection, the housing inspector will provide the buyers and the lender with a letter stating that the required repairs have been satisfactorily made and that on the date of inspection the house met HOME program rehabilitation standards.

VII. EDUCATION

Prior to closing, MCCD/Granite City requires that homebuyers complete housing counseling. A certificate, as proof of attendance, must be presented to MCCD/Granite City prior to closing. A list of HUD-approved housing counseling agencies that provide pre-purchase counseling is included in this packet.

VIII. CLOSING

Madison County Community Development will disburse its loan funds from the MCCD office on or before the date of closing. **Please remember that it takes at least 15 days to request and receive a check.** Buyers will be required to come to the Granite City office to sign MCCD/Granite City closing documents and pick up the check for closing and will need to call in advance for an appointment. Buyers will be required to have picture I.D. and proof of insurance, as evidenced by a certificate of insurance with MCCD listed as an additional insured, at the time of closing. The documents to be signed at closing are:

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1. MCCC/Granite City Promissory Note;
2. MCCC/Granite City Mortgage; and/or
3. IHDA Recapture Agreement
4. Compliance Affidavit;
5. Acknowledgment of Receipt of Documents;
6. Agreement to Provide Insurance.

Buyers will carry to closing:

1. A copy of the MCCC/Granite City Promissory Note;
2. A copy of the MCCC/Granite City Mortgage; or
3. A copy of the IHDA Recapture Agreement
3. The check from MCCC for downpayment and closing costs, payable to the buyers and the title company;
4. A letter to the title company, requesting copies of the following items.
 - a. A copy of the primary mortgage;
 - b. A copy of the primary note;
 - c. A copy of the HUD-1 settlement statement.

IX. REFINANCING

Occasionally, the homebuyer may find it advantageous to refinance their first mortgage from the lending institution. As this is sometimes the case, Madison County assumes the following policies to make refinancing a possible option.

- A. The loan-to-value ratio of the refinanced loan package must be less than 100%.
- B. MCCC may subordinate its second mortgage under the following conditions:
 - The MCCC/Granite City loan must have been funded with HOME funds.
 - The homebuyer must be refinancing to get a better rate and term, or to make home improvements or repairs.
 - If doing a refinance for home improvements or repairs, the homebuyer must provide bids or estimates that are equivalent to the amount that they are receiving to do the improvements or repairs.
 - The lender must complete a subordination request form, accompanied by a good faith estimate and bids or estimates, if required.
- C. If the homebuyer signs an MCCC release form, we will be happy to provide a loan payment history for the lending institutions involved in the refinance.

If a loan has been funded from IHDA funds, the homeowner must request the subordination directly from IHDA. Please be aware that IHDA does not usually subordinate their loans.

X. LOAN SERVICING

All loans made by Madison County Community Development/Granite City with HOME funds will be serviced by Madison County Community Development staff persons. MCCC will monitor the repayment (if any is due) of all of its loans. IHDA will service all loans funded with IHDA funds. All loans for the MCCC HOMEbuyer Program are five-year forgivable loans. Repayment of all or part of the loan will be necessary only if the home is sold during the first five years of ownership or, for any reason, the home is no longer occupied by the purchaser whom MCCC originally assisted.

EQUAL OPPORTUNITY HOUSING STATEMENT

I understand that Madison County Community Development/Granite City does not discriminate on the basis of age; sex; religion; national origin; physical disability, including impaired vision or hearing; or political or union affiliation. No person, solely on the basis of any of the above factors, shall be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under the Homebuyer Program administered by Madison County Community Development/Granite City.

1/5/2010

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EXHIBIT A

**ILLINOIS AFFORDABLE HOUSING TRUST FUND
CERTIFICATION OF INCOME**

This form is to be submitted to the Illinois Housing Development Authority's Single Family Program Department

Program Sponsor Name: Madison County HOMEbuyer/Granite City
130 Hillsboro Avenue, Suite 100, Edwardsville, Illinois 62025
Program Name: Madison County Community Development Homebuyer Program (STF-2535)

Homebuyer: _____

Address of Property: _____ City: _____, Illinois

Closing Date: _____

The undersigned certifies that:

1. This Certification of Income is being delivered in connection with the undersigned's application for funds from the Illinois Affordable Housing Trust Fund in the above referenced program.
2. The following individuals will occupy the unit:

| <u>Occupant</u> | <u>Relationship</u> | <u>Age</u> |
|-----------------|-------------------------|------------|
| a. _____ | Head of Household _____ | _____ |
| b. _____ | _____ | _____ |
| c. _____ | _____ | _____ |
| d. _____ | _____ | _____ |
| e. _____ | _____ | _____ |
| f. _____ | _____ | _____ |

3. The total annual household income as of the closing date listed above is:

\$

I certify that the information above is true and complete to the best of my knowledge on the date set forth below. If this Certification of Income is executed more than ninety (90) days prior to the closing date, I agree to update and re-certify the accuracy of the information provided in this Certificate of Income within ninety (90) days of the closing date.

Applicant

Date

Received by: Program Administrator

Date

INSPECTION AMENDMENT

This Amendment is a part of a contract for the sale of real estate between the undersigned, with a contract, dated _____, 20____, for the property in question.

The parties agree that Buyers' obligation to perform the contract for sale of real estate is conditioned upon the completion and approval of a HUD Housing Quality Standards inspection as promulgated in 24 CFR 882.109 and a visual lead assessment as required by the Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X). If these inspections indicate that repairs are necessary, the Seller, at his sole option, may elect to make the required repairs at Sellers' sole expense or to terminate the contract. All repairs required by the HQS inspection, if any, must be completed in a satisfactory manner before closing. All lead paint stabilization efforts required by the visual assessment, if any, must be satisfactorily addressed before occupancy by the buyers.

All HUD-HQS inspections and visual lead assessments will be performed by inspectors approved by Madison County Community Development and will be paid for by the Buyers.

The HUD-HQS inspector and/or the visual lead assessor shall notify the Seller, the Buyer, and the Realtor immediately of the initial inspection. If the inspection indicates that repairs/lead paint stabilization are needed, Seller should notify the Buyers of the decision whether to terminate or repair within five (5) calendar days of the delivery of the inspection reports. If the Seller fails to notify the Buyer within the time allowed in this document, Buyer shall have the option of terminating the contract at his sole discretion.

Upon completion of the required repairs, Seller shall notify Buyer and/or the Realtor. A second HUD-HQS inspection shall occur. If the property passes inspection, then the sale shall be completed according to its terms and conditions. If the property does not pass the second inspection, the sales agreement may be terminated.

If stabilization of lead-based paint was complete in excess of de minimis levels as defined in Title X, a

clearance test must be performed and the dwelling must pass clearance testing before the home can be occupied.

Buyer is securing partial funding for the contract for the sale of the real estate through Madison County Community Development, a division of Madison County. The County is prohibited by law and will not pay any funds to the Buyer, Seller or Lender without the property in question successfully completing a HUD-HQS inspection and a visual assessment for deteriorating lead-based paint.

If this amendment is inconsistent with the terms of the contract between the parties, the provisions of this amendment shall control.

Property to be Inspected

Address

City

Seller

Buyer

Signature

Signature

Print Name

Print Name

Signature

Signature

Print Name

Print Name

Date

Date

Instructions for Worksheet for Calculating Anticipated, Annual Income

ASSETS: The following items should be included in this portion of the form.

1. Cash held in savings accounts, checking accounts, safe deposit boxes, homes, etc. For savings accounts, use the current balance. For checking accounts, use the average six-month balance.
2. Cash value of stocks, bonds, Treasury bills, certificates of deposit and money market accounts.
3. Retirement and pension funds.
4. Mortgages or deeds of trust held by an applicant. **If the total is greater than \$5,000.00, then take line 1 (Total Net Household Assets) and multiply it by the HUD Passbook Rate of 2.0%.**

ANTICIPATED ANNUAL INCOME: The amounts should always be an annual amount, and each column should be totaled into line 4 and then those totals totaled into box 4e. If there is an amount in line 3, it should also be entered in line 5. Then add line 4e and 5 to get line 6, total anticipated annual income.

When figuring anticipated annual income our office is required by HUD to use specific guidelines. **We must include the income of anyone over 18 years of age, who will be living in the house, even if they are not going to be a party to the actual loan itself.**

Calculating Asset Income

| Household Members | Assets | Asset Value |
|-------------------|------------------|--|
| John Doe | Checking Account | \$870 average 6-month balance with an interest rate of 2.7% |
| | Inheritance | Received an inheritance of \$30,000 that he used to buy a new car for \$12,000; pay off his \$3,000 credit card bill; and open a mutual fund account (which has no associated account costs) to invest the remaining \$15,000 at an annual interest rate 5.3%. |
| Jane Smith | Checking Account | \$595 average 6-month balance in a non interest-bearing account. |
| Jack Doe | Savings Account | \$2,695 at 3.1% |

Explanation

| | |
|--------------------------------|--|
| John Doe Checking Account | The income from the checking account is calculated based on the 6-month balance and the interest rate ($\$870 \times .27 = \23). |
| John Doe Inheritance | A car owned for personal use is not considered an asset. However, the mutual fund is an asset. $\$15,000 \times .053 = \795 . |
| Jane Smith Checking Account | Not an interest bearing account so there is no income from the account. |
| Jack Doe Savings Account | The income from the savings account is based on the value and the interest rate. ($\$2,695 \times .031 = \84). |

Because the total cash value of the assets exceeds \$5,000, the HUD Passbook Rate must be used to calculate the imputed income from all assets combined. In this case, $\$19,160 \times .02 = \383.20 . The actual income earned is greater, however, so that amount must be used in the calculation of annual income for this household.

Anticipated Annual Income

| Household Members | Position in Family | Age | Income Sources |
|-------------------|--------------------|-----|---|
| John Doe | Head | 38 | Earns \$500 semi-monthly as a manager in the housewares department of the local Kmart, and receives \$100/month in child support. |
| Jane Smith | Girlfriend | 36 | Earns \$250/week as a part-time painting instructor at the local school for the 40 weeks/year when school is in session; attends evening classes at the Art Institute, which she pays with a State Student Incentive Grant of \$3,500; and pays \$50/month in child support for her twins – when she can. |
| Jack Doe | Son | 19 | Full-time student at City College where he has a part-time, 15-hour/week job in the student bookstore at \$6.00/hour for the 46 weeks when classes are in session. |

Explanation

| | |
|------------|--|
| John Doe | John's annual wage income is \$550 semi-monthly x 24 period/year, or \$13,200. In addition, he receives \$100/month x 12 months - \$1,200/year in child support. |
| Jane Smith | Jane's wage income is based on 40 weeks of work: \$250/week x 40 weeks/year, or \$10,000 annually. Her scholarship does not count as income. The child support Jane pays cannot be deducted from her income. |
| Jack Doe | Because Jack is a full-time student and is not the head of household or spouse, only the first \$480 of his earnings count toward the family income. |

Reminder – The Total Annual Income (Line 6) must be equal to or less than the Income Guidelines for the HOMEbuyer Program. The Income Limits are enclosed in your lender package and also on the Program Provision Form.

HOMEbuyer Program Approved HQS Inspector List

Please inform inspector that this is a Madison County inspection when you call to set up the inspection!

| Company | Address | City | ST. | ZIP | Phone | Fax | Initial | Flw-up |
|--|-----------------------|--------------|-----|-------|--|---------------|--|---|
| A.A. Trust Home Inspections Johnathan Orr | 16 Sunset Ave. | Glen Carbon | IL | 62034 | (618)530-1721 E-mail address john29@charter.net | (618)530-1099 | \$75-\$100 | \$25-\$50 |
| Accurate Home Inspections L.L.C. Dan Brawley | 2748 State St. | Granite City | IL | 62040 | (618)451-2833 Cell Phone # | (618)451-2833 | Under 200,000 - \$200 | \$25 |
| Advanced Home Inspection Specialist, Inc. Mark Perry | 520 Crestwood Dr. | Swansea | IL | 62226 | E-mail address AHIS@Charter.net Cell Phone # | (618)570-8045 | \$200-\$230 | \$50 |
| GP Inspections, LLC George Przymuzala | 614 Stone Creek Dr. | Staunton | IL | 62088 | (618)635-3202 Cell Phone # | (618)779-3368 | \$175 | \$50 |
| Gateway Inspections, Inc. David Meadows | 7312 Pear Tree Lane | Collinsville | IL | 62234 | (618)344-0980 | | \$230 | \$75 |
| Hunt Home Inspections, Inc. Doug Hunt | 3724 Torch Club Road | Alton | IL | 62002 | (618)259-7003 E-mail address huntinspec@charter.net | (618)259-7003 | up to 2,500 sq. ft. - \$200 up to 3,000 sq. ft. - \$225 | \$25-\$50 add \$25 for homes outside Godfrey-S. Roxana area |
| Huntley Inspection Services Dean Huntley | 233 Hickory St. | Edwardsville | IL | 62025 | (618)659-9481 Cell Phone # | (618)971-7968 | \$175-\$200 | \$75 |
| Inspect First Nino Primavera | P.O. Box 5272 | Godfrey | IL | 62035 | (618)466-8016 | (618)466-8016 | \$185 | \$75 |
| Inspector Plus, Inc. David Landolt | 1846 Klaus Geiger Rd. | Highland | IL | 62249 | (618)550-2800 E-mail address IP12006@aol.com | (618)654-8585 | \$225 | \$50 |
| Metro East Home Inspection, Inc. Marc Graves | 1091 12th St. | Carlyle | IL | 62231 | (618)304-3465 | (618)594-6500 | | \$60 |
| National Property Inspections Jim Ahring | 3056 Route 4 | Staunton | IL | 62088 | (618)656-4020 | | \$185 | \$60 |
| Professional Home Inspections (PHI) Michelle Cox | 922 Washington Ave. | Alton | IL | 62002 | (618)670-6951 | | up to 1000 sq. ft. - \$175 up to 1500 sq. ft. - \$225 up to 2500 sq. ft. - \$250 | \$50 |
| Prudent Home Inspection, Inc. Steve Norris | 308 Butcher | Bethalto | IL | 62010 | (618)377-0574 Cell Phone # | (618)334-5785 | \$175 | \$50 |
| Safety Partners, Ltd. Kevin R. Kuethe, Michael Karlechik, Ryan Portugal | 620 Armsway Blvd. | Godfrey | IL | 62035 | (618)467-0480 | (618)467-0481 | \$175 | \$50 for no-show or unable to enter |
| Sure Home Inspection Service Donald Shevlin | 610 Indiana Ave. | Collinsville | IL | 62234 | (618)344-9220 | (618)344-9260 | \$160 over 100,000 - \$180 | \$45 |
| Tag Home Inspections Timothy Ballard | 1454 Yorkshire Lane | Brighton | IL | 62012 | (618)372-8032 | | \$175 | \$75 |
| The BrickKicker Home Inspection Edward Matecki | P. O. Box 130 | Maryville | IL | 62062 | (618)343-0231 | | \$175 | \$75 |
| Waitman Home Inspections Charles Waitman | 4022 Garden Lane | Granite City | IL | 62040 | (618)806-1233 | (618)931-6604 | \$165 | \$50 |

HUD Approved Housing Counseling Agencies

*Justine Petersen Housing and Reinvestment Corporation

Phone: 314/664-5051, Ext. 117

- What:** **One-on-one pre-purchase homebuyer counseling:** Includes credit, debt and income, employment and rental history, budgeting and saving; review of mortgage loan products and terms; advantages and disadvantages of homeownership vs. renting. This counseling is particularly designed for those who do not have loan approval and have not signed a contract.
Homebuyer seminars: limited to 15 people, goes into more depth on above topics, as well as other topics dealing with homeownership. This is a class designed to cover everything from loan approval to closing and beyond.
- Where:** **Madison County Title office, 120 N. Main St., Edwardsville**
Justine Petersen Housing and Reinvestment Corporation 1023 North Grand Boulevard, St. Louis, MO
- When:** Appointments for one-on-one counseling and homebuyer seminars must be set up in advance. Length of session for one-on-one counseling will depend on individual needs. Homebuyer Seminars are scheduled in the evenings.
- Cost:** \$250 for one-on-one counseling.
Fees will be paid to counseling agency upon closing. Certificate issued upon completion.

*Madison County Urban League

1008 Madison Avenue

Madison, IL

618/877-8860 Vera Browley

- What:** Pre-purchase one-on-one homebuyer counseling
- Where:** At the office listed above
- When:** Appointments are to be made with the counselor
- Cost:** \$250 for one-on-one counseling. Fees may be made by the buyer or paid at closing. Certificate issued upon completion.

*Agency provides one-on-one counseling

MADISON COUNTY COMMUNITY DEVELOPMENT/GRANITE CITY
HOMEBUYER PROGRAM
PROGRAM PROVISION FORM

HOW THE PROGRAM WORKS

I understand that this program is intended to assist low-income households, one time only per household, in purchasing homes in Madison County. Low-income households are those whose gross annual household income falls at or below the guidelines listed below. Household, for purposes of this program, is defined as: "one or more persons occupying a housing unit."

| HOUSEHOLD SIZE | ANTICIPATED ANNUAL HOUSEHOLD INCOME* |
|----------------|--------------------------------------|
| 1 | \$38,000 |
| 2 | 43,450 |
| 3 | 48,850 |
| 4 | 54,300 |
| 5 | 58,650 |
| 6 | 63,000 |
| 7 | 67,350 |
| 8 | 71,700 |

*Income limits are modified from time to time by the U.S. Department of Housing and Urban Development. Such modifications are automatically incorporated into this provision form.

I further understand that the income figure that will be used to determine eligibility is the household annual income, that is, the gross amount of income **anticipated** to be received by the household during the next 12 months.

I further understand that in determining eligibility, it will be necessary for Madison County Community Development to look at income and assets that my household has and also my credit history as a loan applicant. In order for this to be done accurately, I and members of my household will be asked to sign a general release form, which gives the lending institution and Madison County Community Development permission to check various items to determine eligibility for housing programs.

I understand that in order to qualify for the Homebuyer Program, I must not only be within the income guidelines and demonstrate the ability to repay a loan. I must also be purchasing the home to use as a principal residence. In other words, I must intend to live in the home myself, and not be buying the home for any other purpose, such as rental property.

I understand that I may not have any credit blemishes within the previous 12 months of my application.

I further understand that Madison County Community Development will review each application package on a case-

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by-case basis. Assistance will be provided only on the purchase of existing single family, owner-occupied dwellings in Madison County. I, as a loan applicant, must show the ability to comply with the loan standards of the lending institution and with Madison County Community Development regulations. These include a total housing debt (mortgage principal, interest, taxes, and insurance) of less than 35% of the household's monthly income. The maintenance of property insurance for the full, replacement value of the property, and flood insurance, if necessary, is required with Madison County Community Development listed as a mortgage holder on the insurance certificate for the term of the loan. **I will also be required to have an escrow account established with the lender to cover the cost of property insurance and property taxes.**

Madison County Community Development will provide a portion of the minimum down payment and closing costs. **The total maximum amount of assistance provided by Madison County Community Development shall not exceed \$5,000 for households at or below 50% of median income, or \$3,000 for households at or below 80% of median income.** Financial assistance from Madison County will be offered in the form of a forgivable loan. Some will depreciate at a rate of 20% per year. Others, funded from MCCD's IHDA grant, will be pro-rated on a monthly basis over the 5-year period. A lien will be filed for the amount of the assistance.

I understand that I must have Madison County Community Development listed as an additional insured on my homeowners' insurance policy for the life of the loan and provide proof of that insurance before closing.

The financial assistance provided under this program is for only a small portion of the cost of a home. In addition to the financial assistance provided by this program, I will need financing from a participating lending institution.

I understand that this program will not provide assistance without the involvement of a participating lending institution. Assistance cannot be provided by MCCD or IHDA if I am buying a home "contract-for-deed".

ELIGIBLE PROPERTIES

I understand that the property being purchased can be an existing or newly constructed home. It may be either a detached single-family dwelling or condominium. This program will not assist in the purchase or inspection of rental property, manufactured or mobile homes. The maximum value of the property being purchased must not exceed the program limit of \$281,250.

I understand that I must have adequate homeowner's insurance on the property to be purchased, including flood insurance, if the property is located in a flood plain.

PROPERTY STANDARDS

I understand that the property must be free from any defects that pose a danger to the health and safety of occupants by meeting HUD's Housing Quality Standards before closing and the standards of Title X before occupancy.

I understand that I will have to pay the costs of having the house inspected for HUD's Housing Quality Standards violations and pay for the home to be inspected a second time to make sure that the necessary repairs have been made. I may also have to pay for a visual assessment for deteriorating lead-based paint and a clearance test, if paint stabilization is necessary. A list of program-approved inspectors can be obtained from my lender.

RECAPTURE PROVISIONS

I understand that a lien will be placed against the property for the amount of any loans that Madison County Community Development makes to the homebuyer. If the homebuyer should decide to sell the property to another household, the remaining amount owed to Madison County Community Development must be repaid in full. If the homebuyer should decide to rent out the property, the homeowner must repay remaining loan amount in full upon

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decision to rent property. The lien(s) against the property will be released upon repayment in full.

REFINANCING

I understand that I may refinance my home in order to get a different interest rate or to get cash out to make home repairs. I understand that Madison County will only subordinate their loan to my refinanced loan under the following conditions:

1. The loan-to-value ratio of the refinanced loan package should be 100% or less.
2. Where proposed loan-to-value ratios are greater than 100%, MCCD will require the homeowner to participate in a credit-counseling program, with an analysis of at least two different refinancing options.
3. MCCD is willing to subordinate its second mortgage behind whatever fees are necessary for the refinance. MCCD may also subordinate if the homebuyer is getting cash out for home rehabilitation. Verification of the rehabilitation expenses to be paid is required. However, it will not subordinate if the homebuyer is getting **any** cash out for paying past due bills, or other items unrelated to homeownership.
4. If the homebuyer signs an MCCD release form, MCCD will be happy to provide a loan payment history for the lending institutions involved in the refinance.

I further understand that if my loan was funded from IHDA funds, I must request the subordination directly from IHDA. I also understand that IHDA does not subordinate their loans on a regular basis.

EQUAL OPPORTUNITY HOUSING STATEMENT

I understand that Madison County Community Development does not discriminate on the basis of age; sex; religion; national origin; physical disability, including impaired vision or hearing; or political or union affiliation. No person, solely on the basis of any of the above factors, shall be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under the Homebuyer Program administered by Madison County Community Development.

By signing and dating this document I certify that I have read, understand, and agree to the above provisions of Madison County Community Development's Homebuyer Program.

Signature

Signature

Date

Date

1/5/2010

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**Madison County Community Development/
Granite City
Homebuyer Lender Package**

Table of Contents

Left Pocket

Application Quicklist
HOMEbuyer File Checklist
HOMEbuyer Program Policy and Procedures
Program Provision Form
Details of Transaction Form
Zero Income Verification Form
Check Schedule Memo
Check Request Schedule

Right Pocket

Income Limits
Instructions for Worksheet for Calculating Anticipated Annual Income
Worksheet for Calculating Income
Granite City Application
General Release Form
Inspection Amendment
URA Notification
IHDA Certification of Income (when IHDA funds are available)
List of Approved Inspectors
List of Housing Counseling Agencies

**Madison County Community Development/
Granite City
Homebuyer Program**

Notification of Uniform Relocation Act (URA) for HUD Programs

This notification is to be delivered and signed by the seller of the property prior to the seller's acceptance of the purchase offer. If a purchase offer has already been accepted by the seller, this notice informs the seller that under the Uniform Relocation Act (URA) and 24 CFR Section 104(d), the seller is allowed to withdraw from the purchase agreement.

As required by the URA acquisition rules, Madison County Community Development/Granite City makes the following statements:

1. The sale of the property in Granite City, located at _____ is an arms length voluntary transaction;
2. The present fair market value of the subject property has been estimated by _____ to be \$ _____;
3. Madison County/Granite City will not use eminent domain to acquire the property;
4. The subject property is not part of a planned or designated project area where substantially all property within the area will be purchased.

The seller states that:

_____ The property listed above is not rental property.

_____ The property listed above is rental property and there was a tenant residing in the property at the time that the sales contract was signed.

_____ The property listed above is rental property and the current tenant is purchasing the property.

_____ The property listed above is rental property and there was NOT a tenant residing at the property at the time that the sales contract was signed.

By signing and dating this notice the seller understands and accepts receipt of this notice, and acknowledges that although Federal funds are being used in this purchase, the seller is not entitled to relocation assistance.

Print Full Name (seller): _____

Signature : _____

Date: _____

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Worksheet for Calculating Anticipated, Annual Income

MADISON COUNTY COMMUNITY DEVELOPMENT/
GRANITE CITY
HOMEbuyer Program

Name of Head of Household: _____

Address of Unit: _____

Date Prepared: _____ Prepared by: _____

Assets: (See "Calculating HUD's Annual Income")

| Name | Description of Asset | Cash Value | Actual/Disposed | Actual Income |
|---|----------------------|------------|-----------------|---------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| 1. Total Net Household Assets | | | | |
| 2. Total Actual Income From Assets | | | | |
| <i>(Complete only if Item 1 is greater than \$5,000)</i> | | | | |
| 3. Imputed Income from Assets (Item 1 x HUD Passbook Rate (2.0%)) | | | | |

Anticipated Annual Income: (See "Calculating HUD's Annual Income" for income inclusions and exclusions)

| Name | Wages/Salaries | Social Security/Pensions, etc. | Public Assistance | Other | |
|----------------------------------|--|--------------------------------|-------------------|-------|----|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| 4. Totals | a. | b. | c. | d. | e. |
| 5. Asset Income to be Considered | <i>(Enter the greater of Item 2 or Item 3)</i> | | | | |
| 6. Total Annual Income | <i>(Item 4e + 5)</i> | | | | |

This certifies that the above applicant's annual income is within the eligible range for receiving assistance through Granite City's HOMEbuyer Program. Eligibility was determined by using HUD's income guidelines. The worksheet used to calculate the applicant's annual household income is above.

Completed by: _____

Date: _____

ZERO INCOME VERIFICATION
(for household members who have NO income)

APPLICANT NAME: _____ **SOCIAL SECURITY #** _____

ADDRESS: _____

I HEREBY CERTIFY THAT I DO NOT RECEIVE INCOME FROM ANY OF THE FOLLOWING SOURCES:

1. Wages from any type of employment (including commission and fees).
2. Income from the operation of a business. (Self-employment – Avon, Mary Kay, etc.)
3. Rental income from real or personal property.
4. Interest or dividends from assets.
5. Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits.
6. Unemployment
7. Public Assistance (TANF, General Assistance (GA), etc.)
8. Alimony or Child Support
9. Educational grants and/or scholarships or Veteran Benefits available for subsistence after deducting expenses for tuition, fees, and books.
10. Regular monthly cash contributions from an outside source.

And, that I have no income of any kind whatsoever at this point in time and do not anticipate income from any source within the next twelve months.

PRINT NAME

SIGNATURE

DATE

PHONE NO.

WARNING:

Title 18, Section 1001 of the U. S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.