

Illinois Housing Development Authority

BORROWER AFFIDAVIT (LONG-FORM)

INSTRUCTIONS

Complete all fields applicable to the transaction. Your signature on this Affidavit acknowledges the requirement that the remaining items must be reviewed, investigated, and evaluated by the lender to whom you submitted your mortgage loan application and its respective agents (the "Lender") as a condition of the loan approval. The Borrower Affidavit must be executed by the Borrower(s) (and non-borrowing spouse, as applicable) and duly notarized as required.

BORROWER AFFIDAVIT

This Borrower Affidavit shall be considered part of the application for the loan, and is incorporated therein.

If any statement made by you in this Affidavit is false, the mortgage loan made to you will not be eligible for the single-family mortgage purchase program of the Illinois Housing Development Authority ("IHDA"), and in such event the outstanding principal balance of the mortgage loan may be declared immediately due and payable.

It may be a federal offense punishable by a maximum of a \$5,000 fine, two years imprisonment, or both, to knowingly make a false statement in this Affidavit (Title 18 United States Code, Section 1014). Read this Affidavit carefully to be sure the information in it is true and complete before signing this form. All questions must be answered completely. The information provided in this Affidavit is subject to verification by IHDA, the Lender, and their respective agents.

The undersigned, hereinafter collectively referred to as "the Borrower," affirms as follows:

1. The Borrower is purchasing the property located at:

Street Address

City

ZIP Code

County

Illinois
State

[CONTINUED]

Or which is legally described as follows (the "Property"):

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2. The following individuals, including those liable or secondarily liable on the note, will occupy the Property listed above:

	OCCUPANT NAME	RELATIONSHIP TO PRIMARY BORROWER (B1)
1)		Primary Borrower
2)		
3)		
4)		
5)		
6)		
7)		
8)		
9)		
10)		
11)		
12)		
13)		
14)		
15)		

[CONTINUED]

3. The Borrower intends to occupy the Property as the Borrower's principal residence promptly after closing of the Mortgage loan but in no event more than sixty (60) days after such closing.
4. If the Residence is a two-unit residence, (a) the Borrower will occupy one unit of the Property, and (b) the Property will have been first occupied as a residence at least five years prior to the execution of the mortgage securing the Mortgage Loan. [Note: subparagraph (b) of this Paragraph does not apply if (i) the Property is a new construction or (ii) the Property is located in a "targeted area" identified by the Lender and the Borrower's income meets the targeted area guidelines identified by the Lender.]
5. The Borrower has not entered into any agreements, understanding or other arrangement and has no present interest to lease, sell, assign, or transfer any interest of the Borrower in the Property to any person or entity.
6. The Borrower does not now and does not intend to use more than fifteen percent (15%) of the total area of the Property primarily in a trade or business in a manner which would permit the Borrower to take a deduction for any portion of the costs of the Property for expenses incurred in connection with such trade or business use of the Property on the Borrower's federal income tax return.* No portion of the Residence is specifically designed for any commercial use.
**For at-home day care, less than 15% of the residence is used regularly and exclusively for the business.*
7. The Borrower does not now and does not intend to use the Property as an investment Property (except with respect to the rental of a unit in a two-unit residence) or as a recreational home.
8. If the Property residence is prefab or manufactured housing or any other factory-made building, it is permanently affixed to land owned by the Borrower by way of foundation and is taxed as real property.
9. All of the land upon which the Property residence is located, or (in the case of new construction) is to be located, is for the purposes of the residence and is not specifically designed for commercial use or to generate income. If the land exceeds any minimum lot size for zoning purposes by an amount sufficient to subdivide the property without a zoning variance, the Borrower will not:
 - a) subdivide or otherwise sell any of the land on which the Property residence is located (except in conjunction with a future sale of the Property) or
 - b) seek any variance from applicable zoning, minimum lot size or set-back requirements in order to subdivide the land.
10. A true and correct copy of the complete agreement with the Property Seller for the purchase of the Property and copies of complete documentation of rehabilitation or repair work, if any, completed on the Property on behalf of the Borrower has been provided to the Lender and the Purchase Price and the total rehab costs stated therein are true, correct, and complete as stated.
11. The Borrower has not assumed or incurred any indebtedness to anyone relating to the acquisition of the Property other than to the Property Seller and those entities, if any, responsible for the rehabilitation work as shown in the agreements referred to in paragraph 10 hereof.
12. With respect to the Acquisition Cost of the Property, the price stated in the agreement between the Borrower and the Property Seller of the Property is true and correct and represents the complete agreement between the purchaser or purchasers (or a related party for the benefit of the purchaser) and the Property Seller (or a related party to or for the benefit of the Property Seller) with respect to the Purchase Price including the price of all fixtures. Any indebtedness assumed or incurred by the mortgagor or anyone active on his, her, or their behalf directly or indirectly (including any special assessments) has been disclosed, in writing, to the Lender.

[CONTINUED]

13. The Property is a completed residential unit. If the Property is existing housing, no repair or rehabilitation to the Property is necessary (other than as may be documented pursuant to paragraph 10 above) to bring the Property into compliance with industry accepted underwriting standards. If the Property is new construction, no additional work is necessary to complete the Property so as to permit occupancy under local law or to finish the Property to the extent normally provided by the builder.
14. No part of the proceeds of the Mortgage loan is being applied to purchase any of the following:
 - a) furniture or other personal property not permanently affixed to the Property.
 - b) appliances that are not permanently affixed to the Property, with the exception of any of the following, if they are an existing fixture on the Property at the time the Borrower acquires the Property: refrigerator; oven, including microwave oven, or other cooking surface; dishwasher; washing machine; dryer; heater or heating system; air conditioner or air conditioning system.

To the extent that the purchase agreement with the Property Seller described in paragraph 10 is inconsistent with this representation, those provisions in the purchase agreement do not reflect the intention of the Borrower, and such provisions in the purchase agreement are superseded by this Affidavit, have no legal effect, and are unenforceable.
15. The Borrower is using the proceeds of the Mortgage loan for the purpose of acquiring the Property and, if applicable, to complete rehabilitation and repair of the property and not for the repayment or refinancing of existing mortgages or debts other than
 - a) construction period loans, or
 - b) a bridge loan or similar temporary initial financing which had a term of twenty-four (24) months or less. The Borrower understands that conditional land sale contracts or leases with an option to purchase are considered existing loans or mortgages for purposes of this Paragraph.
16. The Borrower agrees to notify IHDA immediately in the event that he, she, or they vacate the Property, and to keep IHDA informed of his, her, or their current mailing address.
17. The Borrower will not unreasonably withhold his, her, or their consent to any inspection of the Property (the exterior and interior thereof) conducted by the Lender and/or IHDA or its agents, for the purpose of verifying the truth of any of the statements contained in this Borrower Affidavit, provided the inspection is conducted at a reasonable time and in a reasonable manner. It will not be unreasonable for IHDA or its agents to conduct an inspection by providing written notification of any inspection of the Property to the Borrower with twenty-four (24) hours' notice.
18. The Borrower has duly executed FNMA Form 1003/FHLMC Form 65, Residential Loan Application, and HUD Form 92900 (HUD-FHA Application for Insurance under the National Housing Act) or VA Form 26-1802A (VA Application for Home Loan Guaranty), as applicable, within the four (4) month period ending on the date of the closing of the Mortgage loan, states that all information on the applicable form was true and correct as of the date of execution, and states that on said form all sources of Household income have been disclosed and recited, including salary, commissions, bonuses, earnings from part-time employment, interest, dividends, tips, gains on sales of securities, annuities, pensions, royalties, Veterans Administration compensation, net rental income from all sources, alimony, child support, public assistance, sick pay, Social Security benefits, income received from business activities or investments, estate or trust income, unemployment compensation and miscellaneous income.
19. The Borrower made no material misstatements in connection with the application for the Mortgage loan evidenced by the Note and Mortgage.

[CONTINUED]

20. **APPLICABLE TO FIRST TIME HOME BUYERS ONLY**** During the last three (3) years the Borrower, or non-borrowing spouse as applicable, did not have any present ownership interest in a principal residence including an interest in a factory-made house, such as a mobile home permanently affixed to land owned by the Borrower. The Borrower understands that “present ownership interest” includes the following types of interest:

- (a) a fee simple interest,
- (b) a joint tenancy, a tenancy in common, or tenancy by the entirety,
- (c) the interest of a tenant-stockholder in a cooperative,
- (d) a life estate, or
- (e) an interest held in a trust established by Borrower or some other person.

The Borrower further understands that a “present ownership interest” does not include:

- (a) a remainder interest,
- (b) an ordinary lease, with or without an option to purchase,
- (c) a mere expectancy to inherit an interest in a principal residence, (i.e.) the interest that a purchaser of a residence acquires on the execution of a purchase contract, and an interest in other than a principal residence during the previous three years.

[This provision does not apply if the Borrower is a qualified veteran or if the Property is located in a “targeted area” identified in materials provided to the Lender by IHDA.]

*** A first-time homebuyer is a person who has not had an ownership interest in a principal residence at any time during the three-year period prior to the date of purchase. Borrower(s) and non-borrowing spouse(s) must be first-time homebuyers. EXEMPTION: If the residence to be purchased is within a targeted area or the borrower is a Veteran, this requirement is waived.*

21. **APPLICABLE TO FIRST TIME HOME BUYERS ONLY****. IHDA’s First Time Homebuyer Program is made possible by provisions of the Internal Revenue Code that allow IHDA to issue what are customarily referred to as “tax-exempt bonds.” By issuing bonds, IHDA can provide financing for mortgage loans.

The Internal Revenue Code includes a restriction relating to such mortgage loans. The Federal government treats homebuyers or borrowers who purchase a residence with mortgage loans financed with proceeds of tax-exempt bonds as having received a “subsidy”. This means that, subject to certain exceptions, if a homebuyer or borrower who has received a loan financed with proceeds of tax-exempt bonds sells the residence within nine (9) years of purchase this subsidy may be “recaptured”.

The recapture is accomplished by an increase in federal income tax for the year in which a homebuyer or borrower sells their residence. The recapture only applies, however if the residence is sold at a gain and if the homebuyer or borrower’s income increases above specified levels

IHDA will provide the Borrower with additional information reflecting the calculation of the recapture tax at closing or shortly after closing on the purchase of the Property.

IF YOU DO NOT UNDERSTAND THIS PARAGRAPH, OR IF YOU HAVE ADDITIONAL QUESTIONS ABOUT FEDERAL RECAPTURE TAX, CONSULT YOUR ATTORNEY, A TAX ADVISOR, OR THE LOCAL OFFICE OF THE INTERNAL REVENUE SERVICE.

BORROWER CERTIFICATION AND SIGNATURE
NOTARIZATION REQUIRED IF NOT ELECTRONICALLY SIGNED (BY ANY PARTY)

HO-012L

B1 **BORROWER 1:** In addition to receiving a signed copy of this document, I have read and certify to the applicable statements in this Borrower Affidavit. I also certify that either:

(a) I currently retain, or have retained within the last three (3) years, an ownership interest in a principal residence **OR**

(b) I do not currently retain, or have not retained within the last three (3) years, an ownership interest in a principal residence.

<i>Borrower Signature (B1)</i>	<i>Date</i>	<i>Print Borrower Full Legal Name (B1)</i>
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B2 **BORROWER 2:** In addition to receiving a signed copy of this document, I have read and certify to the applicable statements in this Borrower Affidavit. I also certify that either:

(a) I currently retain, or have retained within the last three (3) years, an ownership interest in a principal residence **OR**

(b) I do not currently retain, or have not retained within the last three (3) years, an ownership interest in a principal residence.

<i>Borrower Signature (B2)</i>	<i>Date</i>	<i>Print Borrower Full Legal Name (B2)</i>
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B3 **BORROWER 3:** In addition to receiving a signed copy of this document, I have read and certify to the applicable statements in this Borrower Affidavit. I also certify that either:

(a) I currently retain, or have retained within the last three (3) years, an ownership interest in a principal residence **OR**

(b) I do not currently retain, or have not retained within the last three (3) years, an ownership interest in a principal residence.

<i>Borrower Signature (B3)</i>	<i>Date</i>	<i>Print Borrower Full Legal Name (B3)</i>
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B4 **BORROWER 4:** In addition to receiving a signed copy of this document, I have read and certify to the applicable statements in this Borrower Affidavit. I also certify that either:

(a) I currently retain, or have retained within the last three (3) years, an ownership interest in a principal residence **OR**

(b) I do not currently retain, or have not retained within the last three (3) years, an ownership interest in a principal residence.

<i>Borrower Signature (B4)</i>	<i>Date</i>	<i>Print Borrower Full Legal Name (B4)</i>
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NON-BORROWING SPOUSE CERTIFICATION AND SIGNATURE

HO-012L

NOTARIZATION REQUIRED IF NOT ELECTRONICALLY SIGNED (BY ANY PARTY)

NBS 1	NON - BORROWING SPOUSE (of B1)		
	As the legally married, non-borrowing spouse of _____, <i>Print Borrower Full Legal Name (B1)</i>		
	in addition to receiving a signed copy of this document, I have read and certify to the applicable statements in this Borrower Affidavit. I also certify that either:		
	(a) I currently retain, or have retained within the last three (3) years, an ownership interest in a principal residence OR	(b) I do not currently retain, or have not retained within the last three (3) years, an ownership interest in a principal residence.	
	_____ <i>Non-Borrowing Spouse Signature</i>	_____ <i>Date</i>	_____ <i>Print Non-Borrowing Spouse Full Legal Name</i>

NBS 2	NON - BORROWING SPOUSE (of B2)		
	As the legally married, non-borrowing spouse of _____, <i>Print Borrower Full Legal Name (B2)</i>		
	in addition to receiving a signed copy of this document, I have read and certify to the applicable statements in this Borrower Affidavit. I also certify that either:		
	(a) I currently retain, or have retained within the last three (3) years, an ownership interest in a principal residence OR	(b) I do not currently retain, or have not retained within the last three (3) years, an ownership interest in a principal residence.	
	_____ <i>Non-Borrowing Spouse Signature</i>	_____ <i>Date</i>	_____ <i>Print Non-Borrowing Spouse Full Legal Name</i>

NBS 3	NON - BORROWING SPOUSE (of B3)		
	As the legally married, non-borrowing spouse of _____, <i>Print Borrower Full Legal Name (B3)</i>		
	in addition to receiving a signed copy of this document, I have read and certify to the applicable statements in this Borrower Affidavit. I also certify that either:		
	(a) I currently retain, or have retained within the last three (3) years, an ownership interest in a principal residence OR	(b) I do not currently retain, or have not retained within the last three (3) years, an ownership interest in a principal residence.	
	_____ <i>Non-Borrowing Spouse Signature</i>	_____ <i>Date</i>	_____ <i>Print Non-Borrowing Spouse Full Legal Name</i>

NBS 4	NON - BORROWING SPOUSE (of B4)		
	As the legally married, non-borrowing spouse of _____, <i>Print Borrower Full Legal Name (B4)</i>		
	in addition to receiving a signed copy of this document, I have read and certify to the applicable statements in this Borrower Affidavit. I also certify that either:		
	(a) I currently retain, or have retained within the last three (3) years, an ownership interest in a principal residence OR	(b) I do not currently retain, or have not retained within the last three (3) years, an ownership interest in a principal residence.	
	_____ <i>Non-Borrowing Spouse Signature</i>	_____ <i>Date</i>	_____ <i>Print Non-Borrowing Spouse Full Legal Name</i>



~ ACKNOWLEDGEMENT ~
 REQUIRED IF PRECEDING PAGES ARE WET-SIGNED BY ANY PARTY

STATE OF _____}

COUNTY OF _____}

I _____, a Notary Public in and for the said County and State, do hereby certify that
 | *Notary Printed Name*

 | *Borrower Printed Name (B1)*

 | *Borrower Printed Name (B2)*

 | *Borrower Printed Name (B3)*

 | *Borrower Printed Name (B4)*

 | *Non-Borrowing Spouse Printed Name (of B1)*

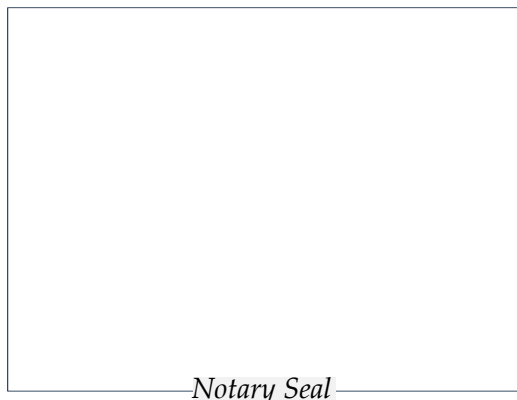
 | *Non-Borrowing Spouse Printed Name (of B2)*

 | *Non-Borrowing Spouse Printed Name (of B3)*

 | *Non-Borrowing Spouse Printed Name (of B4)*

personally known to me as the same person(s) whose name(s) is/are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal this _____ day of _____, _____.



 My Commission Expires

 Notary Signature

