

INSTRUCTIONS:

Complete item #1. Items #2 through #19 must be reviewed, investigated and evaluated by the Minnesota Housing Lending Partner.

This Start Up Loan Program Affidavit (the "Affidavit") must be executed at closing or as close to closing as reasonably practicable by all Borrower(s) related to the Property (defined herein), which includes, (i) if the Borrower is married, the occupying non purchasing spouse of Borrower, (ii) an occupying co-signer, and (iii) if there is any other occupant of the Property who will be on title.

Power of Attorney only allowed with Minnesota Housing approval

START UP LOAN PROGRAM AFFIDAVIT

FOR

[Program]

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

If any of the facts contained in this Affidavit are found by Minnesota Housing to be incorrect, Minnesota Housing may exercise its right under each Mortgage Note and Mortgage given by the Borrower to Minnesota Housing to declare the remaining principal balance of the loan immediately due and payable. In addition, under the Minnesota Criminal Code, a person who obtains funds through sworn false representation is guilty of perjury and theft and may be sentenced accordingly.

The undersigned, hereinafter collectively referred to as "the Borrower," along with all individuals categorized in subparagraphs (i) through (iii) above in this Affidavit (hereinafter referred to herein as the "Borrower Affiliates"), affirm as follows:

1. The Borrower is purchasing the property located at:

[Property Street]

Street Address

[Property City]

City

[Property County]

County

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

[Property Legal]



2. The Borrower and the Borrower Affiliates, if any, intend 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.
3. The Borrower and the Borrower Affiliates, if any, have no present intent to lease, sell, assign or transfer any interest of the Borrower in the Property, or any portion thereof (except with respect to the lease of one unit in a two-unit Property).
4. The Borrower and the Borrower Affiliates, if any, have not entered into any agreements, understandings or other arrangements to lease, sell, assign or transfer the referenced Property (except with respect to the lease of one unit in a two-unit Property).
5. If the Property contains more than one dwelling unit, there are no more than two units, at least one of which will be occupied by the Borrower or the Borrower Affiliates, if any, within sixty (60) days after closing of the Mortgage loan, and the Property was first occupied as a residence at least five (5) years before the date on which the Note is executed.
6. The Borrower and the Borrower Affiliates, if any, does not now and does not intend to use more than fifteen percent (15%) of the total area of the Property primarily (or, in the case of an in-home daycare, "regularly and exclusively " rather than "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.
7. The Borrower and the Borrower Affiliates, if any, 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. During the last three (3) years the Borrower and the Borrower Affiliates, if any, did not have any ownership interest in a principal residence including an interest in a factory-made house, such as a mobile home permanently affixed to foundation on the real property on which it is located. The Borrower and the Borrower Affiliates, if any, understand that "ownership interest" includes but is not limited to the following types of interest: (i) a fee simple interest, (ii) a joint tenancy, a tenancy in common or tenancy by the entirety, (iii) the interest of a tenant-stockholder in a cooperative, (iv) a life estate, (v) a leasehold estate or a leasehold estate subject to a community land trust (vi) a land contract, under which possession, benefits, and burdens of ownership are transferred although legal title is not transferred until a later time, (vii) an interest held in a trust for the Borrower(s) (whether or not created by the Borrower(s)) that would constitute a present ownership interest if held directly by the Borrower(s), (viii) a vendee interest in a contract for deed with a term greater than 24 months, (ix) an ownership interest in a mobile or manufactured home permanently affixed to foundation on the real property on which it is located, (x) a marital interest, and (xi) any other ownership interest not specifically excluded in writing by Minnesota Housing. The Borrower and the Borrower Affiliates, if any, further understands that "ownership interest" does not include: (i) a remainder interest, (ii) an ordinary lease, with or without an option to purchase, (iii) a mere expectancy to inherit an interest in a principal residence, (iv) the interest that a purchaser of a residence acquires on the execution of a purchase contract and (v) an interest in other than a principal residence during the previous three years, (vi) ownership interest in a mobile or manufactured home not permanently affixed to real estate (e.g. anchored to the ground instead of attached to a foundation) and (vii) any other interest specifically excluded in writing by Minnesota Housing.



9. 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 and the Borrower Affiliates, if any, has been provided to the Minnesota Housing Lending Partner and the Purchase Price and the total rehabilitation costs stated therein are true, correct and complete as stated.

10. The Borrower and the Borrower Affiliates, if any, have 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 9 hereof.

11. 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 Borrower or anyone active on his or her behalf directly or indirectly (including any special assessments) has been disclosed, in writing, to the Minnesota Housing Lending Partner.

12. 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 9 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.

13. The Borrower and the Borrower Affiliates, if any, are 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) similar temporary initial financing which had a term of twenty-four (24) months or less.

14. No part of the proceeds of the Mortgage loan is being applied to purchase appliances, furniture or other personal property not permanently affixed to the Property. If the purchase agreement with the Property Seller described in paragraph 9 is inconsistent with this representation, those provisions in the purchase agreement do not reflect the intention of the Borrower and the Property Seller.

15. The Borrower and the Borrower Affiliates, if any, agree to notify Minnesota Housing immediately in the event that he or she vacates the Property, and to keep Minnesota Housing informed of his or her current mailing address.

16. The Borrower and the Borrower Affiliates, if any, will not unreasonably withhold his or her consent to any inspection of the Property (the exterior and interior thereof) conducted by the Minnesota Housing Lending Partner or its agents and/or Minnesota Housing or its agent, 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.

17. If the Property is prefabricated or manufactured housing or any other factory-made building, it is permanently fixed to land owned by the Borrower or the Borrower Affiliates, if any, by way of foundation and is taxed as real property.



18. The Borrower and the Borrower Affiliates, if any, made no material misstatements in connection with the application for the Mortgage loan evidenced by the Note and Mortgage.

19. The Borrower and the Borrower Affiliates, if any, have disclosed all income sources to the Lender, to include salary, commissions, bonuses, earnings from part-time employment, interest, dividends, tips, gains on sales of investments (including virtual currency), 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 (including virtual currency), estate or trust income, unemployment compensation and miscellaneous income. The Borrower and the Borrower Affiliates, if any, have provided evidence of required and applicable income documentation to the Lender, including executed loan documents such as FNMA Form 1003/FHLMC Form 65, Residential Loan Application, or HUD Form 92900/VA Form 26-1802A, HUD/FHA Application for Insurance under the National Housing Act/VA Application for Home Loan Guaranty, as applicable, executed within the four month period ending on the date of the closing of the Mortgage loan. The Borrower and the Borrower Affiliates, if any, state that at the time the income information was provided to the Lender, it was true and correct.

SAMPLE



START UP LOAN PROGRAM AFFIDAVIT ACKNOWLEDGEMENT SIGNATURE PAGE:

I declare under penalty of perjury that everything I have stated in this document is true and correct.

THIS FORM MUST BE SIGNED AT CLOSING OR AS CLOSE TO CLOSING AS REASONABLY PRACTICABLE BY ALL BORROWER(S), ANY OCCUPYING NON PURCHASING SPOUSE OF BORROWER, ANY OCCUPYING CO-SIGNERS, OR ANY OTHER OCCUPANTS WHO WILL BE ON TITLE.

INSTRUCTIONS: Print off multiple signature pages to capture all required signatures, if needed

NOTE: Non Occupant Co-Signers will NOT sign this form

REMINDER: Power of Attorney only allowed with Minnesota Housing approval

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|---|-----------------------------|-------------|---|
| | [Borrower Full Name 1] | | |
| Borrower's Signature | Print Borrower's Name | Date signed | County and State where signature occurred |
| | [Borrower Full Name 2] | | |
| Borrower's Signature | Print Borrower's Name | Date signed | County and State where signature occurred |
| | [Borrower Full Name 3] | | |
| Borrower's Signature | Print Borrower's Name | Date signed | County and State where signature occurred |
| | [Borrower Full Name 4] | | |
| Borrower's Signature | Print Borrower's Name | Date signed | County and State where signature occurred |
| Occupying Non-Purchasing Spouse's Signature | Print Spouse's Name | Date signed | County and State where signature occurred |
| Occupying Co-Signer's Signature | Print Co-Signer's Name | Date signed | County and State where signature occurred |
| Other Occupant who will be on Title Signature | Print Other Occupant's Name | Date Signed | County and State where signature occurred |

