LENDER MANUAL

ihcda

Indiana Housing & Community Development Authority

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IHCDA LENDER MANUAL

This manual is prepared by the IHCDA Homeownership Department as a tool for our Participating Lenders to help them achieve a good clean file upon submission.

DEFINITIONS

"ALL Document" means the IHCDA Informational document
"Commitment Expiration Date" means the date on which IHCDA's commitment under the Program expires
"DPA" means down payment assistance
"First time homebuyer" is someone who has not, at any time during the three (3) years preceding the date of the loan closing, had a present ownership interest in his or her principal residence
"IHSF" means the Indiana Housing Single Family online system used by IHCDA to manage the Programs

GENERAL GUIDELINES FOR ALL IHCDA PROGRAMS

- Paystubs are not needed but may be requested if there is a discrepancy
- Income is based off Mortgagor and Co-Mortgagor qualifying income only
- Properties may be single family, condos, or multi-family (see program guides for specifics on property eligibility)
- Reservation fee must be received prior to review of IHCDA Homeownership Affidavit
- IHCDA reserves their right to request any additional documentation to make an accurate determination on any given file
- All loans must meet all GSE requirements and those of the Master Servicer

SPECIFICS ABOUT EACH PROGRAM

MORTGAGE CREDIT CERTIFICATE (MCC)

- First time homebuyer unless purchasing in a targeted area (see Program Guide for targeted areas)
- Income and Acquisition limits apply
- 30 year fixed rate (lender sets rate)
- Federal Tax benefit
- FHA, Conv, VA or USDA Rural Housing financing eligible
- Tax Transcripts are required
- Only 1 parcel allowed
- Reservation fee $500
- Lender retains loan

NEXT HOME (NH)

- Does not have to be a first time homebuyer
- Income limits apply
- 30 year fixed rate (set by IHCDA)
- Minimum credit score of 660 for FHA or minimum of 680 for Conv
- FHA or Conv financing eligible
- Tax Transcripts not needed
- Multiple parcels allowed
- 2 year affordability period
- DPA – 4% of purchase price or appraised value, whichever is less for FHA or 3% of purchase price or appraised value, whichever is less for Conv
- No cash back at closing except for what the Mortgagor paid into the loan
- Reservation fee $100
- Loan sold to Master Servicer

NEXT HOME WITH MORTGAGE CREDIT CERTIFICATE (NH/MCC)

- First time homebuyer unless purchasing in a targeted area (see Program Guide for targeted areas)
- Income and Acquisition limits apply
- 30 year fixed rate (set by IHCDA)
- Minimum credit score of 660 for FHA or minimum of 680 for Conv
- Federal Tax benefit
- FHA or Conv financing eligible
- Tax Transcripts are required
- Only 1 parcel allowed
- 2 year affordability period
- DPA – 4% of purchase price or appraised value, whichever is less for FHA or 3% of purchase price or appraised value, whichever is less for Conv
- No cash back at closing except for what the Mortgagor paid into the loan
- Reservation fee $100
- Loan sold to Master Servicer

AFFORDABLE HOME (AH)

- First time homebuyer unless purchasing in a targeted area (see Program Guide for targeted areas)
- Income limits apply
- 30 year fixed rate (set by IHCDA)
- Minimum credit score 660
- FHA financing eligible
- Tax Transcripts are required
- Only 1 parcel allowed
- Maximum 1% Origination fee and $1,000 in normal/customary lender fees
- Mortgage Rider is required
- Reservation fee $100
- Loan sold to Master Servicer

MY HOME (MH)

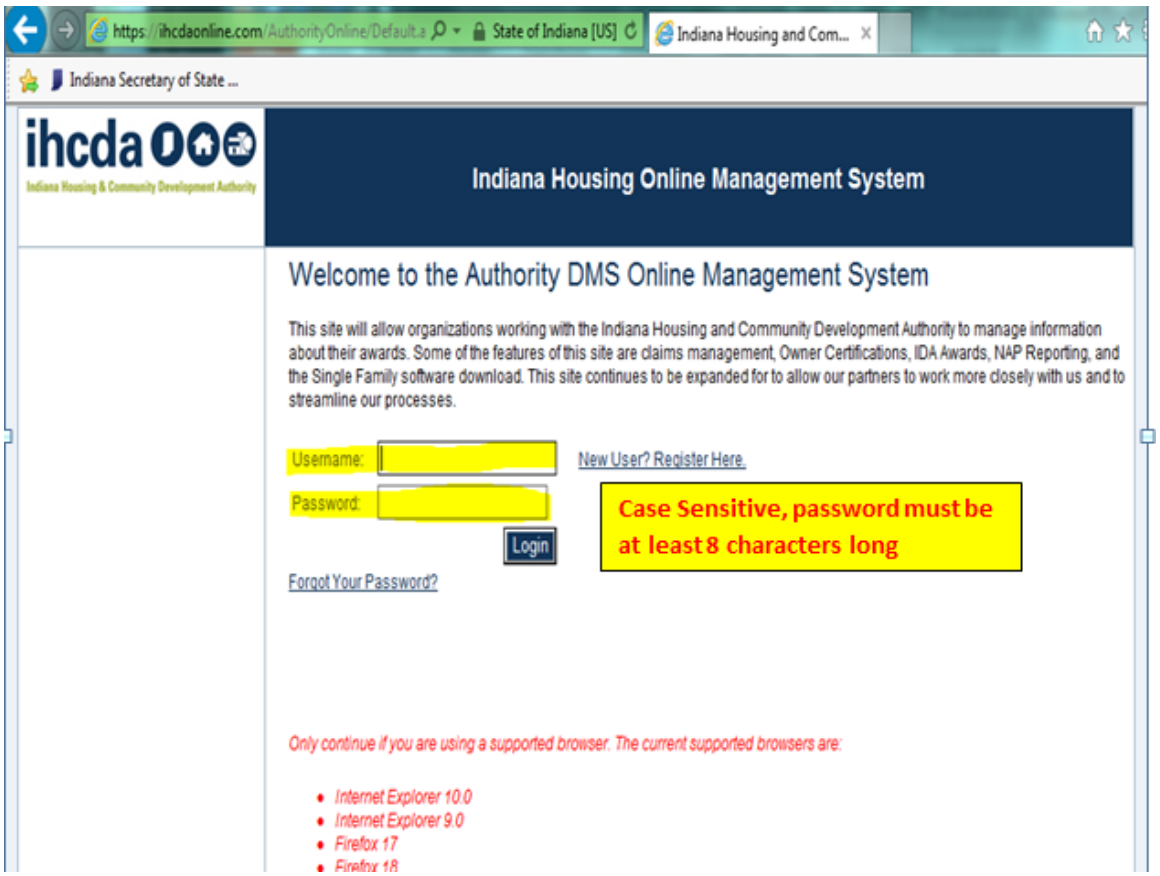
- Does not have to be a first time homebuyer
- Income limits apply
- 30 year fixed rate (set by IHCDA)
- Minimum credit score 660 for loans having LTVs equal to or less than 95%. LTVs greater than 95% the credit score that is required may vary
- Conv financing eligible
- Master Servicer must underwrite all loans having LTVs greater than 95%
- Tax Transcripts not needed
- Multiple parcels allowed
- Reservation fee $100
- Loan sold to Master Servicer

MY HOME WITH MORTGAGE CREDIT CERTIFICATE (MH/MCC)

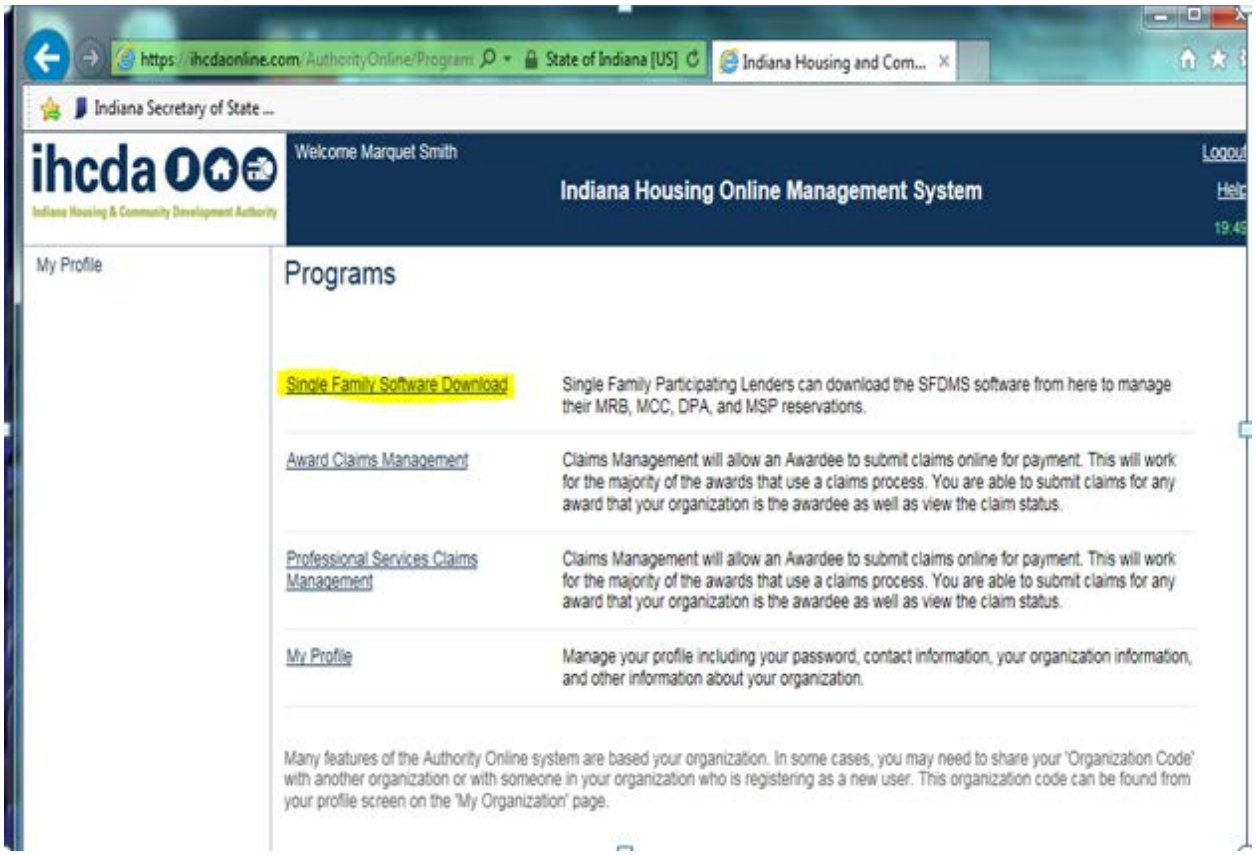
- First time homebuyer unless purchasing in a targeted area (see Program Guide for targeted areas)
- Income and Acquisition limits apply
- 30 year fixed rate (set by IHCDA)
- Minimum credit score 660 for loans having LTVs equal to or less than 95%. LTVs greater than 95% the credit score that is required may vary
- Federal Tax benefit
- Conv financing eligible
- Master Servicer must underwrite all loans having LTVs greater than 95%
- Tax Transcripts are required
- Only 1 parcel allowed
- Reservation fee $100
- Loan sold to Master Servicer

HOW TO DOWNLOAD THE IHCDA SOFTWARE (IHSF)

1) Please be aware or make your IT aware that the system needs to be installed in a location that the updater can write to. This will allow it to automatically update to the latest version.
2) You will need to obtain a user name and password from your organization's contact person. The contact person is the individual listed on the contact sheet submitted to IHCDA upon registering for IHCDA's program. You may contact IHCDA if you are unsure of who to contact for this information.
3) Go to https://ihcdaonline.com.
4) Click on "Authority Online" and the below screen will pop up.



5) Enter your username (case sensitive).
6) Enter your password (at least 8 characters long and case sensitive).
    a. If you do not have a username and password; do not click on "New User?" You must obtain username and password from the contact person as mentioned above.
7) Click on "Single Family Software Download".



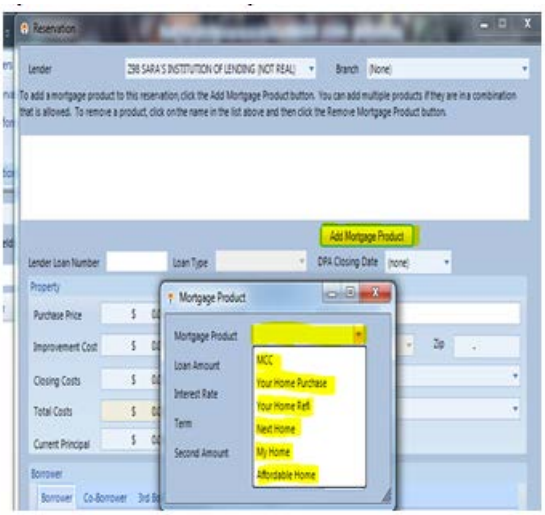
8) Then click on “Download”.
9) The white and orange IHSF icon will download and be placed on your desktop.

10) Click on the icon and the IHSF login screen will appear.

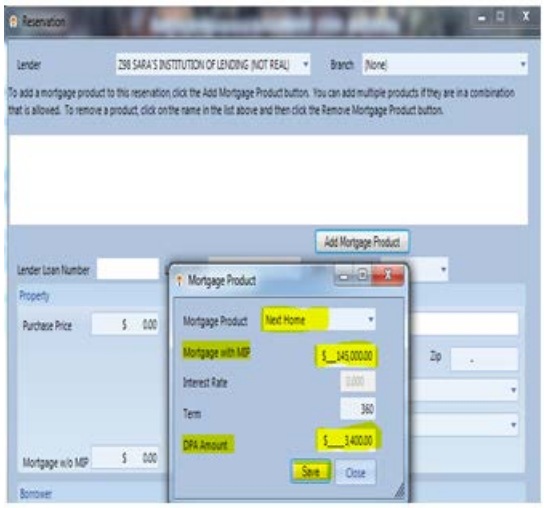
HOW TO MAKE A RESERVATION IN THE IHSF SYSTEM

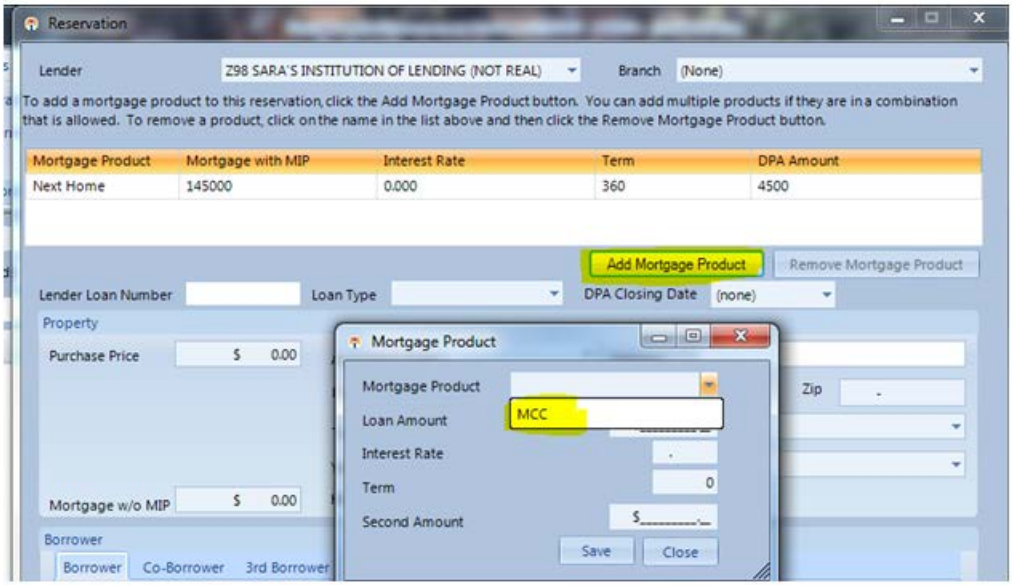
1) Log into the IHSF system.
2) Click on “New Reservation”.

3) Click on “Add Mortgage Product” and a smaller window (box) will open and you will select your mortgage product from this drop down box.

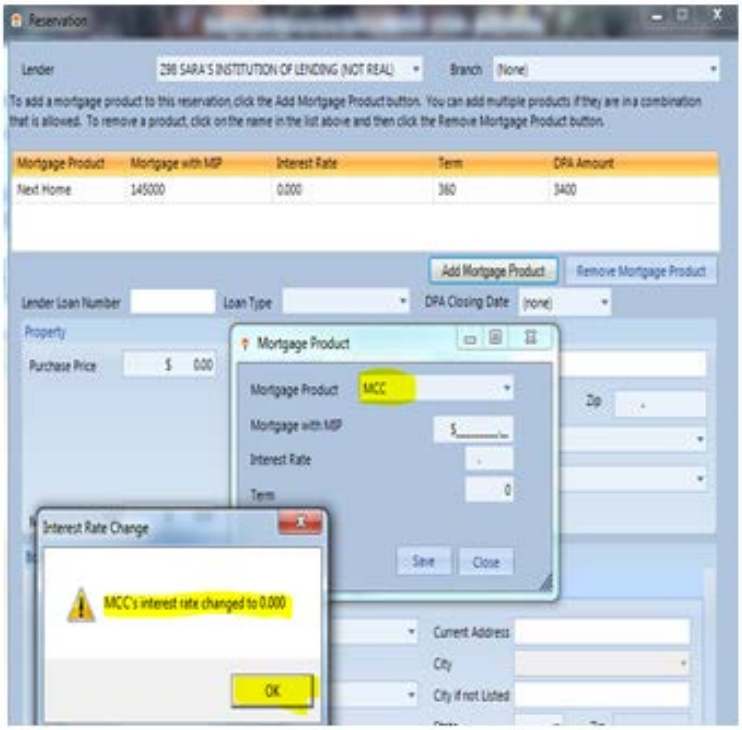


4) After selecting your mortgage product; you will enter your data for the required fields and then click on “Save”. If doing a combo loan; you will complete this step twice.

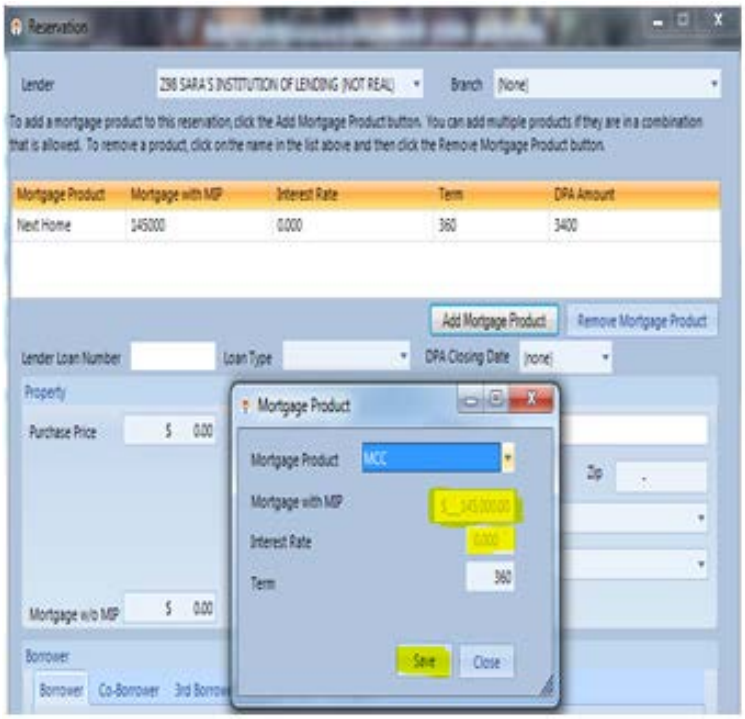

Reservation
Lender
Z98 SARA'S INSTITUTION OF LENDING (NOT REAL)
Branch
(None)
To add a mortgage product to this reservation, click the Add Mortgage Product button. You can add multiple products if they are in a combination that is allowed. To remove a product, click on the name in the list above and then click the Remove Mortgage Product button.
Add Mortgage Product
Lender Loan Number
Property
Purchase Price
$ 0.00
Mortgage w/o MIP
$ 0.00
Borrower
Mortgage Product
Mortgage Product
Next Home
Mortgage with MIP
$ 145,000.00
Interest Rate
0.000
Term
360
DPA Amount
$ 3,400.00
Save
Close
Zip


Reservation
Lender
Z98 SARA'S INSTITUTION OF LENDING (NOT REAL)
Branch
(None)
To add a mortgage product to this reservation, click the Add Mortgage Product button. You can add multiple products if they are in a combination that is allowed. To remove a product, click on the name in the list above and then click the Remove Mortgage Product button.
Mortgage Product
Mortgage with MIP
Interest Rate
Term
DPA Amount
Next Home
145000
0.000
360
4500
Add Mortgage Product
Remove Mortgage Product
Lender Loan Number
Loan Type
DPA Closing Date
(none)
Property
Purchase Price
$ 0.00
Mortgage w/o MIP
$ 0.00
Borrower
Borrower
Co-Borrower
3rd Borrower
Mortgage Product
Mortgage Product
Loan Amount
MCC
Interest Rate
Term
0
Second Amount
Save
Close
Zip

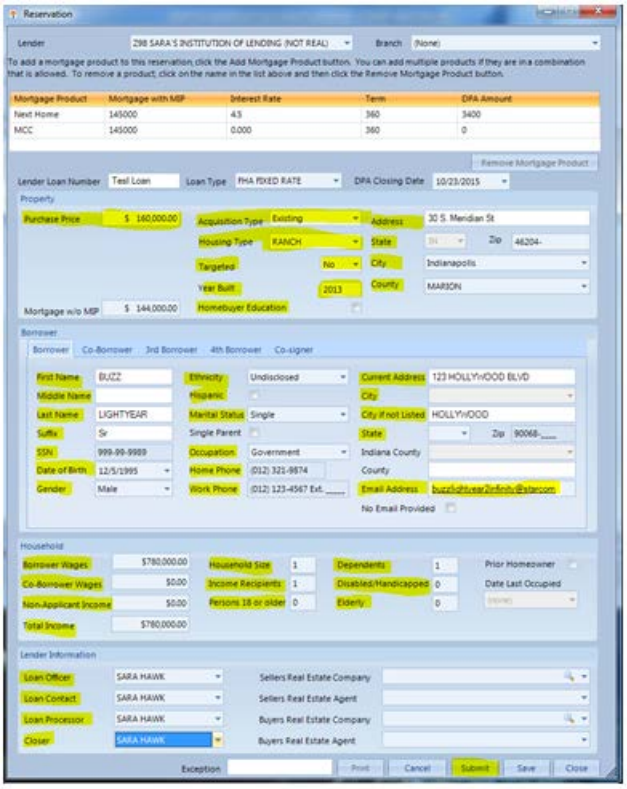
5) The system will ask you 2 questions; one about the interest rate and one about the mortgage amount. Click “OK” for both questions.



6) Click “Save”.

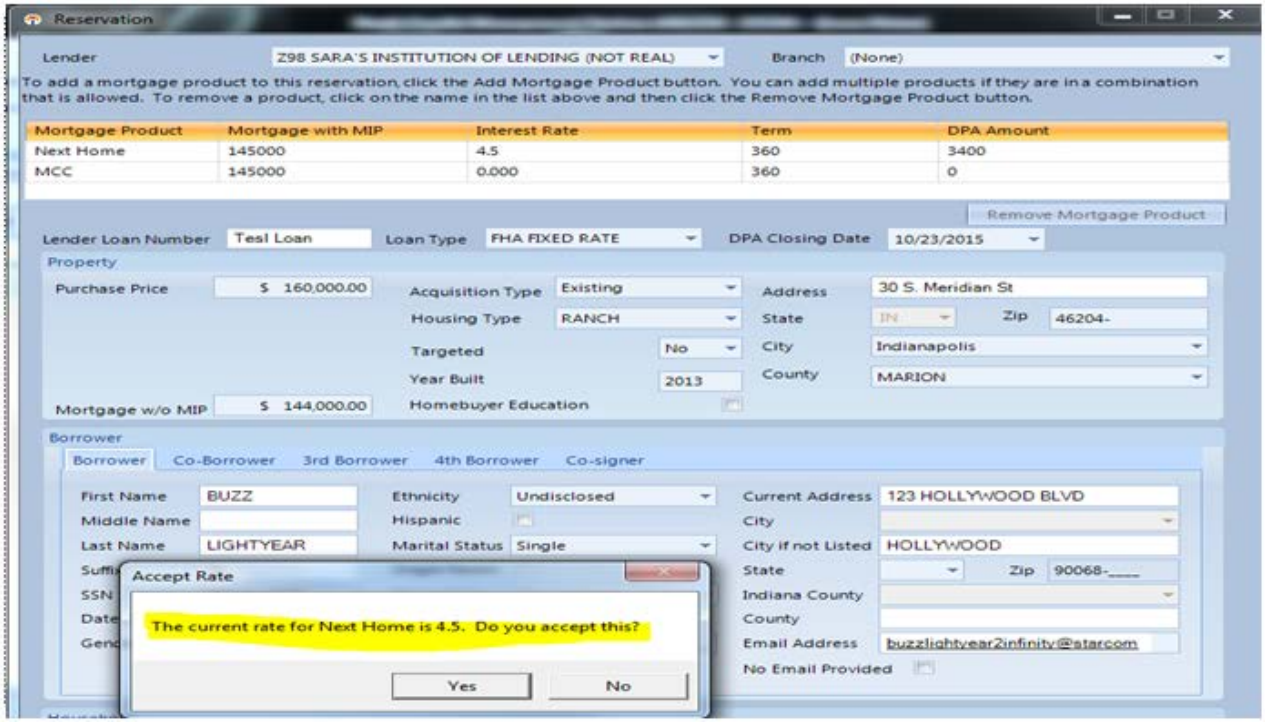


7) After doing the above steps; you will complete all of the below highlighted fields. Once you are ready to lock the loan; click on “Submit”.

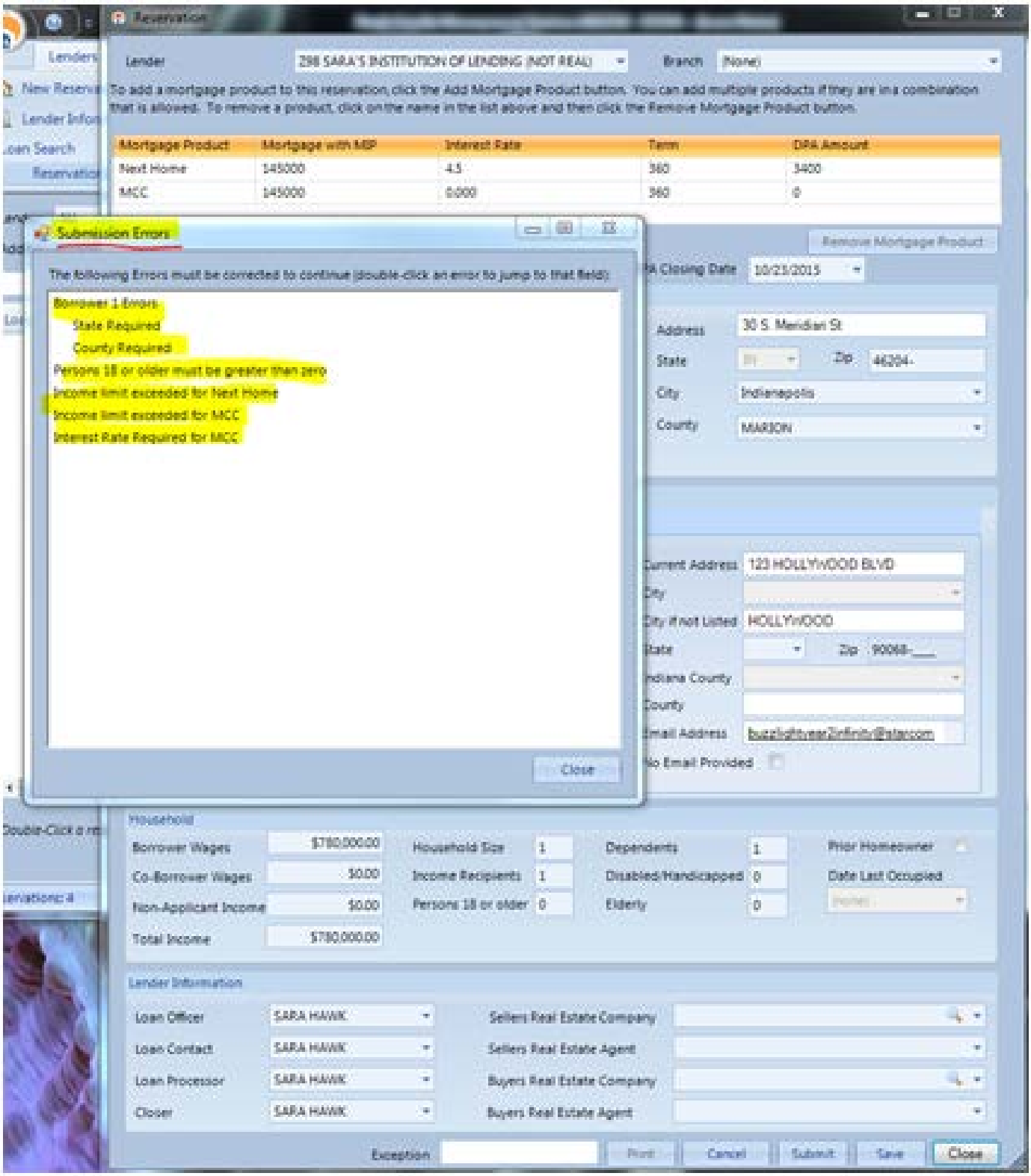


8) Please note. If you are unable to complete the reservation for some reason you may click on "Save" and the information will be saved for later. HOWEVER, saving the reservation is not the same as submitting the reservation. The interest rate is also not locked in at that point.

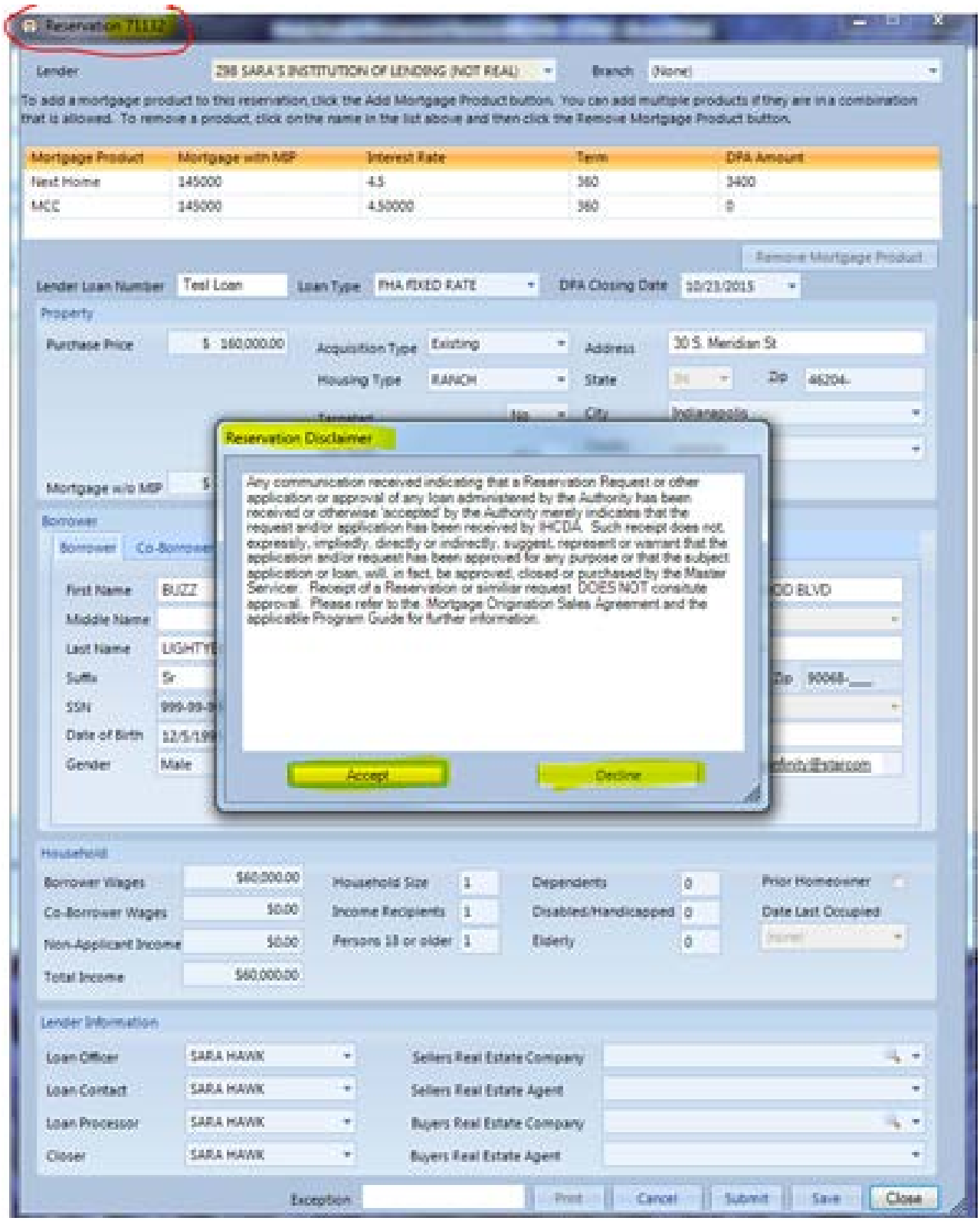
9) After submitting the reservation; you will be asked to accept the interest rate. Click "Yes".



10) After you accept the rate; the system will go thru and check to make sure everything is complete and in compliance. If there is something out of compliance, it will list the items in a "Submission Errors" box and tell you what needs to be corrected. If you double click on the item listed it will take you to that location that needs to be corrected.



11) After correcting the errors, you will receive IHCDA's Disclaimer. If you select "Accept" then your loan will be locked and you can begin printing the documents needed to create a package for submission. If you "Decline" the disclaimer, your loan will be saved but the rate will not be locked. At this point you will have an IHCDA reservation number which you can see at the top of the screen.

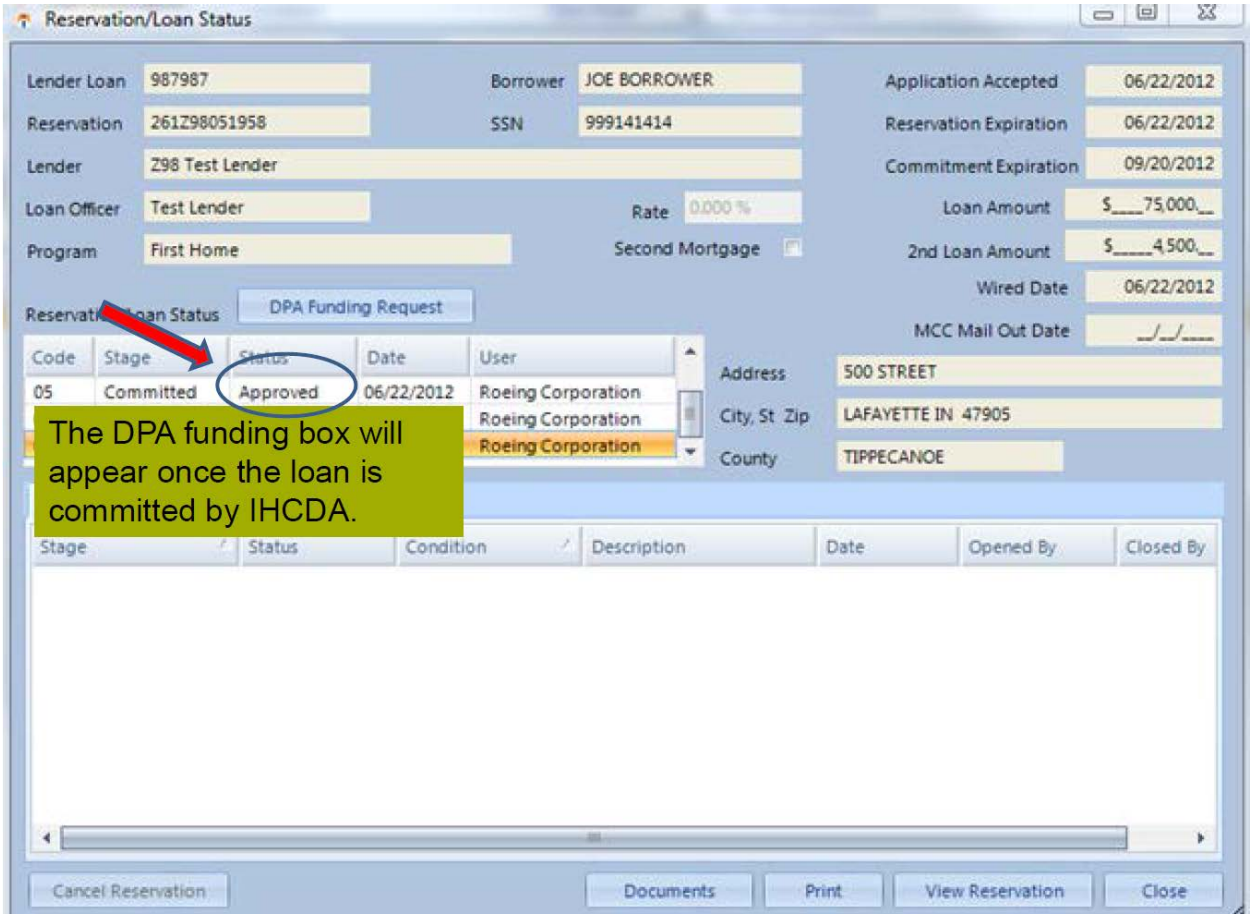


PROCESS FOR RESERVING AND SUBMITTING LENDER FILES

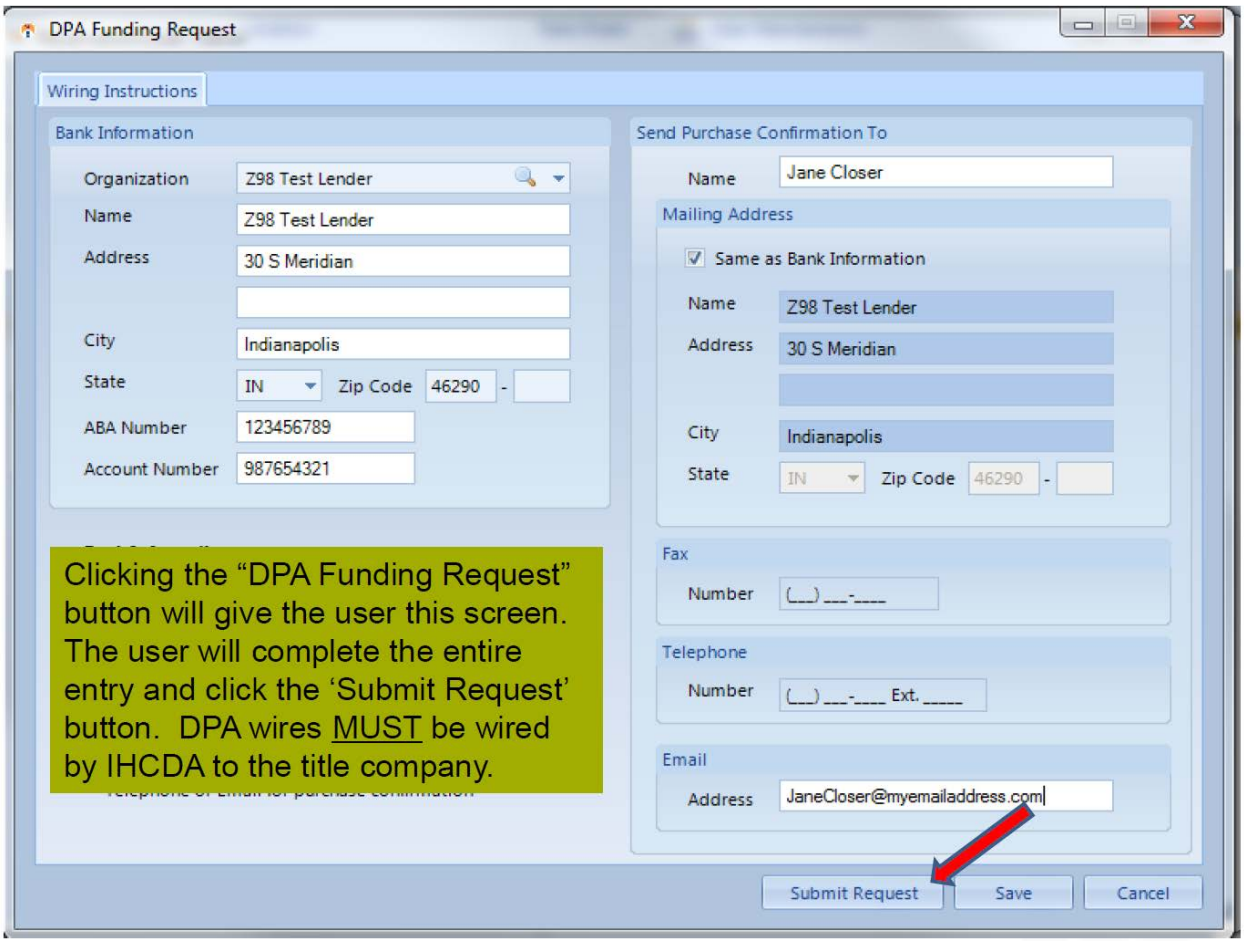
1) Lender makes reservation in IHSF.
2) Lender submits reservation fee via ACH (ACH account number and routing number is given to Lender only after a signed MOSA is approved) or mails Certified check/Lender check/money order to IHCDA. If sending checks/money orders you must submit the IHCDA Invoice along with the fee. The IHCDA Invoice is located in the Loan Documents section of the IHSF system (personal checks are not accepted).
3) Lender emails the IHCDA Homeownership Affidavit and the Frame Work homeownership training certificate (if applicable, $75 Frame Work fee only refunded if doing NH or NH/MCC) via Homeownershipdocs@ihcda.in.gov.
4) Lender to check IHSF system for status of loan within 24 business hours.
5) Upon "Committed Approval" status; Lender requests DPA funds to be wired (if applicable). Requests should be made no more than 3 business days before closing but must allow 48 business hours for wire to be received.
6) Lender closes the loan.
7) Lender submits closing package (follow closing package checklist found in the IHSF system). Loan must have final approval from IHCDA **AND** purchased by US Bank before commitment expiration date. MCC stand-alone loans must be submitted within 30 days from closing and receive final approval from IHCDA by the date of commitment expiration.

PROCESS FOR REQUESTING DPA

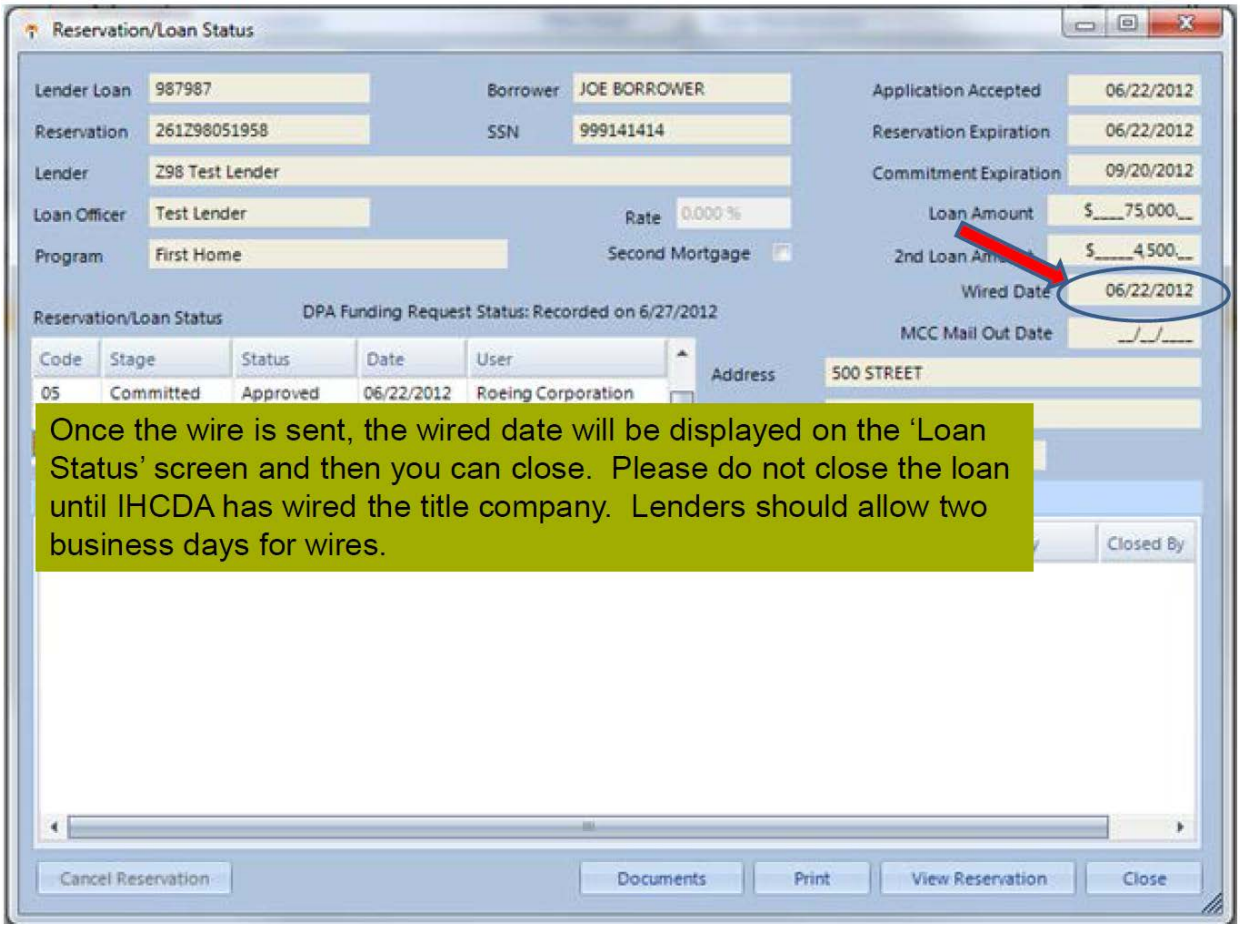
1) Double click on the reservation you wish to request funds for.
2) You will see the Loan Status screen.
3) Once your loan has an "Approved" status under the "Committed" stage the "DPA Funding. Request" box will appear.



4) Click the "DPA Funding Request" button.
5) Complete the title company and bank information along with contact name , email and phone number.
6) Click the "Submit Request" button.


DPA Funding Request
Wiring Instructions
Bank Information
Organization
Z98 Test Lender
Name
Z98 Test Lender
Address
30 S Meridian
City
Indianapolis
State
IN
Zip Code
46290
ABA Number
123456789
Account Number
987654321
Send Purchase Confirmation To
Name
Jane Closer
Mailing Address
Same as Bank Information
Name
Z98 Test Lender
Address
30 S Meridian
City
Indianapolis
State
IN
Zip Code
46290
Fax
Number
(___) ___-____
Telephone
Number
(___) ___-____ Ext. _____
Email
Address
JaneCloser@myemailaddress.com
Submit Request
Save
Cancel
Clicking the "DPA Funding Request" button will give the user this screen. The user will complete the entire entry and click the 'Submit Request' button. DPA wires MUST be wired by IHCDA to the title company.

7) Once the wire has been sent; you will see the date sent in the "Loan Status" screen.



Once the wire is sent, the wired date will be displayed on the 'Loan Status' screen and then you can close. Please do not close the loan until IHCDA has wired the title company. Lenders should allow two business days for wires.

FORMS

IHCDA HOMEOWNERSHIP AFFIDAVIT

Once reservation is made; this document may be generated from the IHSF system (some information will be pre-filled for you). All questions must be completed before approval may be granted. Lender Underwriter must sign and date document. Scan document and submit to IHCDA via Homeownershipdocs@ihcda.in.gov. See Exhibit A at end of manual.

FRAME WORK CERTIFICATE

IHCDA offers homeownership training thru Frame Work which can be accessed via our IHCDA website at www.in.gov/ihcda.com. The training is not required but recommended. The cost of the training is $75 that must be paid at the time of taking the training. IHCDA will reimburse the cost to Mortgagor if using the NH or NH/MCC program only. In order to receive reimbursement the Frame Work certificate must be submitted with the IHCDA Homeownership Affidavit. Reimbursement is not possible if submitted later. See Exhibit B at end of manual.

IHCDA HOMEOWNERSHIP RESERVATION FEE INVOICE

Once reservation is made, this document may be generated from the IHSF system (some information will be pre-filled for you). This document is to be used when paying the reservation fee by check. See Exhibit C at the end of manual.

IHCDA CLOSING PACKAGE CHECKLIST

Once reservation is made, this document may be generated from the IHSF system (some information will be pre-filled for you). This document is to be used to make sure you submit all documentation needed for final approval of your loans. The IHCDA closing package must be mailed. See Exhibit D at end of manual.

IHCDA-ALL DOCUMENT

Once reservation is made, this document may be generated from the IHSF system (some information will be pre-filled for you). The document must be done correctly and completely with **ORIGINAL** signatures from the Mortgagor(s), Seller(s) and Lender. See Exhibit E at end of manual.

IHCDA SECOND MORTGAGE

Once reservation is made, this document may be generated from the IHSF system (some information will be pre-filled for you). The document must be done correctly and completely. IHCDA is to receive a copy in the closing package. The Master Servicer is to receive original signatures. See Exhibit F at end of manual.

IHCDA SECOND PROMISSORY NOTE

Once reservation is made, this document may be generated from the IHSF system (some information will be pre-filled for you). The document must be done correctly and completely. IHCDA is to receive a copy in the closing package. The Master Servicer is to receive original signatures. See Exhibit G at end of manual.

IHCDA MORTGAGE RIDER

Once reservation is made, this document may be generated from the IHSF system. The document must be done correctly and completely. IHCDA is to receive a copy in the closing package. The Master Servicer is to receive original signatures. This document applies to AH loans only. See Exhibit H at end of manual.

EXHIBIT A:

ihcda

Indiana Housing & Community Development Authority

IHCDA HOMEOWNERSHIP AFFIDAVIT

PLEASE COMPLETE ALL QUESTIONS

SIGN AND DATE BEFORE SUBMISSION

Check Program Type: ☐ Next Home ☐ Next Home/MCC ☐ MCC ☐ My Home ☐ My Home/MCC ☐ Affordable Home

Reservation Number: _____ Lender Name: _____

Mortgagor: _____

Co-Mortgagor: _____

Property Address: _____

County: _____ Income Limit: _____

Purchase Price: _____ Loan Amount: _____ DPA Amount: _____

Type of financing: FHA ☐ Conv ☐ VA ☐ USDA Rural Housing ☐

Are the Mortgagor(s) first time homebuyers? Mortgagor YES ☐ NO ☐ Co-Mortgagor YES ☐ NO ☐

NOTE: If using conventional financing and NOT a first time homebuyer; send proof of disposal of property owned with this affidavit.

Total Household Size: ____

Annual income of Mortgagor(s), MUST INCLUDE ALL SOURCES OF INCOME USED TO QUALIFY MORTGAGOR(S):

Mortgagor: _____ Co-Mortgagor: _____

Appraised Value: _____

Type of dwelling: Single Family ☐ Condo ☐ Multi-family ☐

Will the dwelling be the Mortgagor(s) primary residence? YES ☐ NO ☐

Is the property one (1) parcel? YES ☐ NO ☐

Did Mortgagor(s) complete the Frame Work homebuyer training?

YES ☐ (MUST SUBMIT CERTIFICATE NOW) NO ☐

I certify that I am an employee or agent of the Lender and that I reviewed the information listed above from the Mortgagor(s) and that such information is true, complete, and accurate, to the best of the Lender's knowledge after due inquiry and investigation.

Underwriter Signature: _____ Date: _____

All loans must comply with the guidelines of the Master Servicer and the respective GSE be it Fannie Mae, Freddie Mac or Ginnie Mae

Comment [FL1]: ALL QUESTIONS MUST BE COMPLETED FOR AN APPROVAL

Comment [FL2]: PRE-FILLED

Comment [FL3]: INPUT LENDER NAME

Comment [FL4]: PRE-FILLED

Comment [FL5]: PRE-FILLED

Comment [FL6]: MUST MATCH INCOME USED ON THE 1003 AND THE IHCDA ALL DOCUMENT

Comment [FL7]: PRE-FILLED

Comment [FL8]: WILL ONLY REIMBURSE $75 FEE IF DOING NEXT HOME AND NEXT HOME/MCC. MUST SUBMIT FRAME WORK CERTIFICATE WITH THIS FORM FOR REIMBURSEMENT.

Comment [FL9]: MUST BE SIGNED/DATED BY LENDER UNDERWRITER FOR APPROVAL

EXHIBIT B:

CERTIFICATE OF COMPLETION

FRAMEWORK
Preparing for Homeownership

THIS CERTIFICATE IS AWARDED TO:

[redacted]

FOR SUCCESSFULLY COMPLETING HOMEOWNERSHIP EDUCATION

Framework® is administered by a HUD Approved Intermediary and meets the National Industry Standards for Homeownership Education
www.FRAMEWORKHOMEOWNERSHIP.org

EXHIBIT C:

Indiana Housing & Community Development Authority

IHCDA HOMEOWNERSHIP RESERVATION FEE INVOICE

PLEASE COMPLETE ALL INFORMATION REQUESTED

Reservation Number: _____

Mortgagor: _____

Co-Mortgagor: _____

Property Address: _____

Comment [FL1]: PRE-FILLED

RESERVATION FEE ARE AS FOLLOWS:

$100	NEXT HOME
$100	NEXT HOME WITH MCC
$100	AFFORDABLE HOME
$100	MY HOME
$100	MY HOME WITH MCC
$500	MCC

PLEASE NOTE PERSONAL CHECKS ARE NOT ACCEPTED

CHECKS WILL NOT BE ACCEPTED WITHOUT THE INVOICE

CANNOT ACCEPT MORE THAN ONE RESERVATION FEE PER INVOICE

PLEASE FORWARD PAYMENT ALONG WITH THE INVOICE TO:

IHCDA
ATTN: HOMEOWNERSHIP
30 S MERIDIAN STREET
SUITE 1000
INDIANAPOLIS, IN 46204

EXHIBIT D:

ihcda

Indiana Housing & Community Development Authority

IHCDA CLOSING PACKAGE CHECKLIST

Reservation Number: _____

Mortgagor: _____

Co-Mortgagor: _____

Property Address: _____

Comment [FL1]: EVERYTHING FROM TOP TO THIS LINE IS PRE-FILLED

- ☐ Final Mortgagor and Loan Originator signed 1003 (Copy)
- ☐ Final signed IHCDA-ALL document (Original)
- ☐ Signed IHCDA Gift Letter (Original, if applicable)
- ☐ 3 Years of Tax Transcripts (Copy, required for MCC, AH, NH/MCC, MH/MCC only)
- ☐ Signed Purchase Agreement/Counters/Amendments (Copy)
- ☐ Appraisal (Copy)
- ☐ Signed Closing Disclosure (Copy)
- ☐ Signed IHCDA Second Mortgage (Copy, if applicable)
- ☐ Signed IHCDA Promissory Note (Copy, if applicable)
- ☐ First page of Mortgage (Copy, MCC stand-alone only)
- ☐ Signed Mortgage Note (Copy, MCC stand-alone only)
- ☐ IHCDA Mortgage Rider (Copy, AH only)

Comment [FL2]: FOLLOW THIS CHECKLIST WHEN PREPARING YOUR CLOSING PACKAGE TO IHCDA

Submitted by:_____ Phone #:_____ Date:_____

Comment [FL3]: COMPLETE SO WE CAN CONTACT LENDER IF NEEDED

EXHIBIT E:

INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

MORTGAGOR(S) APPLICATION AGREEMENT

There Are Important Legal Consequences Associated with This Document

Read it carefully before signing it

EXECUTE THE MORTGAGOR AND CO-MORTGAGOR SECTION IF APPLICABLE

Comment [FL1]: DOCUMENT MUST BE FULLY COMPLETED WHERE APPLICABLE AND CORRECT BEFORE APPROVAL MAY BE GIVEN

Please indicate which IHCDA mortgage program is being used:

☐ MCC ☐ Next Home ☐ Next Home/MCC ☐ Affordable Home

☐ My Home ☐ My Home/MCC

Comment [FL2]: CHECK THE APPROPRIATE PROGRAM THAT THE MORTGAGOR(S) WILL BE USING

The undersigned, as part of my application for mortgage financing from the Indiana Housing and Community Development Authority (IHCDA), and as a material inducement for IHCDA to provide such financing to me, for my purchase of a one (1) unit or a two to four (2 – 4) family unit dwelling, state the following:

Reservation #

1st Mortgagor

2nd Mortgagor

Street City Zip

(the "Residence")

County of Subject Property: _____

Comment [FL3]: PRE-FILLED

GENERAL INFORMATION PERTAINING TO ALL PROGRAMS

Comment [FL4]: SECTION MUST BE COMPLETED

1. Federal and/or State Law establishes the Program's income, acquisition, ownership, and financing limitations.

2. I understand that the Lender will determine my eligibility to receive a loan and that IHCDA will not be involved in the credit underwriting process. However, IHCDA may investigate and verify any matter set forth herein. I do hereby authorize such investigation or verification and hereby release the IHCDA, its attorneys and agents from any claim that I may have now or in the future based upon, arising out of, or related to any investigation or verification which IHCDA, its attorneys or agents undertake.

3. I understand that my purchase of a one (1) unit or a two to four (2 – 4) family unit dwelling may be financed through IHCDA's programs. Financing will include a first lien mortgage loan (first mortgage) with a fixed interest rate. This mortgage will have a term of thirty (30) years, payable in equal monthly installments over the term of the mortgage.

4. Eligibility for the Program will be determined by Mortgagor and Co-Mortgagor's gross annual income stated on the Universal Residential Loan Application (URLA Form 1003). Gross Annual Income includes, for example, gross wages and salaries from employment, including any part-time, seasonal, or sporadic income, shift differentials, overtime pay, commissions, fees, tips, bonuses and etc.

5. My and any Co-Mortgagor's total gross annual income as disclosed in the Uniform Residential Loan Application (URLA Form 1003) does not exceed the applicable income limit of $_____ for the number of persons indicated below in the second half of this statement, for the county where the Residence is located. I understand that I must recertify, at the time of the loan closing, that my total gross annual income continues to not exceed this amount.

   Comment [FL5]: COMPLETE INCOME LIMIT. LIMITS ARE ON THE IHCDA WEBSITE

   The total number of persons intending to reside in the Residence, including the Mortgagor(s) is ____.

   Comment [FL6]: PRE-FILLED

6. The Residence will not be used as a vacation home and not more than ten percent (10%) of the area of the Residence will be used in a trade or business.

7. The proceeds of the mortgage loan(s) under this Program will not be used to replace an existing mortgage, a land sale contract or other similar transaction on the Residence.

8. I understand that, in the event the Residence is no longer my principal residence, any first mortgage financing provided under the Program will be immediately due and payable.

9. I am currently or intend to become a resident of the State of Indiana. I will occupy the Residence and use it as my principle residence within sixty (60) days after the date of the loan closing, if the Residence is an existing residence OR sixty (60) days after the date of completion of construction, if the Residence is a newly constructed residence. I will notify the entity that services the mortgage loan in writing prior to the Residence ceasing to be my principle residence. I understand that, in the event the Residence is no longer my principal residence, any first mortgage financing provided under the Program will be immediately due and payable.

10. I understand that I will not be required to have the Residence inspected for the purpose of determining that the Residence is safe, decent and sanitary at the time of purchase and initial occupancy, but that the IHCDA does not and will not certify that the Residence is free of defects or make any representation as to its condition. I understand that buying the Residence is one of the most important purchases I will make in my lifetime, so I should be sure that the Residence is in good condition by ordering an independent home inspection for myself.

11. I acknowledge that I have been told that my loan will be sold to a Master Servicer or Sub-Servicer.

12. I understand and agree that changed conditions such as gross annual income and other eligibility requirements may disqualify me at closing from receiving the IHCDA mortgage financing, even though I was eligible at the time of application.

13. IHCDA reserves the right to request any additional documentation needed to make an accurate determination on any given loan file.

SECOND MORTGAGE INFORMATION

SECTION REQUIRED FOR NEXT HOME AND NEXT HOME/MCC PROGRAMS
IF SECTION IS NOT REQUIRED CHECK BOX BELOW

1. Financing will also include a second lien mortgage loan (second mortgage). The second mortgage will have an interest rate of zero percent (0%) and no monthly payments for a term of two (2) years.

2. I acknowledge that I may receive a second mortgage for down payment assistance. This second mortgage would be a loan in the amount of up to;

   a. FHA - Four percent (4%) of the sales price or appraised value of the Residence or whichever is less.
   b. Conventional - Three percent (3%) of the sales price or appraised value of the Residence or whichever is less.

3. I also understand that I will be required to execute a second mortgage note for a non-amortizing loan at zero percent (0%) interest. If the Residence is sold or refinanced within two (2) years of the loan closing, or certain other conditions are not met under the Second Mortgage Note and Loan Agreement, the second mortgage will immediately be due and payable in full. I further understand that IHCDA will not at any time agree to subordinate the second mortgage loan to any loan other than the original first mortgage loan to be executed concurrently with the second mortgage loan.

4. AMOUNT OF SECOND MORTGAGE ASSISTANCE IS $

I acknowledge by initialing this section; I understand the above obligations, policies or requirements of the Program.

Mortgagor initials:_____ Co-Mortgagor initials:_____

☐ **CHECK THIS BOX IF MORTGAGOR(S) ARE NOT REQUIRED TO INITIAL THIS PAGE**

Comment [FL7]: COMPLETE THIS SECTION ONLY IF IT APPLIES OTHERWISE CHECK BOX BELOW

Comment [FL8]: PRE-FILLED

Comment [FL9]: ORIGINAL INITIALS OF MORTGAGOR(S) IF USING DOWN PAYMENT ASSISTANCE.

Comment [FL10]: CHECK BOX IF SECTION DOES NOT APPLY TO MORTGAGOR(S)

MORTGAGE CREDIT CERTIFICATE INFORMATION

SECTION REQUIRED FOR MCC, NEXT HOME/MCC AND MY HOME/MCC PROGRAMS
IF SECTION IS NOT REQUIRED CHECK BOX BELOW

Comment [FL11]: COMPLETE THIS SECTION ONLY IF IT APPLIES OTHERWISE CHECK BOX BELOW

1. The issuance of the MCC requires the following (1) the Mortgagor(s) Gross Annual Income be within the applicable income limits for the county applicable; (2) the acquisition cost for the type of one (1) unit or two to four (2 – 4) family unit dwelling must not exceed the limits for the county where the dwelling is located; and (3) the applicant has had no ownership interest in a principal residence as evidenced by Certified IRS Tax Return Transcripts from the past three (3) years. The prior ownership restriction is waived if the Residence is purchased in Qualified Census Tracts or an Area of Chronic Economic Distress ("Targeted Areas") or if the Residence is purchased by an eligible veteran.

2. The acquisition cost represents all amounts paid, either in cash or in kind, by the Mortgagor(s) as consideration for the Residence, including purchase price, price to complete the Residence, repairs, land (if not owned for two (2) years from the date construction began), and settlement and financing costs in excess of amounts which are usual and reasonable. The amount paid to the seller(s) for consideration for the Residence cannot be higher than it would be had the sale occurred without the benefit of the MCC.

3. The Acquisition Cost of the Residence to be purchased does not exceed the maximum acquisition cost limit of $ _____ for _____ County. There are no other agreements, written or oral, between me and the seller(s), and no compensation of any kind has been or will be exchanged between me and the seller(s), which has not been disclosed and included as part of the acquisition cost.

Comment [FL12]: COMPLETE ACQUISITION LIMIT. LIMITS ARE ON THE IHCDA WEBSITE

Comment [FL13]: PRE-FILLED

4. If the single family residence contains 2, 3 or 4 units, then (a) one unit is occupied by the Mortgagor of the units and (b) the units were first occupied at least 5 years before the MCC-linked mortgage (but not necessarily occupied on the date hereof). If the residence is located in a Targeted Area clause (b) above shall not apply if the family income of the Mortgagor meets the applicable requirements.

5. An MCC cannot be issued in connection with financing that is to be used for acquisition or to replace my existing mortgage or land sale contract. A mortgage includes deeds of trust, conditional sales contract, pledges, agreements to hold title in escrow, and any other form of owner financing.

6. The land associated with the Residence (a) is not in excess of that necessary to maintain the basic livability of the Residence and (b) will not provide, other than incidentally, a source of income to the Mortgagor. Only one (1) parcel of land associated with the Residence may be purchased. The Mortgagor will not sell off any portion of the land associated with the Residence in the future.

7. The Participating Lender must have approval from IHCDA before the MCC-linked mortgage loan can be closed. If the MCC-linked mortgage loan closes prior to being approved by IHCDA, I **will not** be issued an MCC.

8. Once IHCDA receives my closing package from the Participating Lender and the closing package is approved by IHCDA, it will mail my MCC Certificate out.

9. Once I receive my MCC I should keep it with my tax papers. **I WILL RECEIVE ONLY ONE (1) MCC, THEREFORE, I WILL MAKE A COPY OF MY MCC AND SEND IT TO THE IRS WITH MY IRS TAX RETURNS. (I WILL NOT SEND MY ORIGINAL MCC TO THE IRS).**

10. I have been further advised that use of the MCC will reduce my mortgage interest deduction for Federal Tax purposes.

11. Current Indiana State Income Tax Laws do not permit the MCC Tax Credit to be applied against Indiana State Income Tax Liability.

12. Neither IHCDA nor the Participating Lender can provide me with tax forms or tax advice. I understand or will consult with my tax accountant regarding how to calculate my MCC tax credit, how to claim my MCC tax credit with my employer, and how to claim my MCC tax credit on my Federal Tax Return.

13. The MCC is non-transferrable, therefore, the MCC will be automatically revoked when the MCC-linked mortgage loan is paid off, refinanced, or if the Residence associated with the MCC-linked mortgage loan ceases to be my principal residence, is sold, foreclosed upon, refinanced, or otherwise disposed of. I do not have to notify IHCDA if the home is disposed of, or paid in full.

14. If I refinance my existing MCC-linked mortgage loan, I may qualify to have my MCC reissued by IHCDA and:

    a. I acknowledge that I have received the IHCDA's Re-issuance Affidavit from the Participating Lender.
    b. I acknowledge and understand the rules and guidelines that are in the MCC Re-Issuance Affidavit that I received from the Participating Lender.
    c. I acknowledge and understand that the Participating Lender or any lender will not be involved in the re-issuance of another MCC should I decide to refinance my MCC-linked mortgage loan, as it is my responsibility to send the MCC Re-issuance Affidavit and all other required documentation to the IHCDA by the deadline specified in the MCC Re-issuance Affidavit.

15. My MCC may be revoked by the IHCDA or the IRS upon the discovery of a material misstatement or omission that I made during the loan process that would affect my eligibility to receive the MCC.

I acknowledge by initialing this section; I understand the above obligations, policies or requirements of the Program.

Mortgagor initials:_____ Co-Mortgagor initials:_____

Comment [FL14]: ORIGINAL INITIALS OF MORTGAGOR(S) IF USING ANY FORM OF AN MCC PRODUCT

☐ **CHECK THIS BOX IF MORTGAGOR(S) ARE NOT REQUIRED TO INITIAL THIS PAGE**

Comment [FL15]: CHECK BOX IF SECTION DOES NOT APPLY TO MORTGAGOR(S)

RECAPTURE TAX

SECTION REQUIRED FOR MCC, NEXT HOME/MCC, MY HOME/MCC AND AFFORDABLE HOME
IF SECTION IS NOT REQUIRED CHECK BOX BELOW

Comment [FL16]: COMPLETE THIS SECTION ONLY IF IT APPLIES OTHERWISE CHECK BOX BELOW

1. As a Mortgagor of an MCC or mortgage revenue bond linked mortgage loan through the Program, I hereby certify and acknowledge that I have been advised that the IRS may impose a recapture tax on any gain I realize upon the disposition of the Residence.

2. I will receive my recapture tax letter from IHCDA within ninety (90) days from the date IHCDA receives my closing package from the Participating Lender. This information will specify a federally subsidized amount of such indebtedness and the adjusted qualifying income relating to such indebtedness for each category or family size for each of the nine (9) years of the holding period effective as of the date the MCC or mortgage revenue bond linked mortgage loan closed. I must keep my two (2) page recapture letter with my tax papers and so I can refer to it if I sell or dispose of my home.

3. The calculation of any Recapture Tax will be based on the amount of the first mortgage. The Recapture Tax is subject to the following guidelines:

   (a) **No Recapture Tax is imposed if:** the Mortgagor dies, the Residence is destroyed by accident and is repaired within the specified time frame, or if it is transferred to a spouse or former spouse of Mortgagor and Mortgagor does not receive any gain or loss.

   (b) **The Recapture Tax will be imposed:** 1) if the Residence is sold, exchanged or foreclosed upon within the first nine (9) years after the Mortgagor purchases it, and 2) the Mortgagor's household exceeds the income limits in the year in which it sells the Residence, and 3) there is a net profit on the sale of the Residence. No recapture is due on a sale, exchange or foreclosure that occurs nine (9) or more years after the date Mortgagor purchases the Residence.

   (c) The maximum Recapture Tax will not exceed 6.25% of the original first mortgage amount. During the first five (5) years of ownership the tax will increase, on a pro rata basis. The maximum recapture amount will occur in the fifth (5th) year. The tax will then decrease pro rata for the remaining four (4) years. The Recapture Tax amount will never exceed fifty percent (50%) of the gain (if any) realized upon the sale, exchange or transfer of the Residence.

I acknowledge by initialing this section; I understand the above obligations, policies or requirements of the Program.

Mortgagor initials:_____ Co-Mortgagor initials:_____

Comment [FL17]: ORIGINAL INITIALS OF MORTGAGOR(S) IF USING AN FORM OF AN MCC PRODUCT OR AFFORDABLE HOME

☐ **CHECK THIS BOX IF MORTGAGOR(S) ARE NOT REQUIRED TO INITIAL THIS PAGE**

Comment [FL18]: CHECK BOX IF SECTION DOES NOT APPLY TO MORTGAGOR(S)

VETERAN'S ACKNOWLEDGEMENT

THIS SECTION APPLIES TO HR6111 LOAN ONLY. IF APPLICABLE, THIS SECTION APPLIES TO MCC, NEXT HOME/MCC, MY HOME/MCC AND AFFORDABLE HOME.
IF SECTION IS NOT REQUIRED CHECK BOX BELOW

To comply with The Tax Relief and Health Care Act of 2006, HR 6111

____ The Mortgagor(s) are either in active military duty or are an honorably discharged veteran, and

____ The Mortgagor(s) have **never before** purchased a home using the IHCDA MRB or MCC program or a MRB or a MCC program from another state.

I acknowledge by initialing this section; I understand the above obligations, policies or requirements of the Program.

Mortgagor initials:_____ Co-Mortgagor initials:_____

☐ **CHECK THIS BOX IF MORTGAGOR(S) ARE NOT REQUIRED TO INITIAL THIS PAGE**

Comment [FL19]: COMPLETE THIS SECTION ONLY IF IT APPLIES OTHERWISE CHECK BOX BELOW

Comment [FL20]: CHECK IF USING ONE OF THE ABOVE MENTIONED PROGRAMS, IS ACTIVE MILITARY DUTY OR HONORABLY DISCHARGED AND IS NOT A FIRST TIME HOMEBUYER

Comment [FL21]: CHECK IF USING ONE OF THE ABOVE MENTIONED PROGRAMS, IS ACTIVE MILITRY DUTY OR HONOARABLY DISCHARGED, IS NOT A FIRST TIME HOMEBUYER AND HAS NOT USED THE IHCDA MRB OR MCC PROGRAM OR ANY OTHER MRB OR MCC PROGRAM

Comment [FL22]: ORIGINAL INITIALS OF MORTGAGOR(S) IF USING ONE OF THE ABOVE MENTIONED PROGRAMS AND IS NOT A FIRST TIME HOMEBUYER

Comment [FL23]: CHECK BOX IF SECTION DOES NOT APPLY TO MORTGAGOR(S)

SOURCE(S) OF INCOME AFFIDAVIT

CHECK ALL SOURCES THAT APPLY

Income will be determined for Mortgagor and Co-Mortgagor(s) only based off Gross Annual Income provided on the Uniform Residential Loan Application (URLA Form 1003) **Sources of income checked below must match Mortgagor/Co-Mortgagor's income as disclosed on the "Uniform Residential Loan Application (URLA Form 1003) Affidavit"**

"Gross Annual Income" is defined in the Indiana Housing and Community Development Authority Next Home Program Guide.

Mortgagor/Co-Mortgagor's Gross Annual Income includes:

____ Base Employment Income	____ Dividends/Interest
____ Overtime	____ Net Rental Income
____ Bonuses	____ Other Pay
____ Commissions	

Comment [FL20]: SECTION MUST BE COMPLETED

Comment [FL21]: CHECK ALL SOURCES OF STATED INCOME FOR MORTGAGOR(S) THAT IS LISTED ON THE 1003. TYPE OF INCOME LISTED ON THE 1003 MUST MATCH THE TYPE OF INCOME CHECKED ON THIS DOCUMENT

INCOME TAX AFFIDAVIT

THIS SECTION APPLIES TO MCC, NEXT HOME/MCC, MY HOME/MCC AND AFFORDABLE HOME
DO NOT COMPLETE THIS SECTION UNLESS APPLICABLE

Mortgagor AND/OR Co-Mortgagor Name ____

I, the undersigned being first duly sworn state the following:

☐ (a) I certify that I was not required by law to file a Federal Income Tax Return for the following year(s) _____ for the reason(s) stated below:

_____

_____

Complete Section (b) only if the closing for the one (1) or two to four (2 – 4) family unit dwelling Mortgage will occur between January 1st and April 15th, and you have not filed your Federal Income Tax Return for the prior year.

☐ (b) I certify that the loan closing is occurring between January 1st and April 15th and that I have not yet filed my Federal Income Tax Return for the prior year.

Comment [FL26]: COMPLETE THIS SECTION ONLY IF IT APPLIES OTHERWISE LEAVE BLANK

Comment [FL27]: COMPLETE MORTGAGOR(S) NAME

Comment [FL28]: CHECK IF MORTGAGOR(S) DID NOT FILE A TAX RETURN ANYTIME IN THE LAST 3 YEARS. ONLY APPLIES FOR THE ABOVE PROGRAMS

Comment [FL29]: COMPLETE THE YEAR MORTGAGOR(S) DID NOT FILE A TAX RETURN

Comment [FL30]: STATE REASON FOR NOT FILING THE TAX RETURN

Comment [FL31]: CHECK IF MORTGAGOR(S) HAS NOT YET FILEED A TAX RETURN FOR THE PREVIOUS YEAR. ONLY APPLIES BETWEEN JANUARY 1 AND APRIL 15

SELLER(S) AFFIDAVIT

The undersigned Seller(s), jointly and severally, do hereby affirm and aver that the purchase price of the residence being sold to:_____ _____

Pursuant to the Purchase and Sales Agreement is $_____

There is no agreement, written or oral, between the Mortgagor(s) and the undersigned Seller(s) to pay or exchange any compensation of any type which has not been disclosed in the Purchase and Sales Agreement and included in the purchase price.

There are no known defects to the Residence that have not been previously disclosed.

Since the purchase is a voluntary, arm's length transaction, I am not eligible for relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("URA"), or any other law or regulation.

Comment [FL28]: SECTION MUST BE COMPLETED

Comment [FL29]: PRE-FILLED

Comment [FL30]: PRE-FILLED

IHCDA GIFT LETTER INFORMATION

SECTION REQUIRED FOR NEXT HOME AND NEXT HOME/MCC PROGRAMS

IF SECTION IS NOT REQUIRED CHECK BOX BELOW

Comment [FL35]: COMPLETE THIS SECTION ONLY IF IT APPLIES OTHERWISE CHECK BOX BELOW

U.S. Bank National Association

Re: Second Mortgage in the amount of _____("Loan Amount") having a Reservation number of _____("Loan") for the purchase of a residence located at _____("Residence") by _____("Mortgagor") _____("Co-Mortgagoe")

Comment [FL36]: PRE-FILLED

Comment [FL37]: PRE-FILLED

Comment [FL38]: PRE-FILLED

Comment [FL39]: PRE-FILLED

Comment [FL40]: PRE-FILLED

To Whom It May Concern:

This letter is to document that the Indiana Housing and Community Development Authority ("IHCDA") is in compliance with Mortgagee Letter 2013-14.

IHCDA is loaning the Loan Amount to the Mortgagor for down payment and/or closing cost assistance. IHCDA wired the Loan Amount directly to the closing agent prior to closing of the Loan.

Mortgagor is a participant in IHCDA's Next Home Program. Repayment of the Loan is required based on the terms set forth in IHCDA's Homeownership Promissory Note and Loan Agreement, which is required to be executed by Mortgagor at closing.

IHCDA is public body corporate and politic of the State of Indiana. It is located at the following address: 30 S. Meridian Street, Suite 1000, Indianapolis, IN 46204, its phone number is 317-232-7777.

Kim Harris
Homeownership Manager,
Indiana Housing and Community Development Authority

Mortgagor Name (Typed or Printed)	**Co-Mortgagor Name (Typed or Printed)**
Mortgagor Signature	**Co-Mortgagor Signature**
Date	**Date**

Comment [FL41]: MORTGAGOR(S) TO SIGN AND DATE. MUST BE ORIGINAL

☐ **CHECK THIS BOX IF MORTGAGOR(S) ARE NOT REQUIRED TO SIGN THIS PAGE**

Comment [FL42]: CHECK BOX IF SECTION DOES NOT APPLY TO MORTGAGOR(S)

AFFIRMATION

I/we acknowledge and understand that all of the agreements, statements, and certifications contained herein, will be relied on for purposes of determining my eligibility to receive mortgage financing through the Program. In addition, all the agreements, statements, and certifications herein it are made by me under penalty of perjury and fraud and any fraudulent statement made in this agreement may constitute a violation of federal law punishable by a fine of $10,000 and any other criminal penalty imposed by law.

I/we do hereby swear or affirm under the penalties for perjury and fraud that the foregoing is true, accurate and complete.

Date _____ Mortgagor's Signature _____

Date _____ Mortgagor's Signature _____

Comment [FL39]: MORTGAGOR(S) TO DATE AND SIGN. MUST BE ORIGINAL

I/we do hereby swear or affirm under the penalties for perjury and fraud that the foregoing is true, accurate and complete.

Date _____ Sellers's Signature _____

Date _____ Sellers's Signature _____

Comment [FL40]: SELLER(S) TO DATE AND SIGN. MUST BE ORIGINAL

I/we do hereby swear or affirm under the penalties for perjury and fraud that the foregoing is true, accurate and complete.

I certify that I am an employee or agent of the Lender and that I obtained the information listed above from the Mortgagor(s) and that such information is true, complete, and accurate, to the best of the Lender's knowledge after due inquiry and investigation.

Date _____ Lender's Signature _____

Comment [FL41]: LENDER TO DATE AND SIGN. MUST BE ORIGINAL

EXHIBIT F:

INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY
HOMEOWNERSHIP SECOND REAL ESTATE MORTGAGE

THIS INSTRUMENT *("Mortgage")* WITNESSES: That the undersigned [ ]

jointly and severally, *("Mortgagors")* of the State of Indiana, hereby MORTGAGE and WARRANT to INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY *("Mortgagee")*, the real estate and improvements located at [ ]

("Real Estate") located in [ ] County, State of Indiana, more particularly described as:

[ ]

together with all rights, privileges, interests, easements, hereditaments, appurtenances, fixtures and improvements now or hereafter belonging, appertaining, attached to, or used in connection with, the Real Estate, and all the rents, issues, income and profits thereof *(collectively, the "Mortgaged Property")*.

This Mortgage is given to secure performance of the provisions hereof and to secure payment of a loan in the amount of [ ] and 00/100 Dollars ([ ]00) (the "Loan") evidenced by a certain promissory note (the "Note") of even date herewith, executed and delivered by Mortgagors.

Mortgagors jointly and severally, covenant with Mortgagee as follows:

1. **Payment of Sums Due.** Mortgagors shall pay when due all indebtedness secured by this Mortgage, upon the first to occur of the following: (1) The date that is two (2) years after the date of the Note, [ ] **(the "End of the Affordability Period")**; (2) if Mortgagors do not continue to utilize the Mortgaged Property as its primary residence throughout the Affordability Period (as defined in Section 5 of the Note); (3) if Mortgagors sell or refinance the Mortgaged Property during the Affordability Period; (4) if the Mortgagors violate any other terms and conditions contained in the Note, this Mortgage, or any other agreement made between IHCDA and the Mortgagors related to the Loan; or (5) if Mortgagors are in default under the terms of its first mortgage on the Mortgaged Property and foreclosure proceedings have been initiated during the Affordability Period; (6) if it becomes evident to IHCDA that any representation or warranty made by the Mortgagors was false, misleading, or fraudulent (the occurrence of 2, 3, 4, 5, or 6 "Maturity"). Mortgagors agree to pay the full unpaid principal of the Loan to IHCDA on or before Maturity. If Maturity does not occur by the End of the Affordability Period, the Loan will be forgiven. The restrictions contained herein will automatically terminate if title to the Mortgage Property is transferred by foreclosure or deed-in-lieu of foreclosure or if the mortgage securing the senior debt is assigned back to the U.S. Department of Housing and Urban Development or its successor.

2. **Payment of Sums Due.** Mortgagors shall pay when due all indebtedness secured by this Mortgage, on the dates and in the amounts

Comment [FL1]: PRE-FILLED

Comment [FL2]: PRE-FILLED

Comment [FL3]: PRE-FILLED

Comment [FL4]: INSERT LEGAL DESCRIPTION OR LEGAL DESCRIPTION MAY BE ATTACHED ON SEPARATE PAGE

Comment [FL5]: SPELL OUT AMOUNT OF DOWN PAYMENT ASSISTANCE

Comment [FL6]: NUMERIC AMOUNT OF DOWN PAYMENT ASSISTANCE

Comment [FL7]: END OF AFFORDABILITY PERIOD. MUST BE EXACTLY 2 YEARS FROM DATE OF CLOSING

provided in the Note or in this Mortgage, when the payment(s) thereof become due, all without relief from valuation and appraisement laws and with attorneys' fees.

3. **No Liens.** Mortgagors shall not permit any lien of mechanics or materialmen to attach to and remain on the Mortgaged Property or any part thereof for more than forty-five (45) days after receiving notice thereof from Mortgagee.

4. **Repair of Mortgaged Premises; Insurance.** Mortgagors shall keep the Mortgaged Property in good repair and shall not commit waste thereon. Mortgagors shall procure and maintain in effect at all times adequate insurance in insurance companies acceptable to Mortgagee against loss, damage to, or destruction of the Mortgaged Property because of fire, windstorm or other such hazards in such amounts as Mortgagee may reasonably require from time to time, and all such insurance policies shall contain property clauses making all proceeds of such policies payable to Mortgagee and Mortgagors as their respective interests may appear. Upon request, all such policies of insurance shall be delivered to and retained by the Mortgagee until indebtedness secured hereby is fully paid.

5. **Taxes and Assessments.** Mortgagors shall pay all taxes or assessments levied or assessed against the Mortgaged Property, or any part thereof, as and when the same become due and before penalties accrue.

6. **Advancement to Protect Security.** Mortgagee may, at its option, advance and pay all sums necessary to protect and preserve the security intended to be given by this Mortgage. All sums so advanced and paid by Mortgagee shall become part of the indebtedness secured hereby and shall bear interest from the date or dates of payment at the rate of eighteen percent (18%) per annum. Such sums may include, but are not limited to, insurance premiums, taxes, assessments and liens which may be or become prior and senior to this mortgage as a lien on the Mortgaged property, or any part thereof, and all costs, expenses and attorneys' fees incurred by Mortgagee in respect of any and all legal or equitable proceedings which relate to this Mortgage or to the Mortgaged Property.

7. **Default by Mortgagor; Remedies of Mortgagee.** Upon default by Mortgagor in any payment provided for herein or in the Note, or in the performance of any covenants or agreement of Mortgagor hereunder or in the Note, including any other mortgage applicable to the Mortgaged Property, or if Mortgagors shall abandon the Mortgaged Property, then and in any such event, the entire indebtedness secured hereby shall become immediately due and payable at the option of the Mortgagee, without notice, and this Mortgage may be foreclosed accordingly. Upon such foreclosure, Mortgagee may obtain appropriate title evidence to the Mortgaged Property, and may add the cost thereof to the principal balance due.

8. **Non-Waiver; Remedies Cumulative.** No delay by Mortgagee in the exercise of any of its rights hereunder shall preclude the exercise thereof so long as Mortgagor is in default hereunder, and no failure of Mortgagee to exercise any of its rights hereunder shall preclude the exercise thereof in the event of a subsequent default by Mortgagor hereunder. Mortgagee may enforce any one or more of its rights or remedies hereunder successively or concurrently.

9. **Extensions; Reductions; Renewals; Continued Liability of Mortgagor.** Mortgagee may extend the time for payment of the indebtedness, or reduce the payments thereon, or accept a renewal note or notes thereafter, without consent of any junior lien holder, and without the consent of Mortgagors. No such extension, reduction or renewal shall affect the priority of this Mortgage or impair the security hereof in any manner whatsoever, or release, discharge or affect in any manner the personal liability of Mortgagors to Mortgagee.

10. **Subordination.** This Mortgage shall be subordinate only to Mortgagors' purchase money mortgage of even date herewith, the proceeds of which are being utilized only to purchase the Mortgaged Property.

11. **General Agreement of Parties.** All rights and obligations hereunder shall extend to and be binding upon the several heirs, representatives, successors and assigns of the parties to this Mortgage. When applicable, use of the singular form of any word also shall mean or apply to the plural and masculine form shall mean and apply to the feminine or the neuter and plural shall apply to the singular form. The titles of the several paragraphs of this Mortgage are for convenience only and do not define, limit or construe the contents of such paragraphs.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage this ( ) day of ( ), 20( )

Mortgagor: Mortgagor:

Signature Signature

Printed or Typed Printed or Typed

STATE OF INDIANA)
) SS:
COUNTY OF ( )

Before me, a Notary Public in and for said County and State, personally appeared ( ), who acknowledged execution of the foregoing Mortgage.

Witness my hand and Notarial Seal this ( ) day of ( ), 20( )

My Commission Expires: ( ) ( )
Notary Public

My County of Residence: ( ) ( )
Printed Name

REQUIRED LENDER (ORIGINATOR) INFORMATION-2014-43

Lender's (Originator's) Name: **Lender's (Originator's) NMLS Number:**

Printed or Typed Printed or Typed

Company Name: **Company NMLS Number:**

Printed or Typed Printed or Typed

This instrument was prepared by Carmen M. Files, Deputy Counsel, Indiana Housing and Community Development Authority, 30 South Meridian Street, Suite 1000, Indianapolis, IN 46204 (317) 232-7777.
I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, if any, unless required by law: ( )

Return recorded document to:

Indiana Housing & Community Development Authority
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

Comment [FL8]: NUMERIC DAY OF CLOSING

Comment [FL9]: MONTH OF CLOSING

Comment [FL10]: YEAR OF CLOSING

Comment [FL11]: MORTGAGOR(S) SIGNATURE

Comment [FL12]: MORTGAGOR(S) PRINTED OR TYPED SIGNATURE

Comment [FL13]: COUNTY WHERE PROPERTY IS LOCATED

Comment [FL14]: MORTGAGOR(S) NAME

Comment [FL15]: NUMERIC DAY OF CLOSING

Comment [FL16]: MONTH OF CLOSING

Comment [FL17]: YEAR OF CLOSING

Comment [FL18]: NOTARY'S COMMISSION EXPIRATION DATE

Comment [FL19]: NOTARY'S SIGNATURE

Comment [FL20]: NOTARY'S COUNTY OF RESIDENCY

Comment [FL21]: NOTARY'S PRINTED NAME

Comment [FL22]: ORIGINATOR'S NAME

Comment [FL23]: ORIGINATOR'S NMLS NUMBER

Comment [FL24]: LENDER NAME

Comment [FL25]: LENDER NMLS NUMBER

Comment [FL26]: NOTARY NAME, LENDER REPRESENTATIVE OR TITLE COMPANY REPRESENTATIVE WHOM AFFIRMED SOCIAL SECURITY NUMBERS WERE NOT USED

EXHIBIT G:

INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY HOMEOWNERSHIP PROMISSORY NOTE AND LOAN AGREEMENT

Comment [FL1]: PRE-FILLED

Mortgagor's Name(s): _____

Comment [FL2]: PRE-FILLED

Property Address: _____

IN (the "Property")

1. Agreement to Pay.

FOR VALUE RECEIVED, the undersigned ("Mortgagor") promises to pay to the order of INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY ("IHCDA"), or any other entity to whom this Indiana Housing and Community Development Authority Homeownership Promissory Note and Loan Agreement is sold or assigned, or any successor solely to IHCDA the principal sum of _____ and 00/100 Dollars (_____.00) in return for down payment assistance provided to Mortgagor by IHCDA ("DPA") in the above-referenced amount ("Loan") and in accordance with the terms and conditions contained in this Indiana Housing and Community Development Authority Homeownership Promissory Note and Loan Agreement (this "Note and Loan Agreement") without interest on the outstanding principal balance existing from time to time, until Maturity (as defined below) but thereafter or during any period while there exists any uncured default at the rate of eighteen percent (18%) per annum together with costs of collection, attorneys' fees and without relief from valuation or appraisement laws. Mortgagor shall make payments as described below.

Comment [FL3]: SPELL OUT DOWN PAYMENT ASSISTANCE RECEIVED

Comment [FL4]: NUMERIC AMOUNT OF DOWN PAYMENT ASSISTANCE

The outstanding principal balance shall be paid by Mortgagor upon the first to occur of the following: (1) Two (2) years after the date of this Note and Loan Agreement _____ ("The End of the Affordability Period"), (2) if Mortgagor does not continue to utilize the Property as its primary address throughout the Affordability Period (as defined in Section 5 of this Note and Loan Agreement), (3) if Mortgagor sells or refinances the Property during the Affordability Period; (4) if the Mortgagor violates any other terms and conditions contained in this Note and Loan Agreement, the Mortgage, or any other agreement made between IHCDA and Mortgagor and related to the Loan; or (5) if Mortgagor is in default under the terms of its first mortgage on the Property and foreclosure proceedings have been initiated during the Affordability Period; (6) if it becomes evident to IHCDA that any representation or warranty made by the Mortgagor at the time it applied for the Loan was false, misleading, or fraudulent (the occurrence of 2, 3, 4, 5, or 6 "Maturity"). All payments shall be applied; (a) first, to fees, expenses, costs and other similar amounts then due and payable to IHCDA hereunder; (b) last, to the payment of principal. Mortgagor agrees to pay the entire unpaid principal balance of the Loan to IHCDA on or before Maturity. <u>If Maturity does not occur by the End of the Affordability Period, the Loan will be forgiven.</u>

Comment [FL5]: END OF AFFORDABILITY PERIOD. MUST BE EXACTLY 2 YEARS FROM DATE OF CLOSING

2. Collateral for the Loan.

The obligations of Mortgagor evidenced by this Note and Loan Agreement are secured by a mortgage in the Property (the "Mortgage"). If the Mortgagor does not repay the Loan or breaches the terms and conditions of this Note and Loan Agreement, the Mortgage, or any other agreement made between IHCDA and Mortgagor, related to the Loan, the Property may be foreclosed upon or otherwise disposed of to satisfy the Loan.

3. Finance Charge - Interest - Computations.
Interest will only accrue upon Maturity or during any period there exists any uncured default under this Note and Loan Agreement, the Mortgage, or any other agreement made between IHCDA and Mortgagor related to the Loan.

4. Assumption.
This loan cannot be assumed.

5. Affordability Period.
Mortgagor agrees to utilize the Property as its primary address for a period of two (2) years after execution of this Note and Loan Agreement (the "Affordability Period"). The restrictions contained herein will automatically terminate if title to the Property is transferred by foreclosure or deed-in-lieu of foreclosure or if the mortgage securing the senior debt is assigned back to the U.S. Department of Housing and Urban Development or its successor.

6. Borrower's Cooperation.
Throughout the Affordability Period, Mortgagor agrees to cooperate with IHCDA and provide it with information, records, access to the premises located on the Property, or such assistance reasonably requested by IHCDA.

7. Default.
Mortgagor shall be in default if any of the following events occur: (1) if Mortgagor does not continue to utilize the Property as its primary address throughout the Affordability Period, (2) if Mortgagor sells or refinances the Property during the Affordability Period; (3) if the Mortgagor violates any other terms and conditions contained in this Note and Loan Agreement, the Mortgage, or any other agreement made between IHCDA and Mortgagor; (4) if Mortgagor is in default under the terms of its first mortgage on the Property and foreclosure proceedings have been initiated during the Affordability Period; or (5) if it becomes evident to IHCDA that any representation or warranty made by the Mortgagor at the time it applied for the Loan was false, misleading, or fraudulent.

If an event of default occurs, the Mortgagor agrees to pay to IHCDA the full unpaid principal balance of the Loan.

8. Attorneys' Fees.

Should IHCDA elect to employ attorneys at law to represent it in the enforcement of any obligation undertaken by Mortgagor in favor of IHCDA in connection herewith, or to participate in any legal proceedings in any way connected herewith, Mortgagor does hereby agree to pay to IHCDA the fees and expenses of the foregoing attorneys to the extent allowed by law.

9. Remedies.

Upon the occurrence of any event of default by Mortgagor, IHCDA may enforce, or avail itself of any and all remedies provided in this Note and Loan Agreement, the Mortgage, or at law or in equity, including, but not limited to, the initiation of foreclosure proceedings by IHCDA.

10. Additional Terms.

Please refer to the Mortgage, for additional terms and conditions which are fully incorporated herein.

11. Delay of Enforcement; Reservation of Rights.

IHCDA can delay enforcing any of its rights contained herein any number of times without losing them. IHCDA can waive or delay enforcing a right as to one Mortgagor without waiving its rights as to any other Mortgagor. In addition, IHCDA can release one Mortgagor from his or her responsibilities under this Note and Loan Agreement without releasing any other Mortgagor. IHCDA may release the security interest in the Property or agree to accept other collateral without releasing Mortgagor from Mortgagor's obligation to pay the Loan. Mortgagor waives its right to receive notice of IHCDA's waiver, delay or release. This Note and Loan Agreement and Mortgage are enforceable against Mortgagor's heirs and legal representatives.

IF MORTGAGOR HAS RECEIVED A COMPLETED COPY OF THIS NOTE AND LOAN AGREEMENT AND PROMISES TO FULFILL ITS TERMS AND CONDITIONS, PLEASE SIGN BELOW.

Dated this_____day of_____, 20_____.

Mortgagor:

_____
Signature

_____
Printed or Typed

Mortgagor:

_____
Signature

_____
Printed or Typed

REQUIRED LENDER (ORIGINATOR) INFORMATION-2014-43

Lender's (Originator's) Name:

_____
Printed or Typed

Lender's (Originator's) NMLS Number:

_____
Printed or Typed

Company Name:

_____
Printed or Typed

Company NMLS Number:

_____
Printed or Typed

Comment [FL6]: NUMERIC DAY OF CLOSING

Comment [FL7]: MONTH OF CLOSING

Comment [FL8]: YEAR OF CLOSING

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Comment [FL13]: LENDER NAME

Comment [FL14]: LENDER NMLS NUMBER

EXHIBIT H:

INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY MORTGAGE RIDER

The rights and obligations of the parties set forth in the mortgage to which this Indiana Housing and Community Development Authority Mortgage Rider (the "Rider") is attached and into which these terms are incorporated (the "Mortgage") and the note which the Mortgage secures (the "Note") are expressly made subject to this Rider. In the event of any conflict between the provisions of this Rider and the provisions of the Mortgage or Note, the provisions of this Rider shall control. To the extent such provisions are not modified by this Rider, all terms, conditions and other provisions of the Mortgage and Note remain in full force and effect.

The undersigned borrower ("Mortgagor") agrees that the Lender (identified in the Mortgage), the Indiana Housing and Community Development Authority (the "Authority") or its assignee may, at any time and without prior notice, accelerate all payments due under the Mortgage and Note and exercise any and all remedies allowed by law for breach of the Mortgage or Note if:

(a) The Mortgagor sells, rents, otherwise transfers any interest in the property being secured by the Mortgage or permits or attempts to permit the Mortgage to be assumed; or

(b) The Mortgagor fails to occupy the residence as his or her permanent and principal residence; or

(c) The Mortgagor uses the residence as investment property or vacation home or more than ten percent (10%) of the area of the Residence is used in a trade or business.

(d) The Mortgagor fails to abide by any agreement made with the Authority, Lender, or servicer; or

(e) The Lender or the Authority finds or believes any statement contained in the Mortgagor's application agreement or any other document executed by the Mortgagor to be untrue, inaccurate or incomplete; or

(f) The Mortgagor fails to promptly supply any information or document which the Lender, the Authority, or its servicer may request to verify compliance with the conditions of the Authority's program pursuant to which the Mortgage was provided.

NOTICE TO THE MORTGAGOR:

THIS DOCUMENT MODIFIES THE TERMS OF THIS LOAN. DO NOT SIGN IT UNLESS YOU HAVE READ AND UNDERSTOOD IT.

I hereby consent and agree to the modifications to the terms of the Mortgage and Note as reflected in this Rider.

Dated this _____ day of _____ 20____.

"Mortgagor" "Mortgagor"

_____ _____

Signature Signature

_____ _____

Printed Name Printed Name

STATE OF INDIANA)
) SS:
COUNTY OF _____)

On this _____ day of _____, 20____, the above signed personally appeared before me, a _____ Notary Public in and for said County and State, and acknowledged the execution of the foregoing instrument.

My Commission Expires:

Notary Public
Resident of _____ County

This instrument was prepared by Carmen M. Files, Deputy Counsel, Indiana Housing and Community Development Authority, 30 South Meridian Street, Suite 1000, Indianapolis, IN 46204 (317) 232-7777. I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, if any, unless required by law: _____

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Comment [FL11]: NOTARY PUBLIC'S COUNTY OF RESIDENCY

Comment [FL12]: NOTARY NAME, LENDER REPRESENTATIVE, OR TITLE COMPANY REPRESENTATIVE WHOM AFFIRMED SOCIAL SECURITY NUMBERS WERE NOT USED