



ILLINOIS HOUSING DEVELOPMENT AUTHORITY

Combined Pre-Closing and Closing
Document Set

FOR USE WITH DPA AND NO MCC





Explanation: U.S. Bank's Borrower Release of Authorization of Private Information Form

When your loan is purchased by U.S. Bank, Housing Finance Authority Division (HFA), acting as Illinois Housing Development Authority's Loan Servicer, borrowers are notified by U.S. Bank HFA Division for loan payment collection.

In addition, Illinois Housing Development Authority (IHDA) requires borrowers who receive an IHDA loan to complete U.S. Bank HFA's required *Borrower Authorization of Release of Private Information* form. This form permits U.S. Bank HFA, the Loan Servicer, to share necessary data pertaining to the borrower/co-borrower and loan transaction with IHDA.

If the loan is not purchased by U.S. Bank HFA acting as IHDA's Loan Servicer, no data will be shared between the originating lender and U.S. Bank HFA.



All of **us** serving you[®]

Borrower Authorization of Release of Private Information

The undersigned Borrower and Co-Borrower, if any, (individually and collectively, "Borrower" or "I") authorize U.S. Bank National Association, and its successors and assigns ("U.S. Bank"), to disclose, share, release, communicate, and provide to and with ILLINOIS HOUSING DEVELOPMENT AUTHORITY ("Third Party") private information and documentation (collectively, "Information ") contained in or related to my mortgage loan, which is identified below. This Information may include, but is not limited to, my name, address, telephone number, social security number, FICO score, loan data, credit report, income, government monitoring information, loss mitigation application status, account balances, program eligibility, reports, and payment activity, including delinquencies. I understand that some or all of the Information is classified as private information with regard to an individual. I understand that it may be necessary for Third Party to have access to my Information in order to effectively manage Third Party's loan programs.

I have read and understand U.S. Bank's Privacy Pledge which is attached to this Authorization. I am aware that U.S. Bank is committed to compliance with its Privacy Pledge and with the Privacy of Consumer Financial Information (Regulation P) Gramm-Leach-Bliley Act (GLBA), the Fair Credit Reporting Act (FCRA) and other legal requirements relating to the privacy and security of my Information.

I understand that U.S. Bank will take reasonable steps to verify the identity of Third Party before releasing my Information to Third Party, but U.S. Bank has no responsibility or liability to verify the identity of Third Party or what Third Party will do with my Information provided by U.S. Bank. I agree to indemnify and hold U.S. Bank harmless in the event Third Party misuses my Information provided to Third Party by U.S. Bank.

This authorization will not be valid unless I sign the authorization and will remain in effect until I revoke it in writing and deliver my revocation to U.S. Bank.

Loan No.: _____
Property Address: _____

Borrower Name: _____
Co-Borrower Name: _____

Borrower Signature: _____
Co-Borrower Signature: _____

Date: _____
Date: _____



FACTS

WHAT DOES U.S. BANK DO WITH YOUR PERSONAL INFORMATION?

Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> ■ Social Security number and income ■ account balances and payment history ■ transaction history and credit history
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons U.S. Bank chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does U.S. Bank share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes— information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes— information about your creditworthiness	Yes	Yes
For nonaffiliates to market to you	No*	We don't share

To limit our sharing	<ul style="list-style-type: none"> ■ Call 800-370-8580—our menu will prompt you through your choice or ■ Visit us online: http://www.usbank.com/privacy and tell us your preference on the "Exercise Your Privacy Choice" page. <p>Please note: If you are a <i>new</i> customer, we can begin sharing your information 30 days from the date we sent this notice. When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p> <p>However, you can contact us at any time to limit our sharing.</p>
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To limit our direct marketing	<p>Please note: We may contact our existing customers by mail, telephone, or email to offer additional financial products or services including products and services offered by nonaffiliates that we believe may be of interest to you. You may direct us not to send you such offers.</p> <ul style="list-style-type: none"> ■ To limit our direct marketing to you by mail or telephone, please call 800-370-8580—our menu will prompt you through your choices, or visit us online: http://www.usbank.com/privacy and tell us your preference on the "Exercise Your Privacy Choice" page. ■ To limit our direct marketing to you by e-mail, visit us online: http://www.usbank.com/privacy and tell us your preference on the "Email Preferences" page.
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Questions?	Call 800-872-2657 or go to usbank.com
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Who we are

Who is providing this notice?

Companies with the U.S. Bank and U.S. Bancorp names and other affiliates. Please see below for a list of other affiliates that do not have a U.S. Bank or U.S. Bancorp name.

Except for California, North Dakota and Vermont residents, a different notice applies to customers who leased or purchased a vehicle and obtained U.S. Bank financing directly through a dealership. That notice from U.S. Bank—Dealer Financial Services is available online at <http://www.usbank.com/privacy> or by calling 800-437-9497.

What we do

How does U.S. Bank protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

How does U.S. Bank collect my personal information?

We collect your personal information, for example, when you

- open an account or apply for a loan
- use your credit or debit card or make deposits or withdrawals from your account
- tell us about your investment or retirement portfolio

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.

What happens when I limit sharing for an account I hold jointly with someone else?

Your choices will apply individually—unless you tell us otherwise.

Definitions

Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- *Our affiliates include companies with a U.S. Bank and U.S. Bancorp name; financial companies such as U.S. Bank National Association and U.S. Bancorp Investments, Inc.*

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- *U.S. Bank does not share with nonaffiliates so they can market to you*

Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *U.S. Bank doesn't jointly market*

Other important information

You may have other privacy protections under applicable state laws. To the extent these state laws apply, we will comply with them when we share information about you.

For California residents: In accordance with California law, we will not share information we collect about you with companies outside of our corporate family, except as permitted by law, including, for example, with your consent or to service your account. We will limit sharing among our companies to the extent required by California law.

For Vermont residents: In accordance with Vermont law, we will not share information we collect about you with companies outside of our corporate family, except as permitted by law, including, for example with your consent or to service your account. We will not share information about your creditworthiness within our corporate family except with your authorization or consent, but we may share information about our transactions or experiences with you within our corporate family without your consent.

For Nevada residents: We may contact our existing customers by telephone to offer additional financial products that we believe may be of interest to you. You have the right to opt out of these calls by adding your name to our internal do-not-call list. To opt out of these calls, or for more information about your opt out rights, please contact our customer service department. You can reach us by calling 800-USBANKS (800-872-2657), clicking the "Email Us" link at usbank.com/privacy, or writing to P.O. Box 64490, St. Paul, MN 55164. You are being provided this notice under Nevada state law. In addition to contacting U.S. Bank, Nevada residents can contact the Nevada Attorney General for more information about your opt out rights by calling 702-486-3132, emailing aginfo@ag.nv.gov, or by writing to:

Office of the Attorney General, Nevada Department of Justice, Bureau of Consumer Protection
100 North Carson Street, Carson City, NV 89701-4717

Additional U.S. Bancorp affiliates

The Miami Valley Insurance Company
Red Sky Risk Services, LLC

Mississippi Valley Company

Elan Life Insurance Company

*Please keep in mind that, as permitted by applicable law, if you have a private label credit card account with us, we share information about you with our financial or retail partners in connection with maintaining and servicing your account, including for that financial or retail partner to market to you. Federal law does not give you the right to limit this sharing.

Illinois Housing Development Authority Borrower Affidavit

INSTRUCTIONS:

Complete item #1. The remaining items must be reviewed, investigated and evaluated by the lender to whom you submitted your mortgage loan application (the "Lender") and its respective agents.

The Borrower Affidavit must be executed by the Borrower(s) (and non-borrowing spouse waiving homestead) and duly notarized.

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, knowingly to 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. If any question is not applicable, answer "N/A." 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:

The Borrower is purchasing the property located at:

Street Address:

City:

Zip Code:

County:

State:

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

1. 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.

2. The Borrower has no present intent to lease, sell, assign or transfer any interest of the Borrower in the Property to another person or entity.

3. The Borrower has not entered into any agreements, understanding or other arrangement to lease, sell, assign or transfer the referenced Property.

4. If the Residence is a two, three or four-family 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 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.

6. 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, three or four-unit residence) or as a recreational home.

7. **APPLICABLE TO FIRST TIME HOME BUYERS ONLY.** During the last three (3) years the Borrower 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: (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 contract to purchase residential real estate, or (vi) 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 (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. [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.]

* For at-home day care, less than 15% of the residence is used regularly and exclusively for the business.

8. 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.

9. 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 9 hereof.

10. 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 or her behalf directly or indirectly (including any special assessments) has been disclosed, in writing, to the Lender.

11. 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.

12. 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.

13. 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, as evidenced by paragraph 4 of the Property Seller Affidavit, in which the Property Seller makes an equivalent affirmation, and are hereby deleted from the purchase agreement. Notwithstanding the foregoing, and with respect to certain appliances, proceeds of the Mortgage loan may be applied to the following appliances if such appliances are an existing fixture on the Property at the time the Property is acquired by the Borrower: refrigerator; oven, including microwave oven, or other cooking surface; dishwasher; washing machine; dryer; heater or heating system; air conditioner or air conditioning system.

14. The Borrower has provided the Lender with true and correct signed copies of his or her federal income tax returns for the last three (3) years as filed with the Internal Revenue Service or as certified in accordance with the procedures set forth in Section 6103, Internal Revenue Code of 1986, as amended; or in lieu thereof, was not required to file a federal income tax return for one or more of the preceding three (3) years. The Borrower will provide to the Lender tax returns due after the date of this Affidavit but on or before the Closing Date not later than the date the Borrower files such tax returns. If the Borrower files an extension request for a tax return due after the date of this Affidavit, the Borrower will provide to the Lender, not later than the date it files such extension request, a copy of such extension request.

15. The Borrower agrees to notify IHDA immediately in the event that he or she vacates the Property, and to keep IHDA informed of his or her current mailing address.

16. The Borrower will not unreasonably withhold his or her consent to any inspection of the Property (the exterior and interior thereof) conducted by the Lender or its agents and/or IHDA 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 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.

18. 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.

19. The Borrower made no material misstatements in connection with the application for the Mortgage loan evidenced by the Note and Mortgage.

20. 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 Borrower 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.

BORROWER SIGNATURE PAGE

Borrower's Signature

(Print Borrower Name)

Co-Borrower's (OR non-borrowing spouse waiving
homestead) Signature

(Print Co-Borrower (or non-borrowing spouse waiving
homestead) Name

NOTARY MUST EXECUTE PAGE FOLLOWING

NOTARY SIGNATURE PAGE

}	State of	(Name of State)	}
	County of	(Name of County)	

This instrument was acknowledged before me this day _____ of _____, _____
(Day) (Month) (Year)

(Print Borrower Name)

(Print Co-Borrower Name)
or non-borrowing spouse waiving homestead

Notary Stamp

Notary Public Signature

Illinois Housing Development Authority Seller Affidavit

INSTRUCTIONS: The Lender must complete item #1; review, investigate and confirm the remaining items and execute the **Lender's Statement** at the end of this Property Seller Affidavit.

The Property Seller must review all items and execute and duly notarize the Affidavit. If there are multiple Property Sellers involved in the transaction, only one Property Seller is required to sign the Property Seller Affidavit.

If the Property Seller Affidavit is executed by an Attorney-In-Fact, Guardian, Conservator, Personal Representative Executive, Trustee, etc. on behalf of the Property Seller, the Lender must confirm that the appointed person has knowledge of the facts stated in the Property Seller Affidavit. Copies of appropriate document(s) or a court order authorizing the person executing the Property Seller Affidavit to sign must be in the loan file and supplied to the Illinois Housing Development Authority ("IHDA") upon request.

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 and the Lender or their respective agents.

DO NOT ALTER THIS DOCUMENT.

PROPERTY SELLER AFFIDAVIT

The undersigned hereinafter collectively referred to as the "Property Seller," after first being duly sworn, states as follows:

1. Property Seller is selling to:

Name of Co-borrower(s):

Name of Co-Borrower(s):

(the "Purchaser"),

The residence located at

Street Address:

City:

Zip:

County:

State:

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

1. A true and correct copy of a complete agreement for the purchase of the Residence Property (the "Sales Contract") has been provided to the Lender as annexed hereto, and the purchase price stated therein is true, correct and complete as stated.

2. The price stated in the Sales Contract represents the complete agreement with respect to the purchase price between the Purchaser(s) (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) including the price of all fixtures.

3. The Sales Contract requires the Property Seller to surrender possession of the Residence Property to the Purchaser not more than 60 days after the closing of the sale of the Property to the Purchaser(s).

4. 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 Residence Property. If the purchase agreement with the Property Seller described in paragraph 2 is inconsistent with this representation, those provisions in the purchase agreement do not reflect the intention of the Property Seller and the Borrower, as evidenced by paragraph 14 of the Borrower Affidavit, in which the Borrower makes an equivalent affirmation, and are hereby deleted from the purchase agreement. Notwithstanding the foregoing, and with respect to certain appliances, proceeds of the Mortgage loan may be applied to the following appliances if such appliances are an existing fixture on the Property at the time the Property is acquired by the Borrower: refrigerator; oven, including microwave oven, or other cooking surface; dishwasher; washing machine; dryer; heater or heating system; air conditioner or air conditioning system.

5. No part of the proceeds of the Mortgage loan will be used directly or indirectly to repay an existing loan made by the Property Seller or any persons acting on the Property Seller's behalf to the Purchaser(s) or any person acting on the Purchaser's behalf in connection with the residence except for construction period loans or similar temporary initial financing with a term of 24 months or less.

6. The undersigned hereby states that he/she has personal and direct knowledge of each and every preceding statement, and that each and every statement, factual or otherwise, is true and correct.

(THE REMAINING PORTION OF THIS PAGE WAS INTENTIONALLY LEFT BLANK.)

Seller(s) is *Individual*

Seller Signature

Print Seller Name

Seller Signature

Print Seller Name

OR

Seller is *Entity (Company)*

Name of Entity

Signature of Entity Representative

Print Name of Entity Representative

Title of Entity Representative

State of (Name of State)

County of (Name of County)

Ss.

This instrument was acknowledged before me this _____ day of _____ (month) '____ (year) .
(day)

by _____ (Name of Person (Individual Seller or Entity Representative) signing above)

Notary Public Signature

Notary Stamp

LENDERS STATEMENT

I, the undersigned Lender, certify that the Property Seller has signed the Property Seller Affidavit and if an appointed person has signed on behalf of the Property Seller, the appropriate authorizing document(s) has (have) been provided and the authorizing document(s) has (have) not expired, been revoked or otherwise terminated and is still in force and effect as of the date of closing, and copies will be retained in the loan file.

LENDER

Lender Name (Organization Name)

By:
Signature

Print Name

Its:
Title of Signor

Examples of Authorizing Documents:

If the Seller's Affidavit is Signed By:	Authorizing Document
Attorney in Fact	Power of Attorney
Personal Representative Executor	Letters Testamentary of Administration
Guardian/Conservator	Letters of Guardian or Conservatorship
Trustee	Trust
Authorized Signatory	Delegation of Signing Authority

Illinois Housing Development Authority

Certification of Income

This SIGNED form is to be submitted to the Illinois Housing Development Authority ("Authority"); original must be retained by lender if not submitted to IHDA.

Program Name:

Borrower/Applicant name:

Co-Borrower/Co-Applicant name:

Address of Property:

City, State, Zip:

The undersigned certifies that:

- 1) This Certification of Income is being delivered in connection with the undersigned's application for funds in connection with the above referenced Program.
- 2) The following individuals will occupy the property [unit] [home] listed above:

OCCUPANT	RELATIONSHIP	AGE
A.		
B.		
C.		
D.		
E.		
F.		

- 3) The total ANNUAL household income as of the date of application is as follows:

I certify that the information above is true and complete to the best of my knowledge on the date hereof. If this Certification of Income is executed more than 90 days prior to the Closing Date of the purchase of the property [unit] [home], I agree to update and recertify the accuracy of the information in this Certificate within 90 days prior to such Closing Date.

Borrower/Applicant Signature

Date

Co-Borrower/Co-Applicant Signature

Date

**NOTICE OF POTENTIAL
RECAPTURE TAX ON SALE OF HOME
MRB**

To: Prospective homebuyers who may be planning to apply for a mortgage loan under the Illinois Housing Development Authority's First Time Homebuyer Program.

The Illinois Housing Development Authority's First Time Homebuyer Program is made possible by provisions of the Internal Revenue Code that allow the Authority to issue what are customarily referred to as "tax-exempt bonds." By issuing bonds, the Authority can provide financing for mortgage loans.

The Internal Revenue Code includes a restriction relating to such mortgage loans. The Federal government treats homebuyers 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 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 your federal income tax for the year in which you sell your home. The recapture only applies, however if you sell your home at a gain and if your income increases above specified levels.

The Authority will provide you with additional information reflecting the calculation of the recapture tax at closing or shortly after closing on the purchase of your residence.

IF YOU DO NOT UNDERSTAND THIS NOTICE, OR IF YOU HAVE ADDITIONAL QUESTIONS ABOUT RECAPTURE, YOU MAY WANT TO CONSULT YOUR ATTORNEY, A TAX ADVISER OR THE LOCAL OFFICE OF THE INTERNAL REVENUE SERVICE.

I (We) have read this Notice to Homebuyers, and I (We) have received a signed copy of this Notice for my (our) records.

Buyer Signature

Date:

Buyer Signature

Date:

Illinois Housing Development Authority Mortgage Credit Certificate Opt Out

IHDA loan number (1st lien).....

Borrower(s) name(s).....

Full Subject Property Address.....

To Illinois Housing Development Authority (IHDA):

I/We hereby acknowledge and understand that AS A FIRST TIME HOME BUYER, I/We are eligible for an optional Mortgage Credit Certificate. At this time, we are opting out of receiving an MCC for the following reason(s):

OPT OUT

We are opting out of obtaining the Mortgage Credit Certificate for the following reason(s):

MCC is not available with loan program chosen.

Cost of participation is too high.

I (We) do not understand the benefits of an MCC.

I (We) will not benefit from an MCC.

I (We) am (are) not a first time home buyer.

Other:

(One reason must be selected above.)

Borrower Signature

Date

Co-borrower / Spouse Signature

Date

Loan Originator Signature

Date

IHDA TAX CODE COMPLIANCE REVIEW WORKSHEET
(For lender use in determining tax code compliance)

Designed to assist lender in determining borrower eligibility for IHDA program (income, purchase price, first time home buyer (or exempt), qualified dwelling. Lender required to certify that loan is compliant on separate form.

IHDA PROGRAM _____ **DATE CLOSED** _____

IHDA loan number(s): 1st _____ 2nd _____

MCC #: _____

LENDER _____

CONTACT info (name, phone, email) _____

ORIGINATOR / LO Contact Info (name, phone, email) _____

Borrower/Co-Borrower Name(s) _____ **Household size:** _____

Property Address _____ **County:** _____

County Purchase Price Limit \$ _____ **County Income Limit \$** _____

Purchase Price: \$ _____ **Appraised Value: \$** _____

Base Loan Amt. \$ _____ **+ UFMI/FF** _____ **= Total 1st Mtge.\$** _____

2nd/DPA Loan Amt. \$ _____ **(verify all loan amounts are correct in MITAS BEFORE submission to IHDA)**

Household Income

Income Calculator - Lender must retain original

_____ Annual Income Calculator fully completed and
_____ Certification has been signed by lender (mandatory)

Income Certification – Lender must retain original

_____ Income Certification – must be completed, signed & dated by borrower and lender PRIOR to close
_____ Household occupants must agree with income calculator

Income Documentation

_____ Income calculation is supported by pay stubs dated within agency regulations (must show total year to date earnings)

_____ Income from all sources (Interest, Dividend, Bonus, Part Time, Alimony, Child Support, Self- Employment, EBay/PayPal, Soc. Security, etc.) has been included in annual income calculation

_____ Income from non-purchasing (non-borrowing) spouse waiving homestead is included in total annual calculation

AND

_____ 3 year’s signed tax returns ** (or 3 years IRS transcripts) are included in documentation **AND**

_____ 30 days consecutive pay stubs showing gross year to date earnings, pay stubs must be current as per agency regulations

_____ Income from HH occupant aged 18 or over for all current employment is documented with 30 days consecutive pay stubs which show year to date earnings

_____ IF no income is earned by non-borrowing spouse or by HH occupant 18 or over, a **signed LOX FROM** the non-borrower occupant re: income earned or received from any source is in file.

_____ Documentation to support income derived from all sources is provided (i.e. Signed YTD P & L, SS letter or evidence of at least 3 month’s direct deposit, 1099, letter from pension board, etc.)

_____ Income total must include income from ALL sources, AND from ALL Household members 18 or over. If it does not, recalculate totals and obtain relevant documentation (such as signed statement certifying no other income from any source).

W2’s for MOST RECENT tax year (All programs)

_____ ALL W2’s from most recent/previous year for all employers included in file

_____ Prior VOE’s for ALL jobs in which borrower is no longer employed (verbal is okay)

_____ IF additional employment discovered, income total is included in IHDA’s income calculator

Copies of SIGNED FEDERAL TAX RETURNS (or transcripts directly from IRS) for most recent 3 years with ALL schedules as applicable, must be submitted EVEN IF buyer is not required to be first time home buyer: ***

Buyer signed tax return/transcript from IRS _____ tax year 20 _____
Buyer signed tax return/transcript from IRS _____ tax year 20 _____
Buyer signed tax return/transcript from IRS _____ tax year 20 _____

Spouse/Co-Buyer signed tax return/transcript from IRS _____ tax year 20 _____
Spouse/Co-Buyer signed tax return/transcript from IRS _____ tax year 20 _____
Spouse/Co-Buyer signed tax return/transcript from IRS _____ tax year 20 _____

***** If non-borrowing spouse: IRS transcripts or 3 years’ signed Federal tax returns or fully completed, signed & notarized tax affidavit is in file.**

IMPORTANT NOTE: IF LOAN CLOSSES AFTER April 15, signed tax return(s) for most recent filing year is (are) required. Loan cannot be purchased until we have the tax return for the most recent filing year.

Income Documentation continued:

Bank Statements

_____ 2-3 consecutive month's current bank statements for all accounts have been provided (check for deposits that could be income)
 _____ Review bank statement for additional deposits which could be income; if income is noted, request appropriate documentation (such as: signed YTD P & L, copy of court order for child support, signed statement re: deposits, etc.)
 _____ Interest/dividend income is included in total income

Home Buyer Status

_____ Buyer is a first time home buyer:
 _____ No real estate is listed on credit report
 _____ Tax returns show no deduction for real estate taxes or mortgage interest
 _____ OR Buyer is not required to be 1st time home buyer due to the following
 _____ Buyer is Qualified Veteran (DD214 and/or COE in file)\
 _____ Buyer is purchasing in targeted area. List Census Tract # _____
 _____ Program does not require Bor. to be 1st time home buyer. List Program _____

Current ownership of Mobile home – All FTHB and MCC

_____ IF buyer currently lives in a mobile home, PHOTOS of the hitch and axles are located in file
 _____ Home is a single-wide mobile home (Primary residence of a double-wide mobile in last 3 years disqualifies buyer)

Credit Report

_____ Included in file
 _____ No recent or large loan amounts on credit report, which could be home loans
 _____ No mortgage loan appears on credit report OR
 _____ Signed LOX (why buyer qualifies for program) ~ or~ evidence of sale of other real estate (HUD1/CD) in file.
 _____ Credit Scores are within program parameter (660 FHA loans committed 12/1/2015 & after / 680 conventional >95% / 640 FNMA, VA, USDA).
 List credit scores: _____/_____/_____ and _____/_____/_____

Property Requirements

_____ Copy of signed purchase agreement / contract AND all addenda
 _____ Address on contract agrees with address on affidavits
 _____ Copy of purchase agreement includes all riders, all signatures.
 _____ No unacceptable clauses included – e.g. seller credit exceeds agency regulations; purchase agreement includes excess personal property, etc.
 _____ Contract signed **only** by borrowers to be obligated on note (**no non-borrowers are permitted to sign contract**, such as non-borrowing spouse). No non-occupant co-borrowers permitted.
 _____ Purchase price is below IHDA program limit
 _____ Copy of APPRAISAL
 _____ **IF** property appraises **over** purchase price limit, loan is disqualified if buyer and seller are related.
 _____ **Are** there any extenuating circumstances such as needed repairs? If so, provide repair/completion cert/inspection
 _____ Property is **5 acres or less**
 _____ Manufactured home is prohibited for commitments dated 12/1/2015 or after.

IHDA Forms/Requirements – Original documentation must be retained by lender

(As of 5/19/2015, lender is permitted to forward COPIES of original IHDA documentation to IHDA via upload). Lender must have originals in their file with certified facsimile of IHDA docs permitted to be sent to IHDA.

IHDA Submission Cover and Data Summary

_____ Each section must be fully completed; upload copy

Buyer Affidavit (Use form dated 8/2014) - **required for ALL transactions**

_____ Property address completed including street number, direction, street name, city/town, zip – incl. legal if desired
 _____ Affidavit is signed by borrower, co-borrower / non borrowing spouse *(as applicable)
 _____ Affidavit signed **PRIOR TO CLOSE**
 _____ Signatures are properly notarized

Seller Affidavit Use form dated 8/2014 – **Purchase transactions, ALL programs** (note: FNMA REO can use 2009 affidavit)

_____ Property address completed including street number, direction, street name, city/town, zip – incl. legal
 _____ Affidavit is signed by **seller PRIOR TO CLOSE** and
 _____ Signatures are properly notarized

Signed Servicing Letter for 2nd

_____ Signed by borrower, dated at close

Tax Code Compliance Certification

_____ Signed by lender, dated

Income Calculator w/signed Certification

_____ Signed by Lender at close

IHDA Income Certification

_____ Fully completed, including #3, signed by borrower and dated

HO - 004

Recapture Notice

_____ Signed by borrower and spouse/all buyers, dated **PRIOR TO CLOSE**. (Remember that only one recapture can apply. If MCC, no MRB recapture would be signed.)

IF MCC ~ MCC documents properly completed, signed and notarized PRIOR TO CLOSE:

_____MCC 25 _____ MCC26 _____MCC28 _____MCC29 _____MCC RECAPTURE

MCC documents properly completed, signed and notarized AT CLOSE or after:

MCC32 _____ MCC33 _____ and

_____ CHECK FOR \$350.00 payable to Illinois Housing Development Authority sent to IHDA's Lockbox
 _____ Copy of MCC registration/commitment

~OR~

MCC Opt Out Letter

_____ Signed and dated with reason shown

1st Time Home Buyer Counseling Cert. signed by borrower(s). – Purchase transactions, ALL programs

_____ A Certificate of Completion for each borrower for First Time Home Buyer Counseling/Training in file.

Counseling Agency & Cert #: _____
 Date of training _____ (valid for one year)

Copy of DD214/COE/Evidence of military status – to document exempt status, or for VA loans

_____ Copy of Certificate of Eligibility, DD214 OR Service Record – evidence of veteran / active duty status
 Note: May need "Alive and Well Statement" if on active duty overseas and VA loan transaction

HUD-1/CD

_____ Signed, borrower name correct, address correct, loan amount correct as reserved in MITAS, closing date entered into MITAS

MITAS Reservation/Commitment(s) – All programs

_____ Loan closed at rate as per commitment/loan closed as committed
 _____ Loan amount (Base and Total) has been updated in MITAS

NOTE: LOAN MUST BE PURCHASED WITHIN 60 DAYS OF RESERVATION. NO CANCELLATIONS AND RE-RESERVATIONS PERMITTED UNLESS PROPERTY FELL THROUGH

Miscellaneous issues:

_____ Copy of divorce decree/property settlement/court order for child support/credit LOX's, other LOX's, etc.
 _____ Copy of birth certificate / marriage certificate or other documentation to validate increase in HH size, name change, etc.

_____ **Tax Affidavit (if MCC, original MCC27) properly completed when borrower/spouse not required to file Federal tax return for any given year.

_____ DTI must be 45.00% or less

_____ No manual underwrite

NOTE: YOU WILL BE CONTACTED IF ADDITIONAL DOCUMENTATION IS REQUIRED AS A RESULT OF QUALITY CONTROL REVIEW.

12/01/2015 and after:

- NO MANUFACTURED HOMES
- CREDIT SCORE MINIMUM 660
- MAX DTI HAS ALWAYS BEEN 45.00%; NO EXCEPTIONS
- NO MANUAL UNDERWRITES FOR ANY LOAN TYPE; AUS APPROVE/ACCEPT ONLY

Illinois Housing Development Authority Lender Tax Code Compliance Certification

LENDER CERTIFICATION:

I certify that I, _____ (lender) have reviewed pertinent documentation for:

Borrower(s) _____ and have determined that total household income is below applicable county limit, purchase price is below applicable county limit, property is a qualified dwelling meeting Illinois Housing Development Authority's (IHDA) requirements, and where applicable, buyer (and spouse if applicable) is a first time home buyer (or exempt).

I hereby acknowledge that the checklist provided by IHDA was utilized in part to determine eligibility and approval of buyer(s) for IHDA's program, and that the checklist is not the sole source of information in determining program eligibility. Signing this certification does not negate the need to read and understand the IHDA procedural guide.

Reviewed by:

on

Lender Authorized signature

Date

Print Signee's Name

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

INSTRUCTIONS:
 1. Complete Form, tab key to move down
 2. Verify all fields are correct against data entered in MITAS (you may be conditioned if data doesn't match)
 3. Include in IHDA Delivery File Upload. (MANDATORY)

SUBMISSION COVER AND FINAL DATA SUMMARY

Lender Name.....	Program.....	IHDA Loan# (1st mtg)...
Lender Phone.....	AMI.....	Borrower Name.....
Lender Email.....	LPMI.....	CoBorrower Name.
Borrower Phone....	Loan Type.....	Household size.....
Borrower Email.....	Interest Rate (1st)..	Upload Date.....
		Date Closed.....

Property and Contract Data

Full subject property address...	Subject property County...
County Income Limit.....	County Purchase Price Limit..
Appraised Value.....	Appraisal Date.....
Number of Unit(s).....	Living Area sq ft.....
Number of Bedroom(s).....	Number of Bath(s).....
Year Built.....	New Construction/Existing....
Water/Sewer.....	Heating Type.....
	Contract Sale Price....
	Property Type.....
	Number of Rooms.....
	Lot Size sq ft.....
	Construction Type.....

Loan Data

Base Loan Amount.....	UFMIP/FF/MI Amount.....	Total 1st Mtg Amount.
2nd Mortgage Amount.....	LTV/CLTV.....	First Payment Date...

Final Monthly Payment Breakdown *(COMPLETE IN ORDER, ENTER \$0 IF NOT APPLICABLE)*

- | | |
|--|--|
| 1. 1st Monthly Principal and Interest..... | 2. 2nd Monthly Principal and Interest..... |
| 3. Property Taxes..... | 4. HOA / Assessment..... |
| 5. Hazard Insurance..... | 6. Flood Insurance..... |
| 7. Monthly Mortgage Ins Premium..... | 8. TOTAL MONTHLY HOUSING EXPENSE..... |

IHDA Upload *Upload to MITAS under the IHDA docs category*

COPIES OF:

1. Borrower Affidavit (signed and notarized PTC)
2. Seller Affidavit (signed and notarized PTC)
3. Tax Code Compliance Certification (lender must complete sign, date)
4. Completed, signed IHDA income calculator
5. 30 Days YTD pay-stubs
6. Current years W-2
7. LOX's re: Income (include non-borrowing spouses and all household occupants 18+/income)
8. Completed IHDA income certification (all household occupants listed, #3 completed, signed by borrower, ect.)
9. 3 years signed tax returns/transcripts from IRS
10. Signed Recapture Notice (MUST be signed PTC for @HomeIllinois program) - Note: Recapture applies to 1st lien or MCC, not both
11. Both Borrower Authorization for release of information
12. Signed HHF Summary Disclosure (1st Home Illinois Only)
13. Dodd Frank Cert (1st Home Illinois Only)
14. Homeownership counseling cert
15. Reservation/Commitment for 1st lien, DPA 2nd and MCC (if applicable)
16. HUD-1/CD, 1st and 2nd Notes and Mortgages
17. DD-214 (or COE) - to document exempt veteran status
18. Appraisal
19. MCC Opt out **OR if borrower is taking MCC see below:**

MCC Docs to be signed prior to closing

MCC 25 - Informational acknowledgement
 MCC 26 - Buyers affidavit
 MCC 27 - Income tax affidavit
 MCC 28 - Seller affidavit
 MCC 29 - Lenders initial certification
 MCC Recapture Notice

MCC Docs to be signed on or after closing

MCC 32 - Closing Affidavit
 MCC 33 - Lender closing certification
 Transmittal Fee Form with copy of check

20. \$350.00 CHECK made payable to ILLINOIS HOUSING DEVELOPMENT AUTHORITY for MCC fee sent with Transmittal Fee Form cover sheet to:

For UPS or FedEx

JP Morgan Chase Bank
 ATTN: Lockbox 93397
 Illinois Housing Development Authority
 131 S. Dearborn, 6th Floor
 Chicago, IL 60603

For USPS Mail Only

Illinois Housing Development Authority
 PO Box 93397
 Chicago, IL 60673

Lender Name:

**Date
Uploaded:**

**IHDA
loan # :**

INSTRUCTIONS:

1. Complete Form, use tab to move down and space bar to check box.
2. E-sign Form (it will prompt you to save a signed copy).
3. Include in IHDA Delivery File Upload.

Lender Contact:
(for Conditions)

**Date
Closed:**

**Lender
Loan# :**

Lender Email:

**Loan
Type:**

**Borrower
Name:**

REQUIRED DOCUMENTS (COPIES):

1. **TRID** Initial Loan Estimate Disclosure (1ST & 2nd for @Home)
2. OR **TIL** for 2nd (for 1stHomeIllinois)
3. **TRID:**
 - a. Written List of Providers
 - b. All Revised Loan Estimate Disclosures and supporting documentation (& for 2nd for @Home)
 - c. Initial Closing Disclosure (& for 2nd for @Home)
 - d. All Revised Closing Disclosures with final CD signed and dated at loan consummation - if DPA is utilized, source must be disclosed on CD
 - e. Post-consummation Closing Disclosure (if applicable) if DPA is utilized, source must be disclosed on Closing Disclosure
 - f. Seller Closing Disclosure (if separate)
4. Variance calculation (off sheet or worksheet)
5. Wiring Instructions or Bailee Letter with Warehouse Bank Information
6. Note endorsed to: U.S. Bank National Association or acceptable Note Allonge
7. Certified copy of all Mortgage(s) / Deed(s) of Trust with attached legal description and applicable riders. (If MERS, must be on MOM Docs)
8. Certified copy of Assignment of Mortgage to U.S Bank (if applicable)
9. DPA 2nd Note and 2nd Mortgage
10. Certified copy of Power of Attorney, (if applicable)
11. Original notarized Name Affidavit(s), (if applicable)
12. Initial / First Payment Letter
13. Title Commitment / Binder
14. Plat Drawing / Survey, (if applicable)
15. Tax Certification Sheet
16. Initial Escrow Account Disclosure
17. Hazard Policy with paid receipt to include Mortgagee Clause to U.S. Bank
18. Standard Flood Hazard Determination
19. Notice to Borrower in Special Flood Hazard Area, signed and dated on or before closing, (if applicable)
20. Flood Policy with paid receipt (if applicable), to include Mortgagee Clause to U.S. Bank National Association
21. Wind/Hail Policy with paid receipt (if applicable)
22. Notice of Assignment of Servicing Rights / RESPA
23. Anti-Steering Disclosure (if applicable)
24. Sales Contract/Purchase Agreement (if applicable) W/all riders
25. Certification of Delivery of Values (ECHOA)
26. Uniform Residential Loan Application (URLA/1003) signed and dated by Interviewer – Initial 1003
27. Final initialed, fully executed Uniform Residential Loan Application (URLA / 1003
28. 1008 (Fannie Mae) or 1077 (Freddie Mac Uniform Underwriting Transmittal
29. Signed Mortgage Insurance Certificate
30. Evidence of payment to MI Company (if applicable)
31. Private Mortgage Insurance Disclosure (if applicable)
32. Amortization Schedule (if applicable)
33. Pay History (if applicable)
34. Copy of check if principal reduction / curtailment
35. Automated Compliance Testing (if available)
36. Appraisal for subject property to include all pages
37. Appraisal Delivery Certification Acknowledgement Form
38. FNMA / FHLMC UCDP / SSR Submission Summary Report
39. Final Inspection(s) (if applicable)
40. Work Completion Escrow Agreement (if applicable)
41. FFIEC Rate Spread Calculator Results (if HPML)
42. Documentation of Lender Lock-in Date (if HPML)
43. DU/LP/GUS with all pages included (if applicable)
44. VOE for each employed borrower (if applicable or per DU LP findings), to verify OT/bonus , VERBAL VOE(s)
45. Credit Report(s) for all Borrowers
46. Copies of Underwriting Conditions
47. IRS W-9 (primary borrower only)
48. IRS 4506-T (8821 if self-employed) for all borrowers
49. 3 most recent year's IRS Tax Transcript or Record of Account for all borrowers AND non-borrowing spouse)
50. 30 days YTD paystubs (Bor, spouse & HH occupant 18+)
51. 2 years most recent W-2/1099 (if applicable or per DU/LP findings) (MOST RECENT year for IHDA)
52. 3 years most recent fully executed tax returns OR transcripts FROM IRS
53. Most recent year IRS Transcript
54. 2 months bank statements all accounts w/VOD if applicable
55. Homebuyers Education Certificate
56. Non-HFA Gift/Grant Letter(s) & proof of transfer (if applicable) & IF FHA, copy of award & commitment letters
57. Compliance / Errors and Omissions Agreement
58. Customer ID & Notice – Patriot Act
59. Landlord Counseling Certificate (if applicable)
60. Homeownership Counseling Organizations Disclosure
61. Borrower Authorization for Counseling
62. Other Compliance Disclosures provided to the applicant, i.e. Borrower Auth for release of Info.

FHA/VA/USDA/Manufactured

FHA

- HUD-92900-A to include pages 1-4 (Initial and Final)
- Important Notice to Homebuyer (92900B)
- Real Estate Cert and Amendatory Clause, executed by buyer and seller prior to closing (Purchase Only)
- MI/Informed Consumer Choices Notification
- FHA Case Query reflecting UFMIP as received
- FHA Case Number Assignment
- LUTS 92900-LT with CAIVRS/LDP/GSA sections complete and marked “no”
- Conditional Commitment with all requirements
- Loan must be FHA insured if > than 90 days from close
- Lender Unit Certification form (if attached condo)
- HUD-92561 (Hotel/Transient Use – required if 2+ units)
- DPA letters (award signed by borrower(s) and commitment)

FHA New Construction

- Builder's Certificate (HUD-92541)
- Builder's Warranty of Completion (HUD-92544)
- Evidence of 10 Year Warranty, or in lieu of Warranty, Builder's Permit & certificate of Occupancy
- Final Inspection (HUD-92051 or 1004D, if applicable)

VA

- VA-26-1802A to include pages 1-2
- VA-26-1820 Report & Certification of Loan Disbursement
- Certificate of Eligibility (COE) for Veteran borrower
- VA Funding Fee Receipt reflecting settled/processed
- VA 26-6393 Loan Analysis
- CAIVRS Authorization for all Borrowers
- VA Notice of Value with all conditions
- Borrower Certification and Authorization
- VA Rider to Security Instrument (or 5 clauses)
- Escape Clause / Amendatory Clause (Purchase only)
- VA-26-0592 Counseling Checklist (active duty only)
- VA HUD-1/CD Itemization
- Lender Loan Quality Certification (Title 38 USC)
- VA 26-1866 Commitment Cert (if Prior Approval from VA)
- VA Loan Guaranty Certificate (if > 90 days from close)
- Termite/Wood Destroying Insect/Soil Treatment Guaranty (NPMA-33)

Manufactured Home (FHA/VA/USDA only)

- Alta 7.1-06 (or equivalent) on Title Commit/Final Title Policy
- Manufactured Home Rider or Security Instrument with manufactured home information as part of Legal Description Manufactured Home Affidavit of Affixation
- Engineer Foundation Report / Structural Certification Manufactured Home Limited Power of Attorney
- Evidence of Title Surrender to State

USDA

- RD 3555-18 Conditional Commitment with all attachments /GUS Findings
- 1008 Underwriting Transmittal
- RD 3555-19 Guaranteed Loan Closing Report
- RD 3555-21 Request for SFH Loan Guarantee
- Lender Certification for SFH Guaranteed Loan
- RD 3555-17 Loan Note Guarantee (if > 90 days from close)

HFA Specific Documents (IHDA upload)

- Data Summary & Submission Cover
- Borrower Affidavit
- Seller Affidavit
- Lender signed Tax Code Compliance Certification
- Income Calculator with supporting docs
- Income Certification w/3 years signed tax returns/transcripts (borrower/co-borrower and spouse) and IF applicable, signed income letter from non-borrowing spouse/HH occupants 18+ Recapture Notice (MRB or MCC)
- Borrower Authorization for Release of Information
- Evidence of Completion of Homeownership Counseling Commitment/Reservation Confirmation(s)
- MCC documents (25, 26, 28, 29, 32, 33, copy of check for fee, MCC 27 when applicable) OR MCC opt out
- CD/HUD for 1st, 2nd WITH 1st, 2nd NOTE, MORTGAGE Payment letter for 2nd / Servicing Letter for 2nd
- Appraisal
- 1stHome only:**
- HHF Dodd-Frank certification
- Summary Disclosure



E-Sign Below:

IHDA MORTGAGE RIDER

NOTICE TO MORTGAGOR

THE PROVISIONS OF THIS RIDER SUBSTANTIALLY MODIFY THE TERMS OF THE LOAN. DO NOT SIGN THE NOTE OR THE SECURITY INSTRUMENT UNLESS YOU READ AND UNDERSTAND THESE PROVISIONS.

RIDER TO MORTGAGE BY AND BETWEEN _____ (THE "MORTGAGOR") AND _____ (THE "LENDER")

The Mortgagor is executing simultaneously herewith that certain mortgage, dated _____, _____ (the "Security Instrument") to secure a loan (the "Loan") made by _____ (The "Lender") in the amount of \$_____ to the Mortgagor, evidenced by a note (the "Note") of even date herewith. It is expected that the Loan will be purchased or securitized by the Illinois Housing Development Authority (the "Authority"). It is a condition of the making of the Loan that the Mortgagor execute this Rider.

In consideration of the respective covenants of the parties contained in the Security Instrument, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are acknowledged, Mortgagor and Lender further mutually agree as follows:

1. The rights and obligations of the parties to the Security Instrument and 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 Security Instrument and the Note, the provisions of this Rider shall control.
2. Notwithstanding the provisions of Paragraph 5 of the Security Instrument, the Mortgagor agrees that the Lender or the Authority, as applicable, may, at any time and without prior notice, accelerate all payments due under the Security Instrument and Note, and exercise any other remedy allowed by law for breach of the Security Instrument or Note, if (a) the Mortgagor sells, rents or fails to occupy the property described in the Security Instrument as his or her permanent and primary residence; or (b) the statements made by the Mortgagor in the Affidavit of Buyer (Illinois Housing Development Authority Form MP-6A) are not true, complete and correct, or the Mortgagor fails to abide by the agreements contained in the Affidavit of Buyer; or (c) the Lender or the Authority finds any statement contained in that Affidavit to be untrue. The Mortgagor understands that the agreements and statements of fact contained in the Affidavit of Buyer are necessary conditions for the granting of the Loan.
3. The provisions of, this Rider shall apply and be effective only at such times as the Authority securitizes your loan or is the holder of the Security Instrument and the Note, or is in the process of securitizing or purchasing the Security Instrument and the Note. If the Authority does not securitize or purchase the Security Instrument and the Note, or if the Authority sells or otherwise transfers the Security Instrument and the Note to another individual or entity, the provisions of this Rider shall no longer apply or be effective, and this Rider shall be detached from the Security Instrument.

MORTGAGOR



**Mortgage Rider
REVISED 10/10**



111 E. Wacker Drive
Suite 1000
Chicago, IL 60601
312.836.5200

Bruce Rauner, *Governor*

Dear Borrower:

Thank you for participating in our @Home Illinois program and congratulations on the purchase of your new home!

Please be aware that until you receive notification that your loan has been purchased and transferred to our Master Servicer US Bank Home Mortgage (HFA division), submit each monthly payment to your originating lender.

Once the loan is transferred, you will receive separate billing statements from US Bank Home Mortgage for your first mortgage, and for the Down Payment Assistance second mortgage. The billing statement will indicate an address in St. Louis, MO, however you may use the following address in the event you have not received your billing statement:

US Bank Home Mortgage
P.O. Box 468002
Bedford, OH 44146-8002

The toll free phone number for the US Bank Home Mortgage customer service department (HFA division) is (800) 365-7772. You will not be assessed any late charge or penalty during the transfer period.

Sincerely,

Illinois Housing Development Authority

ACKNOWLEDGEMENT

Buyer Signature:

Co-Buyer Signature:

NOTE

IHDA 2nd Loan # _____

Closing Date

Closing City, State

Complete property address (including #, Street name, City/Town, Zip) IL

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay the principal sum of U.S. Five Thousand Dollars (\$5,000.00) to the order of the Lender. This Lender is **Illinois Housing Development Authority**. I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder".

2. PAYMENTS

- a. The principal shall be amortized over a ten (10) year period beginning on the first day of the second calendar month after the Closing Date (this time period will be called the "amortization period") and shall bear no interest.
- b. Manner of payment
Borrower shall make a payment of principal to the Note Holder in the amount of \$41.67 on the first day each month beginning on _____, 20____. Any principal remaining on the first day of _____, 20____ will be due on that date, which is called the "Maturity Date."
- c. Place of payment
Payment shall be made at 111 E Wacker Dr, Suite 1000, Chicago, IL 60601, or at such other place as Lender may designate in writing by notice to Borrower.

If during the amortization period (i) the Property (as defined in the Second Mortgage given by me to Lender to secure this Note and as identified by the Property Address above) is sold or otherwise transferred, or (ii) I refinance the first mortgage loan obtained by me from Lender in connection with this loan, or (iii) I cease to occupy the Property as my principal residence, I will repay to the Note Holder the remaining principal amount of the Note.

If repayment of principal becomes due, I will pay such principal amount due (as calculated above) by making such payment in the amount and to the party as designated in writing by the Note Holder.

3. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge For Overdue Payments

If the Note Holder has not received the full amount of principal repayment that becomes due by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5% of the installment. I will pay this late charge only once on any late payment.

(B) Notice From Note Holder

If I do not pay the full amount of principal repayment that becomes due, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date I will be in default. The date must be at least 15 days after the date on which the notice is mailed to me or, if it is not mailed, 15 days after the date on which it is delivered to me.

(C) Default

If I do not pay the overdue amount by the date stated in the notice described in (B) above, I will be in default. If I am in default, the Note Holder may require me to pay immediately the full amount of principal which has not been paid. Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(D) Payment of Note Holder's Cost and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back for all of its cost and expenses to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

4. THIS NOTE SECURED BY A SECOND MORTGAGE

In addition to the protection given to the Note Holder under this Note, a Second Mortgage dated _____, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. In addition to the provisions of this Note regarding payment conditions, that Mortgage describes how and under what conditions I may be required to make immediate payment in full of all amounts that I owe under this Note.

5. BORROWER’S PAYMENTS BEFORE THEY ARE DUE

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a “prepayment”. When I make a prepayment, I will tell the Note Holder in a letter that I am doing so. A prepayment of all of the unpaid principal is known as a “full prepayment”. A prepayment of only part of the unpaid principal is known as a “partial prepayment”. I may make a full prepayment or a partial prepayment without paying any penalty. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. I may make a full prepayment at any time. If I choose to make a partial prepayment, the Note Holder may require me to make the prepayment on the same day that one of my monthly payments is due.

6. BORROWER’S WAIVERS

I waive my rights to require the Note Holder to do certain things. Those things are: (A) to demand payment of amounts due (known as “presentment”); (B) to give notice that amounts due have not been paid (known as “notice of dishonor”); (C) to obtain an official certification of nonpayment (known as “protest”).

7. GIVING OF NOTICES

Any notice that must be given to me under this Note will be given by delivering it or by mailing it by certified mail addressed to me at the Property Address above. A notice will be delivered or mailed to me at a different address if I give the Note Holder a notice of my different address. Any notice that must be given to the Note Holder under this Note will be given by mailing it by certified mail to the Note Holder at the address stated in Section 3 above. A notice will be mailed to the Note Holder at a different address if I am given a notice of that different address.

8. RESPONSIBILITY OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each of us individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note. Any person who takes over my rights or obligations under this Note will have all of my rights and must keep all of my promises made in this Note.

9. REQUIRED HUD PROVISION. The restrictions contained in this Note shall automatically terminate if title to the mortgaged property is transferred by foreclosure or deed-in-lieu of foreclosure, or if the mortgage is assigned to the Secretary of the United States Department of Housing and Urban Development.

Borrower’s Signature and printed name

Co-Borrower’s Signature and printed name

Originator Names and Nationwide Mortgage Licensing System and Registry IDs:

Organization:

NMLSR ID:

Individual:

NMLSR ID:

This document was prepared by:

When recorded, please return to:
Illinois Housing Development Authority
111 E Wacker Dr STE 1000
Chicago, IL 60601
Attn: Home Ownership Programs

(Space Above This Line For Recording Data)

IHDA 2ND Loan #

SECOND MORTGAGE

THIS SECOND MORTGAGE ("Security Instrument") is given on _____ . The mortgagor(s) is(are) _____ (Borrower(s)).

This Security Instrument is given to ILLINOIS HOUSING DEVELOPMENT AUTHORITY which is organized and existing under the laws of THE UNITED STATES OF AMERICA, and whose address is 111 E. Wacker Suite 1000, Chicago, IL 60601 ("Lender"). Borrower owes the lender the principal sum of FIVE THOUSAND AND NO/100 DOLLARS (U.S. \$5,000.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"). This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to the Lender the following described property located in _____ County, Illinois:

(Legal description)

which has the address of _____, Illinois _____ ("Property Address"); (street) (city) (zip)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that the Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of the debt evidenced by the Note and any prepayment and late charges due under the Note and any sums advanced under paragraph 7.
2. **Intentionally Deleted.**

Initials: _____

3. **Application of Payments.** Unless applicable law provides otherwise, all payment received by Lender under paragraphs 1 shall be applied first to any amounts advanced under paragraph 7, then to any late charges due under the note and then to principal due.
4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower or Lender, on Borrowers behalf, shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to the Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.
5. **Hazard or Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which the Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 day a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30 -day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraph 1 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. **Occupancy; Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.** Borrower shall occupy, establish, and use the Property as Borrower's Principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for the term of this Security Instrument. Borrower shall keep the Property in good repair and shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture or the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is in on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless the Lender agrees to the merger in writing.
7. **Protection of Lender's Rights in the Property.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect the Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), the Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorney's fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument.

8. Intentionally Deleted.

9. Inspection. Lender or its agent may make reasonable entries upon and inspection of the Property. Lender shall give Borrower notice at the time of or prior to an Inspection specifying reasonable cause for the inspection.

10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect or apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound; Joint and Several Liability. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several.

13. Intentionally Deleted.

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this "Security Instrument" shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower/Refinance of First Mortgage Loan. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sum which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to

assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

19. Sale of Note; Change of Loan Servicer. The Note or a partial interest in the Note (together with this Security Interest) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which the Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

21. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the note may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and cost of title evidence.

22. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation charges.

23. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

24. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument.

(Check applicable box)

Other(s) [specify]

25. Required HUD Provision. The restrictions contained in this Security Instrument shall automatically terminate if title to the mortgaged property is transferred by foreclosure or deed-in-lieu of foreclosure, or if the mortgage is assigned to the Secretary of the United States Department of Housing and Urban Development.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Initials: _____

RECAPTURE NOTICE

NOTICE TO MORTGAGOR OF MAXIMUM RECAPTURE TAX AND OF METHOD TO COMPUTE RECAPTURE TAX ON SALE OF HOME - MRB

The Illinois Housing Development Authority (the "Authority"), through provisions of the Internal Revenue Code, has the ability to issue what are customarily referred to as "tax-exempt bonds." By issuing these bonds, the Authority can provide financing for mortgage loans. The Authority's First Time Homebuyer Program is an example of financing that is possible through such bond issuance.

A. INTRODUCTION: As a recipient of a mortgage loan from the proceeds of a tax-exempt bond, you may be subject to a recapture tax if you sell your home during the next nine years. The recapture is accomplished by an increase in your federal income tax for the year in which you sell your home. The recapture only applies, however, if you sell your home at a gain and if your income increases more than 5% per year. The recapture tax may also apply if you dispose of your home in some other way. Any references in this notice to the "sale" of your home also include other ways of disposing of your home. For instance, you may owe the recapture tax if you give your home to a relative.

B. MAXIMUM RECAPTURE TAX & CALCULATION OF TAX DUE, if any:

NO RECAPTURE TAX DUE: In the following situations, no recapture tax is due and you do not need to do the calculations listed below:

1. You sell your home more than nine years after settlement.
2. Your home is disposed of as a result of your death.
3. You transfer your home either to your spouse or to your former spouse in connection with a divorce and you have no gain or loss included in your income under section 1041 of the Internal Revenue Code, or
4. You dispose of your home at a loss.

MAXIMUM RECAPTURE TAX: The maximum recapture tax that you may have to pay is _____. This amount is _____ of the highest principal amount of your mortgage loan and is your federally subsidized amount with respect to the loan. Total 1st mortgage loan amount: _____.

The **ACTUAL RECAPTURE TAX**, if any, can be determined when you sell your home, and is the lesser of (1) 50% of your gain on the sale of your home, regardless of whether you have to include that gain in your income for federal income tax purposes, or (2) your RECAPTURE AMOUNT determined below:

1. If home is sold before the 1st anniversary of closing, or on or after the 8th anniversary but before the 9th, your recapture amount will be 1.25% of your original principal mortgage amount.
2. If home is sold on or after 1st anniversary of closing but before the 2nd, or on or after the 7th anniversary but before the 8th, your recapture amount will be 2.5% of your original principal mortgage amount.
3. If home is sold on or after 2nd anniversary of closing but before the 3rd, or on or after the 6th anniversary but before the 7th, your recapture amount will be 3.75% of your original principal mortgage amount.
4. If home is sold on or after 3rd anniversary of closing but before the 4th, or on or after the 5th anniversary but before the 6th, your recapture amount will be 5% of your original principal mortgage amount.
5. If home is sold on or after 4th anniversary of closing but before the 5th your recapture amount will be 6.25% of your original principal mortgage amount. This is the maximum recapture amount.

C. INCOME CALCULATION. You can calculate the income percentage as follows: SUBTRACT the applicable ADJUSTED QUALIFYING INCOME in the taxable year in which you sell your home, as listed on the "Income Limit Attachment" to this form, FROM your MODIFIED ADJUSTED GROSS INCOME in the taxable year in which you sell your home.

Your **modified adjusted gross income** means your adjusted gross income shown on your federal income tax return for the taxable year in which you sell your home, with the following two adjustments: (a) your adjusted gross income must be

INCREASED by the amount of any interest that you receive or accrue in the taxable year from tax exempt bonds that is excluded from your gross income (under section 103 of the Internal Revenue Code); and (b) your adjusted gross income must be DECREASED by the amount of any gain included in your gross income by reason of the sale of your home.

Your **adjusted qualifying income** can be obtained from the Income Limit Attachment to this form. Start by finding the county in which your home is located. You would then choose the family size at the time of sale, whether it be 1 to 2 members or 3 or more. Once you have the correct row selected for the income, you would choose the correct column by selecting the year in which you are selling your home. Use this figure for your ADJUSTED QUALIFYING INCOME.

NOTE: If your income calculation above is zero or less, you owe no recapture tax. If it is \$5000 or more, you will owe 100% of the recapture amount. If it is greater than zero but less than \$5,000, it must be divided by \$5000. This fraction, expressed as a percentage, represents your income percentage. For example, if the fraction is \$1,000/\$5,000, your income percentage is 20%.

D. LIMITATIONS AND SPECIAL RULES ON RECAPTURE TAX.

1. If you give away your home (other than to your spouse or ex-spouse incident to divorce), you must determine your actual recapture tax as if you had sold your home for its fair market value.
2. If your home is destroyed by fire, storm, flood, or other casualty, there generally is no recapture tax if, within two years, you purchase additional property for use as your principal residence on the site of home financed with your original subsidized mortgage loan.
3. In general, except as provided in future regulations, if two or more persons own a home and are jointly liable for the subsidized mortgage loan, the actual recapture tax is determined separately for them based on their interests in the home.
4. If you repay your loan in full during the nine year recapture period and you sell your home during this period, your holding period percentage may be reduced under the special rule in section 143(m)(4)(C)(ii) of the Internal Revenue Code.
5. Other special rules may apply in particular circumstances. You may wish to consult with a tax advisor or the local office of the Internal Revenue Service when you sell or otherwise dispose of your home to determine the amount, if any, of your actual recapture tax. See section 143(m) of the Internal Revenue Code generally.

THIS EXPLANATION AND THE ACCOMPANYING CALCULATIONS REPRESENT THE AUTHORITY'S CURRENT UNDERSTANDING OF THE RECAPTURE PROVISION OF THE INTERNAL REVENUE CODE. THE EXPLANATION IS NOT A COMPLETE STATEMENT OF THE RECAPTURE PROVISION, AND THE AUTHORITY CANNOT BE CERTAIN THAT IT WILL BE CONSISTENT WITH ANY REGULATIONS THE TREASURY DEPARTMENT MAY PROMULGATE UNDER THE RELEVANT SECTIONS OF THE INTERNAL REVENUE CODE. IF YOU DO NOT UNDERSTAND THIS NOTICE, OR IF YOU HAVE ADDITIONAL QUESTIONS ABOUT RECAPTURE, YOU SHOULD CONSULT YOUR ATTORNEY, A TAX ADVISER OR THE LOCAL OFFICE OF THE INTERNAL REVENUE SERVICE.

The Authority believes that very few, if any, individuals will ever become subject to this tax. To encourage you to finance your residence under the First Time Homebuyer Program, the Authority agrees to reimburse you if you can provide to the Authority documentation showing that you paid the recapture tax. NOTE: any such reimbursement shall be limited to the actual amount of tax due; in the event of overpayment, any amount paid in excess of the actual amount due will not be reimbursed.

I (We) have read this Notice to Mortgagor, and I (We) have received a signed copy of this Notice for my (our) records.

_____ Date: _____
Buyer signature

_____ Date: _____
Buyer signature

IHDA RECAPTURE WORKSHEET #1

INCOME LIMITS*

NON-TARGETED

Effective: August 1st, 2016

APPLICANT'S INCOME

County in Which the Residence is Located	MAXIMUM HOUSEHOLD INCOME LIMITS									
		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9
Cook, DuPage, Kane, Lake, McHenry, Will	1 OR 2	\$79,432.70	\$83,404.34	\$87,574.55	\$91,953.28	\$96,550.94	\$101,378.49	\$106,447.41	\$111,769.79	\$117,358.28
	3 OR MORE	\$91,347.61	\$95,914.99	\$100,710.74	\$105,746.28	\$111,033.59	\$116,585.27	\$122,414.53	\$128,535.26	\$134,962.02
Dekalb	1 OR 2	\$80,848.88	\$84,891.32	\$89,135.89	\$93,592.68	\$98,272.32	\$103,185.93	\$108,345.23	\$113,762.49	\$119,450.62
	3 OR MORE	\$92,976.21	\$97,625.02	\$102,506.27	\$107,631.59	\$113,013.16	\$118,663.82	\$124,597.01	\$130,826.86	\$137,368.21
Grundy	1 OR 2	\$81,300.00	\$85,365.00	\$89,633.25	\$94,114.91	\$98,820.66	\$103,761.69	\$108,949.78	\$114,397.26	\$120,117.13
	3 OR MORE	\$93,495.00	\$98,169.75	\$103,078.24	\$108,232.15	\$113,643.76	\$119,325.94	\$125,292.24	\$131,556.85	\$138,134.70
Kendall	1 OR 2	\$89,800.00	\$94,290.00	\$99,004.50	\$103,954.73	\$109,152.46	\$114,610.08	\$120,340.59	\$126,357.62	\$132,675.50
	3 OR MORE	\$103,270.00	\$108,433.50	\$113,855.18	\$119,547.93	\$125,525.33	\$131,801.60	\$138,391.68	\$145,311.26	\$152,576.82
McLean	1 OR 2	\$87,700.00	\$92,085.00	\$96,689.25	\$101,523.71	\$106,599.90	\$111,929.89	\$117,526.39	\$123,402.71	\$129,572.84
	3 OR MORE	\$100,855.00	\$105,897.75	\$111,192.64	\$116,752.27	\$122,589.88	\$128,719.38	\$135,155.35	\$141,913.11	\$149,008.77
Champaign, Ford, Piatt	1 OR 2	\$72,500.00	\$76,125.00	\$79,931.25	\$83,927.81	\$88,124.20	\$92,530.41	\$97,156.93	\$102,014.78	\$107,115.52
	3 OR MORE	\$83,375.00	\$87,543.75	\$91,920.94	\$96,516.98	\$101,342.83	\$106,409.98	\$111,730.47	\$117,317.00	\$123,182.85
Menard, Sangamon	1 OR 2	\$73,700.00	\$77,385.00	\$81,254.25	\$85,316.96	\$89,582.81	\$94,061.95	\$98,765.05	\$103,703.30	\$108,888.47
	3 OR MORE	\$84,755.00	\$88,992.75	\$93,442.39	\$98,114.51	\$103,020.23	\$108,171.24	\$113,579.81	\$119,258.80	\$125,221.74
Boone, Winnebago	1 OR 2	\$74,040.00	\$77,742.00	\$81,629.10	\$85,710.56	\$89,996.08	\$94,495.89	\$99,220.68	\$104,181.72	\$109,390.80
	3 OR MORE	\$86,380.00	\$90,699.00	\$95,233.95	\$99,995.65	\$104,995.43	\$110,245.20	\$115,757.46	\$121,545.33	\$127,622.60
**All Other Counties	1 OR 2	\$72,300.00	\$75,915.00	\$79,710.75	\$83,696.29	\$87,881.10	\$92,275.16	\$96,888.91	\$101,733.36	\$106,820.03
	3 OR MORE	\$83,145.00	\$87,302.25	\$91,667.36	\$96,250.73	\$101,063.27	\$106,116.43	\$111,422.25	\$116,993.36	\$122,843.03

*If household income is less than that shown in corresponding cell, NO recapture tax is due.

**All other counties includes the following eighty-five (85) counties: Adams, Alexander, Bond, Brown, Bureau, Calhoun, Carroll, Cass, Christian, Clark, Clay, Clinton, Coles, Crawford, Cumberland, De Witt, Douglas, Edgar, Edwards, Effingham, Fayette, Franklin, Fulton, Gallatin, Greene, Hamilton, Hancock, Hardin, Henderson, Henry, Iroquois, Jackson, Jasper, Jefferson, Jersey, Jo Daviess, Johnson, Kankakee, Knox, La Salle, Lawrence, Lee, Livingston, Logan, Macon, Macoupin, Madison, Marion, Marshall, Mason, Massac, McDonough, Mercer, Monroe, Montgomery, Morgan, Moultrie, Ogle, Peoria, Perry, Pike, Pope, Pulaski, Putnam, Randolph, Richland, Rock Island, Saline, Schuyler, Scott, Shelby, St. Clair, Stark, Stephenson, Tazewell, Union, Vermillion, Wabash, Warren, Washington, Wayne, White, Whiteside, Williamson, Woodford.

IHDA RECAPTURE WORKSHEET #1A

INCOME LIMITS*

TARGETED

Effective: August 1st, 2016

APPLICANT'S INCOME

County in Which the Residence is Located	MAXIMUM HOUSEHOLD INCOME LIMITS									
		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9
Cook, Kane, Lake, Will	1 OR 2	\$92,280.00	\$96,894.00	\$101,738.70	\$106,825.64	\$112,166.92	\$117,775.26	\$123,664.03	\$129,847.23	\$136,339.59
	3 OR MORE	\$107,660.00	\$113,043.00	\$118,695.15	\$124,629.91	\$130,861.40	\$137,404.47	\$144,274.70	\$151,488.43	\$159,062.85
De Kalb	1 OR 2	\$86,760.00	\$91,098.00	\$95,652.90	\$100,435.55	\$105,457.32	\$110,730.19	\$116,266.70	\$122,080.03	\$128,184.03
	3 OR MORE	\$101,220.00	\$106,281.00	\$111,595.05	\$117,174.80	\$123,033.54	\$129,185.22	\$135,644.48	\$142,426.70	\$149,548.04
McLean	1 OR 2	\$105,240.00	\$110,502.00	\$116,027.10	\$121,828.46	\$127,919.88	\$134,315.87	\$141,031.67	\$148,083.25	\$155,487.41
	3 OR MORE	\$122,780.00	\$128,919.00	\$135,364.95	\$142,133.20	\$149,239.86	\$156,701.85	\$164,536.94	\$172,763.79	\$181,401.98
Champaign	1 OR 2	\$87,000.00	\$91,350.00	\$95,917.50	\$100,713.38	\$105,749.04	\$111,036.50	\$116,588.32	\$122,417.74	\$128,538.62
	3 OR MORE	\$101,500.00	\$106,575.00	\$111,903.75	\$117,498.94	\$123,373.88	\$129,542.58	\$136,019.71	\$142,820.69	\$149,961.73
Sangamon	1 OR 2	\$88,440.00	\$92,862.00	\$97,505.10	\$102,380.36	\$107,499.37	\$112,874.34	\$118,518.06	\$124,443.96	\$130,666.16
	3 OR MORE	\$103,180.00	\$108,339.00	\$113,755.95	\$119,443.75	\$125,415.93	\$131,686.73	\$138,271.07	\$145,184.62	\$152,443.85
Winnebago	1 OR 2	\$86,760.00	\$91,098.00	\$95,652.90	\$100,435.55	\$105,457.32	\$110,730.19	\$116,266.70	\$122,080.03	\$128,184.03
	3 OR MORE	\$101,220.00	\$106,281.00	\$111,595.05	\$117,174.80	\$123,033.54	\$129,185.22	\$135,644.48	\$142,426.70	\$149,548.04
**All Other Counties	1 OR 2	\$86,760.00	\$91,098.00	\$95,652.90	\$100,435.55	\$105,457.32	\$110,730.19	\$116,266.70	\$122,080.03	\$128,184.03
	3 OR MORE	\$101,220.00	\$106,281.00	\$111,595.05	\$117,174.80	\$123,033.54	\$129,185.22	\$135,644.48	\$142,426.70	\$149,548.04

*If household income is less than that shown in corresponding cell, NO recapture tax is due.

*All other counties includes the following twenty-six (26) counties: Adams, Alexander, Christian, Coles, Fayette, Franklin, Jackson, Jefferson, Kankakee, Knox, Livingston, Macon, Madison, Marion, McDonough, Morgan, Peoria, Richland, Rock Island, Saline, St. Clair, Stephenson, Vermillion, White, Whiteside, Williamson