

OWN IN MURRAY
PROGRAM DESCRIPTION

PLEASE NOTE CDC'S TIMEFRAMES AND GUIDELINES. IT TAKES AN AVERAGE OF 45 DAYS FROM THE DATE OF CDC'S EXECUTED LETTER OF COMMITMENT BEFORE THE BUYER IS ALLOWED TO CLOSE ON THE HOME.

The 'Own in Murray' Program is a federally funded deferred loan program administered by the Community Development Corporation of Utah (CDC). The goal of the program is to assist income eligible individuals purchase single-family homes. A minimum of \$5,000 per loan will be allowed with flexibility to assist up to \$7,500. The loan of up to 7,500.00 can only be used for closing or down-payment costs.

Qualified applicants will receive their financial award on a first-come, first-serve basis. There are a limited number of loans available, and the Board of the CDC reserves the right to expand or terminate the program as funds permit. Please contact CDC for current availability of funds before applying for the loan.

1. To be considered an Applicant for the 'Own in Murray' program you must fully complete and return to the CDC an Application Packet. A complete Application Packet includes:

- A. Completed and signed Application Form.
- B. Seller Affidavit attesting that purchasing the selected property does not lead to the displacement of any current tenants.
- C. Copy of the Applicant's previous two year's of tax returns. If there are other wage earners in your household, their tax returns must also be submitted.
- D. 6-8 weeks of paycheck stubs of ALL wage earners in the household must also be submitted. (If applicant has not filed a previous year's tax return, then they must submit documentation regarding their Income and a letter stating why there was no tax return filed for previous year.)
- E. Copy of Applicant's Real Estate Purchase Contract with Seller.
- F. Signed and Notarized First Time Homebuyer's Affidavit. (If a Homebuyer has not previously owned a home they are considered a first-time homebuyer. If a homebuyer has previously owned a home in the past they may still be able to qualify as a First-Time homebuyer. Because the definition of a First-Time Homebuyer is changed from time to time, please contact our office if you need clarification of the definition).
- G. Two forms of identification documentation. (Accepted documentation: Birth Certificate, USA Passport, Naturalization Certificate, Resident Alien Card or a Valid Driver's License.)
- H. Good Faith Estimate, Loan Application, Lender Pre-Qualification Letter and Credit Report (credit report of borrower and co-borrower).

NOTE: The CDC must be informed of any participation by a Co-Owner, Co-Borrower or Co-Signer that will be participating in the purchase of the home whose name does not appear on the initial 'Own in Murray' Application. The CDC will need to know their name, relationship to the applicant, and in what capacity they will be participating in the purchase. The CDC must be informed and approve of their participation before closing.

2. Upon receipt, review and approval of your submitted Application Packet, the CDC will issue a forty-five day Letter of Commitment entitling you to receive the down payment assistance. Within the forty-five day period, the applicant must submit the following documents:

- A. The signed, original Letter of Commitment
- B. A copy of the Preliminary Title Report stating that the property appears free and clear for sale to applicant.
- C. The completed Lender Affidavit which states the Lender agrees to the terms of the 'Own in Murray' Program.
- D. The completed Preliminary Credit Approval Form from the Lender to the CDC, stating that the Applicant has received preliminary credit approval and information regarding verification of current income.
- E. Copy of Real Estate Purchase Appraisal
(In some instances you may be requested to provide a copy of the FHA Inspection Report.)

3. Upon acceptance of the above materials the CDC will issue a check made payable to the Title Company to be disbursed at closing. If the closing does not occur within the time period specified in the Letter of Commitment, the Applicant will be disqualified from the program unless they can provide documentation describing mitigating circumstances for the delay.

Before the CDC will issue a deferred loan/grant, a representative of the CDC shall perform a Visual Assessment for the presence of health and safety concerns, including the presence of lead based paint dangers in homes built prior to 1978 (See 'Attachment A', included with this Application Packet). All fees associated with the inspections of the home will be included with the ordinary closing costs on the Settlement Statement at closing. The fee for this Assessment Inspection will be \$75.00. Note: The Visual Assessment is being completed by requirements of the Federal Government in order to alert the homebuyer to potential dangers prior to closing. Federal subsidies may be withheld if certain problems exist and the Seller and/or Buyer do not wish to mitigate them. The Seller or Buyer, however, is free to complete the transaction without federal assistance. The homebuyer is encouraged to have a professional inspection regardless of the Visual Assessment conducted by the CDC. The Visual Assessment is not intended to determine nature and extent of health and safety problems, nor does it determine if unseen problems exist in the home.

The loan funds provided by the Grantor shall be repaid by the Grantee(s) in full at the time of sale of the home. Up to 50 percent (\$2,500-\$3,750) of the loan amount may be forgiven after 15 year if the following conditions are met:

- The applicant shall document that the property was their primary residence for the entire 15 years from purchase of home prior to the request to forgive a portion of the loan; and
- The applicant shall complete an affidavit indicating that the property has been their primary residence for the entire 15 years from the purchase to the request; and,
- The applicant shall repay the remaining 50 percent of the loan.

ATTACHMENT A

Lead Based Paint Procedures

New regulations from the Department of Housing and Urban Development (HUD: 24 CFR Part 35 subpart K) requires increased activity concerning possible lead based paint hazards in homes built before 1978. The primary reason why HUD and its Grantee's (i.e. CDC) are addressing lead based paint hazards is to protect families and children. When deteriorated lead based paint surfaces are present; children under the age of six (6) are in danger of being poisoned through the ingestion or inhalation of lead based paint dust, paint chips and/or lead based paint contamination soil around the exterior of the home.

The following procedures are required for all homes built prior to 1978 before down payment assistance to a family purchasing such a home can be approved:

1. Notification

- A. Pamphlet and Disclosure
- B. Notice of Lead Hazard Evaluation or Presumption, if applicable
- C. Notice of Lead Hazard Reduction Activity

(This printed information will be part of the initial Application Packet)

2. Lead Hazard Evaluation

A. Visual Assessment

A Visual Assessment will be performed by CDC personnel to determine whether there are deteriorated paint surfaces that could constitute a hazard to the occupant. Potentially hazardous paint surfaces are defined as more than 2 square feet of deteriorated surface on the interior of the home and 10 square feet or more of deteriorated surface on the exterior of the home. The cost to mitigate lead based paint problems will be the responsibility of the Seller and/or Buyer.

3. Lead Hazard Reduction

- A. Paint Stabilization
- B. Safe Work Practices
- C. Clearance

If a home fails the Visual Assessment, the deteriorated surfaces must be repaired and stabilized. This work must be performed by a State of Utah Certified Lead Based Paint Contractor using Safe Work Practices as required by HUD, the EPA, and OSHA. Following the completion of Paint Stabilization or other applicable repairs, a Clearance Test must be completed by a Certified Lead Based Paint Inspector or a Risk Assessor to verify that the stabilization work has been successful and that the home is clean of hazardous residues.

The Seller could choose to have the home tested to determine whether lead based paint is present. The CDC will accept this test report if it is performed by a Certified Lead Based Paint Inspector or Risk Assessor. The cost for private testing will be solely the responsibility of the Seller's. The cost to perform the initial Visual Assessment and any additional required inspections by the CDC, will show as additional costs to be paid at closing by the Buyer from the funds provided by the down-payment/closing costs deferred loan/grant the buyer is applying for. If the Buyer does not complete the purchase of the home, there will be no cost to the buyer.

VISUAL ASSESSMENT FOR HEALTH & SAFETY

In accordance with HUD regulations, the CDC is required to provide a Visual Assessment of a home that may receive federal funds. This Assessment is intended to alert a family who will purchase the home that may have health and safety problems. The Assessment is meant as a service for the family, it is not, however a full inspection that determines if health and safety problems actually exist. Because the CDC is only providing a Visual Assessment, we encourage the homebuyer to hire a professional service to satisfy any concerns they may have regarding the condition of the home.

OWN IN MURRAY
Eligibility Criteria

1. Applicant must meet Income Eligibility for his/her household size. Applicant must have a yearly combined household* income equal to or less than the following:

Household Size	Max. Yearly Income
1 Person	\$38,000
2 Persons	\$43,400
3 Persons	\$48,850
4 Persons	\$54,250
5 Persons	\$58,600
6 Persons	\$62,950
7 Persons	\$67,250
8 Persons	\$71,600

*Household income includes ALL income earned by ALL adults (over the age of 18) living in the home. Above Figures effective as of March 2009.

2. Applicant must be a U.S Citizen or Resident Alien and be 18 years of age or older.
3. Must be a First-Time Homebuyer.
4. Eligible Boundaries: Area within the boundaries of Murray City.
5. Eligible properties are limited to Single-Family Detached Residences, Single-Family Attached Residences (such as Condominiums and Town homes).
6. Applicant must contribute a minimum of \$500.00 in personal funds to the down-payment or closing costs. (Maximum amount cannot exceed 10% of purchase price).
7. Purchase price of property cannot exceed \$230,000.
8. The deferred loan must be applied to the down-payment and/or closing costs.
9. Purchased property must be zoned for residential use only, unless if it can be established that said property is in an area that has been predominately residential for many years, and there is no government or private program endangering the residential integrity of the area.
10. Applicant must establish and maintain the property as their primary residence for the term of the loan or repay the amount in full.
11. The purchase of said property must not lead to the displacement of any individual other than the Seller and his/her immediate family.
12. Applicant must secure a FHA, VA, or Conventional financing for property purchase.
13. A Visual Assessment must be completed by the CDC on all homes for health and safety concerns, and for homes built prior to 1978 the home will be assessed for lead base paint concerns.

14. Applicant must complete a Homebuyer Education Course (must be HUD Certified) and obtain a Homebuyer Certificate upon completion of course.

The CDC reserves the right to modify any or all of the above eligibility criteria as determined necessary by the Board of Directors.

After closing, the Escrow Agent is to return to the CDC all the completed documents described in the Letter of Instruction to the Escrow Agent. These documents include:

- A. Promissory Note.
- B. Trust Deed
- C. Notice of Default
- D. Visual Assessment Disclaimer/Agreement
- E. Copy of the Final Title Policy or Title Insurance Policy issued to Buyer.
- F. Check made payable to Community Development Corporation of Utah for \$75.00 for the inspection completed on the home.

If you have any questions regarding the application process, please call the CDC at (801)994-7222 or email at fruz@cdc.utah.gov

MAIL OR DELIVER APPLICATION TO:

Community Development Corporation of Utah
501 East 1700 South
Salt Lake City, Utah 84105

**OWN IN MURRAY
APPLICATION**

Applicant must complete all sections for application to be considered complete

Applicant(s) Names: _____

Present Address: _____

Home Phone: _____ Cell Phone: _____ Email: _____

Total Annual Household Income: \$ _____ Number of Persons on home: _____

How did you hear about our Program? _____

The next questions are for survey purpose only, and does not affect an Applicant's Eligibility

Head of Household is: Male Female (circle one) Date of Birth: _____

Is any member of your household disabled? ___ Yes ___ No

Ethnicity: (Select only one) Hispanic or Latino Not Hispanic or Latino

Race: (select on or more)

- White
- Black or African American
- American Indian or Native Alaskan
- Native Hawaiian or Other Pacific Islander
- Asian

The following questions pertain to the property to be purchased:

Address: _____ Year Home was built: _____

City	Zip Code
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Home is a:	Detached Single Family _____	Purchase price: \$ _____
	Condominium _____	Amount of Down Payment: \$ _____
	Town-Home _____	Appraised Value: \$ _____
	Other (Specify) _____	Number of Bedrooms: _____

Will you be having a Co-Signer on your loan? _____ Estimated Closing Date: _____

Name of Co-Signer and relationship: _____

In order to process this Application, the Social Security #'s for ALL persons living in the household must be provided:

NAME	SOCIAL SECURITY #	AGE
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

I hereby apply for the 'Own in Murray' loan/grant program. I agree to comply with all terms and conditions of the program. I understand that failure to comply with any condition, or the submission of false or misleading information may result in rejection of this application. I understand that I am not hereby committed to buy the above-mentioned property.

Signed: _____ Date: _____

Signed: _____ Date: _____

Check List-Have you attached the following:

- Copy of Real Estate Purchase Contract _____
- Copy of Previous Two Years Tax Return and W2's _____
- First-Time Homebuyer Affidavit _____
- Seller's Affidavit _____
- Documentation of Age and Citizenship Status _____
- Copy of 6-8 weeks paycheck stubs (for ALL wage earners) _____
- Good Faith Estimate _____
- Lender's Pre-Qualification Letter _____
- Loan Application _____
- Credit Report (Borrower and co-borrower) _____

Buyer's Real Estate Company: _____

Buyer's Agent: _____ Phone #: _____

Agent's Email: _____

Seller's Real Estate Company: _____

Seller's Agent: _____ Phone #: _____

Agent's Email: _____

Lender Information:

Name of Lender: _____ Telephone Number: _____

Name of Loan Officer: _____ Fax Number: _____

Loan Officer's Email: _____

THIS APPLICATION WILL NOT BE CONSIDERED COMPLETE UNTIL YOU HAVE SUBMITTED ALL OF THE ITEMS INCLUDED ON THE ABOVE CHECKLIST. CDC WILL HAVE NO OBLIGATION TO REVIEW THE APPLICATION FOR CONSIDERATION OF APPROVAL UNTIL ALL OF THE ITEMS ON THE CHECKLIST HAVE BEEN RECEIVED AND THE APPLICATION IS COMPLETE.

OWN IN MURRAY
AFFIDAVIT OF SELLER

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

AFFIANT, being first duly sworn, states and represents that:

1. Affiant is the owner, or an interest holder in a partnership, or an officer and shareholder of a corporation, which owns the property located at: _____ hereafter referred to as "the property".
2. Affiant has entered into an agreement to sell the property with: _____ (Buyers).
3. Affiant's purchaser has made an application to the Community Development Corporation of Utah ("CDC") to obtain a loan of up to \$7,500.00 from the CDC "OWN IN MURRAY" Program to apply toward the purchase of the property.
4. Affiant is hereby notified that neither the CDC nor the homebuyer has power of eminent domain and therefore, if negotiations fail to result in an amicable agreement, the CDC shall not acquire said property.
5. Affiant, or the partnership or corporation, which Affiant represents, currently owns and has owned the property for a period of _____ years.
6. Affiant represents that:
Other than the Affiant and Affiant's immediate family, no persons have resided at the property during the previous six or more months, OR
If any person other than the Affiant and Affiant's immediate family has been a tenant residing at the property during the last six or more months, the tenancy of any such person in the property has not been terminated as a result of the planned sale to Affiant's purchaser.
7. Affiant hereby acknowledges that the CDC will be allowed to inspect the home for a Visual Assessment of health and safety concerns, and if the home was built prior to 1978 the home will be inspected for the presence of Lead Based Paint dangers.

DATED: _____

Affiant- Signature

Affiant-Print Name

Address-Print

SUBSCRIBED and sworn before me on this _____ day of _____, 20__.

(STAMP)

Notary Public

OWN IN MURRAY
AFFIDAVIT OF FIRST-TIME HOMEBUYER

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

AFFIANT, being first duly sworn, states and represents that:

1. Affiant is a first-time homebuyer*, and has signed an Real Estate Purchase Contract to purchase the property located at:

*(If a homebuyer has not previously owned a home they are considered a first-time homebuyer. If a homebuyer has owned a home in the past they may still be able to qualify as a first-time homebuyer. Because the definition of a First Time Homebuyer is changed from time to time, please contact our office if you need clarification of the definition.)

DATE: _____

SIGNATURE OF AFFIANT (HOMEBUYER)

NAME OF AFFIANT (PLEASE PRINT)

PRESENT ADDRESS

SUBSCRIBED and sworn to before me on this _____ day of _____, 20_____.

NOTARY PUBLIC

(STAMP)

AUTHORIZATION FOR RELEASE OF INFORMATION

Required For Participation

The undersigned hereby authorizes Community Development Corporation of Utah (CDC) to use, reproduce and release all personal and financial information regarding the undersigned to any governmental agencies and any other persons, as may be reasonably required of the CDC, for purposes of providing proof of appropriate use of funds and other monitoring required by such governmental agencies or private persons or entities. By signing this authorization, the undersigned agrees and consents to such use and reproduction of the information for the reasonable purposes of the CDC.

Dated: _____

Address

AUTHORIZATION FOR RELEASE OF INFORMATION

The undersigned hereby authorizes Community Development Corporation of Utah (CDC) to use the name and pictures of the family members of the undersigned in publications and promotional information provided to third parties by the CDC. By signing this authorization, the undersigned agrees and consents to such use and reproduction of the information for the reasonable purposes of the CDC.

Dated: _____

Address