



  
**Missouri Housing**  
Development Commission

# LENDER TRAINING: Program Forms 101



  
MHDC.com

**First Place MRB**

**Next Step TBA**

**Mortgage Credit Certificate**

## **MHDC FORMS**

- **500 SERIES = FIRST PLACE**
- **700 SERIES = NEXT STEP**
- **300 SERIES = MCC**

**ALL MHDC FORMS CAN BE SIGNED ELECTRONICALLY  
UNLESS REQUIRING A NOTARY (E-Notarization is also  
acceptable)**

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## **FORMS TO BE SIGNED AT APPLICATION:**

- **Application Affidavit - Form 515 MRB / Form 715 Next Step / Form 315 MCC.**
- **This document will have to be signed at loan application for all loans.**
- **For First Place and MCC, Form 516/316 is required if a spouse is not going to be on the loan but will be living in the home, to ensure they meet the First Time Homebuyer criteria.**

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## **COMMON FORMS USED BY MHDC**

- **Form 505 File Submission Guide/Checklist**
- **Form 520 Lender's Certificate**
- **Form 525 Seller's Affidavit**
- **Form 535 Mortgagor's Affidavit**
- **Form 560 Notice to Mortgagors**
- **Form 570 Addendum to Note**
- **Form 575 Co-Signors Affidavit**
- **Form 580 Tax-Exempt Financing Rider**

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# **FORM 505**

## **FILE SUBMISSION GUIDE & CHECKLIST**

- **Make sure your submitted file is in this order.**
- **Not all documents will be required depending on the file circumstances.**
- **Only send what is necessary, nothing more.**

Missouri Housing Development Commission

Form #505

First Place Program – File Submission Check Sheet

Files must be uploaded and submitted to MHDC in the order as follows:

*\*Notes forms only required when applicable. For special circumstances only.*

**LENDER CERTIFICATION:**

- Form #505 – Lender Check Sheet
- Form #520 – Lender Certification

**APPLICATION DOCUMENTS:**

- Form #515 – Borrower's Application Affidavit
  - Form #516\* – Certification of Non Ownership Interest  
*If applicable. To be signed by non borrowing spouse that will live in the home.*
- Typed final loan application – signed by borrower(s)
  - Form #521\* – Prior Approval  
*If applicable. Sign copy of the #521 that was granted approval by MHDC certifying the information previously submitted has not changed. All requests must be submitted prior to closing.*

**INCOME DOCUMENTATION:**

- Form #590 – Income Calculation Worksheet
- Verification of Employment
  - Signed VOE/All required info for Alt Doc  
*Must include all docs required for the alternative documentation method:  
30 days paystubs that reflect YTD totals, their start date, and the previous year's W2 for that job. OR,  
A signed third party VOE from the employer.*
  - Social Security, Pension Benefits (award letter, 1099, etc.)
  - Child Support documentation (divorce decree, court order, etc.)
  - 12-Month breakdown on overtime, commission, bonus, part-time employment, etc.
  - Form #522\* – Certification of Zero Income, signed  
*If applicable. Execute for spouses not working.*
  - Form #523\* – Certification of Zero Income for Children, signed  
*If applicable. Execute when no support is received for a child residing in the home.*

**SALES CONTRACT & AFFIDAVITS**

- Sales Contract with all addendums
- Warranty Deed
- Form #525 – Seller's Affidavit (*Names must match W/D*)
  - Form #530\* – Certification of Cost  
*If applicable. In lieu of #525 when the borrower is building on their own land.*
- Form #535 – Mortgagor's Affidavit
  - Form #550-1 & 550-2\* – MHDC Waiver of Marital Rights Affidavits  
*If applicable. For separated individuals who will not both reside in the residence.*
- Form #560 – Notice to Mortgagors (FHA, VA, USDA RD, loans only)

**NOTE & RECORDED FORMS**

- Executed First Mortgage Note
  - Executed Second Mortgage Note (copy only, for CAL loans only)
- Form #570 – Addendum to Note
  - Form #575\* – Co-Signor Affidavit  
*If applicable. For non-occupying co-borrowers.*
- Form #580 – Tax-Exempt Financing Rider (non-borrowing spouse must sign) (Record with D/T)
- Form #555 – Notice of Potential Recapture Tax

**SETTLEMENT STATEMENTS**

- CD Closing Disclosure Statement, signed by mortgagor(s) (Both Borrower & Seller's sides)
  - Form #585\* – Mobile Home Certification  
*If applicable. Certifies their former home was a mobile home and not real property*

Revised: August 2020



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# **FORM 520**

## **LENDER'S CERTIFICATE**

- **Make sure ALL information is filled out on Page 1.**
- **Make sure you Sign and Date Page 2.**

### Lender's Certificate

I, the undersigned authorized officer of the Lender named below (the "Lender") do hereby certify, represent and warrant to the Missouri Housing Development Commission (the Commission) and UMB Bank (the Trustee) as Trustee, that:

1. The location of the property financed with the Home Mortgage (the "Residence") is entirely within the boundaries of the State of Missouri.
2. A qualified employee or agent of the Lender, as agent for the Commission, by personal inspection verified that the property consists of no more than two-family dwelling, the construction of which is sufficiently complete that occupancy is permitted under local law.
3. A qualified employee of the Lender, as agent for the Commission, has confirmed that the Mortgagor(s) understand the meaning and significance of the introductory paragraph of the Mortgagor's Affidavit attached hereto as Form #535. The affidavit was signed on the date of execution of the Mortgage.
4. Attached hereto as Exhibit B are copies of the sales contract and all escrow and settlement papers relating to the property and the Mortgage Loan. The contract price set forth above (a) includes the land (unless the land has been owned by the Mortgagor for at least two years prior to the date on which construction of the residence began), dwelling and all fixtures and (b) is within the limit required by the Agreement.
5. The settlement costs (title and transfer costs, title insurance, or similar costs) and financing costs (credit reference fees, legal fees, appraisal expenses, the application fee, points which are paid by the buyer or other costs of financing the residence) associated with the purchase of the property, paid by or on behalf of the Mortgagor do not exceed the usual and reasonable costs in the area which would be paid by a buyer where financing is not provided through tax-exempt bonds. No fees other than those set forth in the escrow and settlement papers were paid or collected.
6. A qualified employee or agent of the Lender independently investigated the representations contained in the Mortgagor's Affidavit and the Seller's Affidavit, and has no reason to believe that they are not true and correct.
7. A qualified employee of the Lender, as agent for the Commission, has reviewed the credit reports with respect to the Mortgagor from all three national credit bureaus and verified that no credit report includes any indication that the Mortgagor incurred indebtedness to finance a principal residence during the three-year period prior to the execution of the Mortgage, unless the Mortgagor is a Qualified Veteran or the principal residence is located in a targeted area qualified census tract.
8. In the event that the Lender has been unable to satisfy itself as to the truth of the statements made by the Mortgagor in paragraph 16 of the Mortgagor's Affidavit from other documentation mentioned therein and herein, a qualified employee of the Lender has examined the tax, assessment or deed records of (a) \_\_\_\_\_ county and (b) the mortgagor's last county of residence if different from the above, for the purpose of determining whether any property owned by the Mortgagor in either of said counties during the three-year period prior to execution of the Mortgage was used as the principal residence of the mortgagor. If such examinations revealed any such ownership, attached hereto as Exhibit D is evidence such as rent receipts or property tax records demonstrating that such property was (i) rented out by the Mortgagor or (ii) unimproved.
9. A qualified employee or agent of the Lender, as agent for the Commission, verified that the total projected twelve-month household income is not in excess of the applicable maximum income limit **and the amount of income used for credit underwriting is not more than the projected income for MHDC purposes.**
10. A qualified employee or agent of the Lender, as agent for the Commission, verified that the property being financed is not located within a 100-year flood plain.
11. [Complete if developer of residence is other than the Seller.] The name and address of the developer of the residence is:

This is to certify that the above Lender's Certificate complies with all applicable representations, warranties and covenants specified in the Origination, Servicing and Administration Agreement (Revised July 2013) as amended and supplemented from time to time, by and among the Lender, the Missouri Housing Development Commission and the Trustee.

Dated: \_\_\_\_\_ Lender: \_\_\_\_\_  
 By (authorized signature): \_\_\_\_\_  
 Typed Name and Title: \_\_\_\_\_



Missouri Housing Development Commission		Form #520
Lender's Certificate		
<b>LENDER CONTACT INFORMATION:</b>		
Lender Name: _____	File Contact-For Approval & Def. Notices: _____	
Email: _____	Phone #: _____	
<b>RESERVATION DATA:</b> MHDC Reservation #: _____ Reservation Date: _____		
<b>Borrower's Name:</b> _____ SS#: _____		
Co-Borrower's Name: _____		Co-SS#: _____
Property Address: _____		City: _____ MO
Zip Code: _____	County: _____	<input type="checkbox"/> Rural/Non MSA County
<b>APPLICATION DATA:</b>		
Application Date: _____		Loan Officer: _____
NMLS#: _____		
Property: 1) Non-Targeted <input type="checkbox"/> Targeted <input type="checkbox"/>	Census Tract #: _____	
2) Existing <input type="checkbox"/> New <input type="checkbox"/>	Year Built: _____	
3) One Unit <input type="checkbox"/> Two Units <input type="checkbox"/>	Bedroom #: _____ SQ FT: _____	
Type: Single Family <input type="checkbox"/> Duplex <input type="checkbox"/> Condo <input type="checkbox"/> Townhouse <input type="checkbox"/> Manufactured <input type="checkbox"/>	Flood Zone Letter: _____	
Total # in Household: _____	<b>Borrower:</b>	<b>Co-Borrower:</b>
(Adults _____ Children _____)	Age: _____	Age: _____
Spouse residing in home NOT on loan: _____	Sex: Male <input type="checkbox"/> Female <input type="checkbox"/>	Sex: Male <input type="checkbox"/> Female <input type="checkbox"/>
	Ethnicity: _____	Ethnicity: _____
	Marital Status: _____	Marital Status: _____
	Occupation: _____	Occupation: _____
<b>INCOME DATA:</b>		
<b>Borrower Income:</b>		<b>Co-Borrower Income:</b>
Wages \$ 0.00	Wages \$ 0.00	
From Assets \$ 0.00	From Assets \$ 0.00	
Other \$ 0.00	Other \$ 0.00	
<b>Non-Borrowing Spouses Income:</b>		
Income \$ _____		
Total Household Income: \$ 0.00 (Maximum Limit: \$ _____)		
<b>SALES CONTRACT &amp; AFFIDAVITS DATA:</b>		
Contract Sales Price: \$ _____		Contract Date: _____
Financed Closing Costs: + \$ _____	Rehab. Amount: + \$ _____	Buyer's Realtor: _____
Personal Property: < \$ _____	Sweat Equity: < \$ _____	License #: _____
Acquisition Amount = \$ _____ \$0.00	Appraised Value: \$ _____	Realty Agency: _____
<b>NOTE &amp; RECORDED FORMS:</b>		
Loan Type: <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/> RD <input type="checkbox"/> CONV	Closing Date: _____	
Interest Rate: _____ %	First Payment Date: _____	Co-Signer Name (if applicable): _____
Loan Amount: \$ _____	Last Payment Date: _____	
4% Cash Assistance: \$ _____	Monthly Payment/P&I: \$ _____	
	PTI: \$ _____	
<b>MHDC USE ONLY:</b>		
Borrower's Investment: \$ _____	NOTES: _____	
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# FORM 525

## SELLER'S AFFIDAVIT

- Make sure ALL information is filled out on Page 1.
- Make sure you Sign and Date Page 2.
- Names should match the Warranty Deed.
- If HUD is selling property, a signature is still required.
- Use this verbiage at the bottom of page 2:  
“Subject property was acquired through foreclosure proceedings. All of the land being sold with the residence, reasonably maintains the basic livability of the residence, and we have no knowledge that it does not and will not provide, other than incidentally, a source of income to the purchaser.”



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# **FORM 535**

## **MORTGAGOR'S AFFIDAVIT**

- **Verifies address, buyers name, sellers name, lender, sales price, etc.**
- **Must be executed by all persons having an ownership interest in property.**
- **This form is signed by the borrower at the time of closing.**

**Mortgagor's Affidavit**  
(Purchase)

**THE UNDERSIGNED UNDERSTAND(S) THAT FALSIFICATION OF THIS AFFIDAVIT IN ANY WAY MAY RESULT IN ALL AMOUNTS UNDER THE MORTGAGE NOTE BEING IMMEDIATELY DUE AND PAYABLE. THE UNDERSIGNED IS AWARE THAT ALL FACTS RECITED IN THIS AFFIDAVIT WILL BE INDEPENDENTLY VERIFIED AND THAT INTENTIONAL FALSIFICATION OF THIS AFFIDAVIT MAY SUBJECT THE UNDERSIGNED TO CRIMINAL PROSECUTION.**

\_\_\_\_\_, being duly sworn, deposes and says:

- I am purchasing a residence located at:  
Street: \_\_\_\_\_  
City of: \_\_\_\_\_  
County of: \_\_\_\_\_  
State of: **MISSOURI** Zip Code: \_\_\_\_\_  
from (Name of Seller(s)):  
\_\_\_\_\_  
\_\_\_\_\_
- I understand that moneys for the purchase of such residence are being provided by \_\_\_\_\_ (the Lender) from proceeds of qualified mortgage bonds issued by the Missouri Housing Development Commission (the "Commission"). As a Mortgagor, I may receive benefits from this financing such as a savings in mortgage loan interest costs. As a result, pursuant to Section 143(m) of the Internal Revenue Code of 1986, as amended (the "Code"), I may, at the time of resale by me of the residence financed by the mortgage, be subject to a special "recapture tax" for federal income tax purposes.
- Such residence is a one-family residence or a newly constructed one-family residence the construction of which is complete or will be complete at execution of the Mortgage, or both units of a two-family residence.
- I intend to occupy such residence as my principal residence within 60 days after the financing described in paragraph 2 is provided. If a two-family residence, I intend to occupy one unit as my principal residence within 60 days.
- I will occupy the residence as my principal residence so long as the mortgage loan providing the financing is outstanding unless assumed by a purchaser approved by the Commission. If I have a conventional loan, my loan may not be assumed and I will occupy the residence so long as my mortgage loan remains outstanding.
- All of the land being purchased with the residence, if any is being purchased, or on which the residence is located, reasonably maintains the basic livability of the residence and does not and will not provide, other than incidentally, a source of income to me. The land being purchased will not be used for agricultural production, and consists of less than 10 acres, if rural, or is consistent with other homes in the neighborhood, if urban, e. g. not a double lot, etc.
- I will not use the residence primarily in a trade or business nor use more than 15% of the total area thereof in a trade or business and will not deduct any portion of the cost of the residence as a home business expense on my state or federal income tax return(s).
- I will not rent the residence or use the residence as an investment property or as a recreational or "second" home, except in such cases where both units of a two family residence are being purchased.
- The residence is located within the State of Missouri.

**10. CHECK ONE:**

- The residence is located in a Targeted Area.
- The residence is not located in a Targeted Area. Neither I nor any other mortgagor with respect to the financing of such residence have had a present ownership interest in a principal residence (which includes a unit in a condominium or cooperative building, and factory-made housing, such as a manufactured house, mobile home or house trailer, that is permanently affixed to real property) at any time during the three year period prior to the date hereof, other than the residence with respect to which such financing is being provided, unless I am a "Qualified Veteran". A "Qualified Veteran" is any veteran who served on active duty, and applied for financing within 25 years after the date on which the veteran left active service.

**Present ownership interest means:** (i) a fee simple interest; (ii) a joint tenancy, a tenancy in common, or tenancy by the entirety; (iii) the interest of a tenant-shareholder in a cooperative; (iv) a life estate; (v) a land contract (i.e., a contract pursuant to which possession and the benefits and burdens of ownership are transferred until sometime later); and (vi) an interest held in trust for me (whether or not created by me) that would constitute a present ownership interest if held directly by myself.

**Present ownership interest excludes:** (i) a remainder interest; (ii) a 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 (3) years.

- I have not (nor has a related party or any party for my benefit) entered into any agreement with the seller of the residence, any developer, contractor, or any other person pursuant to which I have agreed to pay consideration, either in cash or in kind, in excess of the purchase price of such residence (other than rentals in an amount not to exceed the fair rental value of the residence as determined by the Commission, pursuant to a temporary rental agreement with the seller pending purchase by the Trustee on behalf of the Commission of the mortgage loan) or pursuant to which any portion of the residence has been left unfinished or any fixtures or other architectural appointments have been omitted or removed from the residence in order to reduce the purchase price.
- I have not been a party to a deed of trust, conditional sales contract, pledge, agreement to hold title in escrow, or any other form of owner-financing (whether or not paid off) on the residence at any time prior to the execution of the mortgage.
- I will not use any portion of the proceeds of the mortgage loan to acquire or replace an existing mortgage or deed of trust under which I am obligated.
- The purchase price for the residence as a completed residence, including the land (unless the land has been owned by the undersigned for at least two years prior to the date on which construction of the residence has begun, in which case the cost of the land may be excluded) and any improvements purchased in connection therewith, including any attached items such as carpeting, curtain rods and light fixtures, exclusive of any settlement or financing costs or any amount paid for property which is not real property or a fixture, is \$ \_\_\_\_\_. I am not purchasing any unattached items from the seller in connection with the purchase of the residence, except as stated below.

List each item of unattached personal property and the purchase price therefore:

\_\_\_\_\_

The purchase price for the unattached personal property stated above does not exceed the fair market value of such property.

- Apart from any normal real estate agents' commission, no money is being paid, no promissory note being delivered, nor anything else of value being exchanged for or transferred to the seller or any other person by the undersigned or, to the undersigned's knowledge, by any other person in connection with the purchase of the property except as indicated in the escrow and settlement documents or in the Seller's Affidavit or Lender's Certificate.



16. I have not been lawfully entitled to claim any deductions for federal income tax purposes for taxes or interest on indebtedness with respect to real property constituting my principal residence for any portion of the three-year period prior to the date of execution hereof.

17. **CHECK ONE:**

- The property has been previously occupied.
- The property is new; it has never been occupied. Although the residence I am purchasing is a "new residence" (i.e., a residence which has not been previously occupied), I understand that my mortgage is assumable only if (1) I have an FHA, VA or Rural Development loan; (2) the buyer of my home meets any qualifying conditions required by HUD; and (3) I sell the residence at a price which is not greater than the "maximum purchase price limit" established by the Commission at the time of resale for an "existing residence" (i.e., a residence which has been previously occupied). I understand that the current "maximum purchase price limit" for an "existing residence" in the area in which the residence I am purchasing is located is \$\_\_\_\_\_.

18. I/We understand that the Maximum Income limit is \$\_\_\_\_\_ and that my/our total household income does not exceed this amount.

Note: Do not include persons who co-sign a mortgage loan, provided such persons are not acquiring a present ownership interest in the property securing the mortgage loan.

My/Our total household income does not exceed the Maximum Family Income for a household of \_\_\_\_\_ person(s), which includes the following persons intending to occupy the property as their principal residence:

Name of all Occupant(s)	Relationship
_____	Borrower
_____	Co-Borrower
_____	
_____	
_____	

(Please list all persons expecting to reside in the property as their principal residence who are mortgagors or related to the mortgagor(s) by birth, marriage or adoption.)

19. I/We have occupied the following residences within the previous three year period:

Property Address	B/C/S*	Time Period	Rent/Own
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

\*Borrower, Co-Borrower, or Spouse of borrower or co-borrower

20. I have read the note and the mortgage, including the amendment thereto, and understand that:

- (A) the loan is being provided under a program financed with the proceeds of bonds issued by the Missouri Housing Development Commission, the terms of the loan are available only if interest on the bonds is exempt from federal income tax, and that the federal tax-exempt status of the interest on the bonds may be adversely affected if the statements made in this affidavit and other affidavits and certificates given in connection with the making of the loan are untrue,
- (B) any transfer of title to or possession of such residence or any portion thereof may result in the entire unpaid balance of the mortgage loan becoming immediately due and payable,
- (C) any assumption of the mortgage which secures the mortgage loan may result in the entire unpaid balance of the mortgage loan becoming immediately due and payable, and
- (D) any untrue or incorrect statement in this affidavit may result in the entire unpaid balance of such mortgage loan becoming immediately due and payable.

21. I hereby authorize the Commission and the Lender (or either of them) to conduct such investigation as they (or any of them) deem necessary to ascertain the truth and correctness of the statements made in this affidavit, and I hereby agree to provide such information as the Commission and the Lender (or either of them) shall reasonably request for such purpose.

22. I have no reason to believe that any certification contained in this affidavit is false and I have been informed and understand that perjury is punishable by imprisonment for a period of years or a fine or both.

I hereby certify and declare, under penalty of perjury, that all of the foregoing statements are, to the best of my knowledge and belief, true, correct and complete.

Mortgagor \_\_\_\_\_

Mortgagor \_\_\_\_\_

STATE OF \_\_\_\_\_ )

) ss

COUNTY OF \_\_\_\_\_ )

Sworn to before me, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Notary \_\_\_\_\_

My Commission Expires: \_\_\_\_\_



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# **FORM 560**

## **NOTICE TO MORTGAGORS**

- **Used only with FHA, VA, RD loans.**
- **Explains restrictions on re-sale of property, renting property, etc. as they pertain to Government insured loans.**
- **Not recorded with Deed of Trust.**

**Notice to Mortgagors**  
**(For FHA, VA and FmHA Loans)**

Your home purchase is being financed with a mortgage made available with the assistance of the Missouri Housing Development Commission (the "Commission"). This mortgage is made at an interest rate below what is usually being charged. Because of this, your mortgage provides that you cannot sell your home to a person ineligible for assistance from the Commission, unless you pay your loan in full.

If you have applied for an FHA, VA or rural development loan and you sell your home to a party ineligible for the Commission's assistance, the lender may demand immediate full repayment of the loan. This could result in foreclosure of your mortgage and repossession of the property. In addition, if you rent the property or committed fraud or intentionally misrepresented yourself when you applied for the loan, the lender may foreclose your mortgage and repossess the property. If the lender takes your home through a foreclosure of the mortgage because of these reasons, HUD will not be able to help you.

If the money received from the foreclosure sale is not enough to pay the remaining amount of money you owe on the loan, the lender may obtain a deficiency judgment against you (a court ruling that you must pay whatever money is still owed on the loan after the foreclosure sale). Such judgment will be taken over by HUD if the lender files an insurance claim against HUD because of the foreclosure. HUD may then bring an action against you to collect the judgment.

Your mortgage loan is assumable only if (1) I have an FHA, VA or Rural Development loan; (2) the buyer of my home meets any qualifying conditions required by HUD; and (3) I sell the residence at a price which is not greater than the "maximum purchase price limit" established by the Commission at the time of resale for an "existing residence" (i.e., a residence which has been previously occupied).

If you have applied for a Conventional loan, your loan is not assumable under any circumstances and the loan must be repaid in full upon the sale of the property.

SECTION 150(b)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, PROHIBITS THE DEDUCTION OF INTEREST ON YOUR MORTGAGE BY YOU FOR FEDERAL INCOME TAX PURPOSES IF THERE IS A CONTINUOUS PERIOD OF ONE YEAR OR MORE IN WHICH YOUR HOME IS NOT THE PRINCIPAL RESIDENCE OF AT LEAST ONE OF THE MORTGAGORS WHO RECEIVED THE MORTGAGE FINANCED WITH THE ASSISTANCE OF THE COMMISSION. IN THAT EVENT, NO DEDUCTION WILL BE ALLOWED FOR INTEREST ON YOUR MORTGAGE WHICH ACCRUES ON OR AFTER THE DATE SUCH PERIOD BEGAN.

\_\_\_\_\_  
Date \_\_\_\_\_ Mortgagor

\_\_\_\_\_  
Date \_\_\_\_\_ Mortgagor



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# FORM 570

## ADDENDUM TO NOTE

- **Attach to copy of the executed mortgage note.**
- **Explains the consequences of transferring property to buyer that does not meet the guidelines of the First Place program.**
- **Original goes to master servicer.**



**Addendum to Note**  
(Must be attached to the First Note.)

The following Addendum is made the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and is incorporated into and shall be deemed to amend and supplement the Note, dated of even date herewith, given by the undersigned (herein "Mortgagor").

The Lender may declare all sums secured by this mortgage to be immediately due and payable if:

- (a) all or part of the property is sold or otherwise transferred (other than by devise, descent or operation of law) without the Lender's prior written consent by Mortgagor to a purchaser or other transferee:
  - (i) who cannot reasonably be expected to occupy the property as a principal residence within a reasonable time after the sale or transfer, all as provided in Sections 143© and 143(I)(2) of the Internal Revenue Code; or
  - (ii) who has had a present ownership interest in a principal residence during any part of the three-year period ending on the date of the sale or transfer, all as provided in Sections 143(d) and 143(I)(2) of the Internal Revenue Code; or
  - (iii) at an acquisition cost which is greater than 90 percent of the average area purchase price, all as provided in Sections 143(e) and 143(I)(2) of the Internal Revenue Code;
  - (iv) who has Family Income in excess of the Maximum Family Income established by the Missouri Housing Development Commission under its applicable regulations or program guidelines in effect on the date of the sale or transfer; or
- (b) Mortgagor fails to occupy the property described in the mortgage; or
- (c) Mortgagor omits or misrepresents a material fact in an application for this mortgage or any documents executed in connection with mortgage.

References are to the Internal Revenue Code of 1986, as amended, in effect on the date of execution of the mortgage, and are deemed to include the implementing regulations.

IN WITNESS WHEREOF, Mortgagor has executed this Addendum.

\_\_\_\_\_  
Mortgagor

\_\_\_\_\_  
Mortgagor

**First Place MRB**

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# **FORM 580**

## **TAX-EXEMPT FINANCING RIDER**

- **This document explains that there is tax-exempt financing involved in the mortgage.**
- **This document is signed at closing and recorded with the Deed of Trust.**
- **Even a non borrowing spouse must sign this form along with the deed of trust. They cannot waive their marital rights.**

**Tax-Exempt Financing Rider**  
(Must be attached to the First Deed of Trust)

THIS TAX-EXEMPT FINANCING RIDER is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Note ("Note") to

("Lender") of the same date and covering the Property described in the Security Instrument and located at:

Street: \_\_\_\_\_  
City: \_\_\_\_\_  
County: \_\_\_\_\_ State: Missouri Zip Code: \_\_\_\_\_

In addition to the covenants and agreements made in the Security Instrument, borrower and lender further covenant and agree as follows:

Lender, or such of its successors or assigns may by separate instrument assume responsibility for assuring compliance by the Borrower with the provisions of this Tax-Exempt Financing Rider, may require immediate payment in full of all sums secured by this Security Instrument if:

- (a) All of part of the Property is sold or otherwise transferred (other than by devise, descent or operation of law) by Borrower to a purchaser or other transferee:
  - (i) Who cannot reasonably be expected to occupy the Property as a principal residence within a reasonable time after the sale or transfer, all as provided in Sections 143(c) and (1)(2) of the Internal Revenue Code; or
  - (ii) Who has had a present ownership interest in a principal residence during any part of the three-year period ending on the date of the sale or transfer, all as provided in Sections 143(d) and (1)(2) of the Internal Revenue Code (except that "100 percent" shall be substituted for "95 percent or more" where the latter appears in Section 143(d)(1)); or
  - (iii) at an acquisition cost which is greater than 90 percent of the average area purchase price (greater than 110 percent for targeted area residences), all as provided in Section 143(e) and (1)(2) of the Internal Revenue Code; or
  - (iv) Who has a gross family income in excess of applicable median family income as provided in Sections 143(f) and (1)(2) of the Internal Revenue Code; or
- (b) Borrower fails to occupy the Property described in the Security Instrument without prior written consent of Lender or its successors or assigns described at the beginning of this Tax-Exempt Financing Rider; or
- (c) Borrower omits or misrepresents a fact that is material with respect to the provisions of Section 143 of the Internal Revenue Code in an application for the loan secured by this Security Instrument.

References are to the 1986 Internal Revenue Code in effect on the date of execution of the Security Instrument and are deemed to include the implementing regulations.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions in this Tax-Exempt Financing Rider.

Borrower: \_\_\_\_\_

Co-Borrower: \_\_\_\_\_

Non-Borrowing Spouse: *(if applicable)* \_\_\_\_\_



TOTAL PROJECTED GROSS INCOME			
	Borrower Monthly Income	Co-Borrower Monthly Income	Total Monthly Income
Gross Pay			\$0.00
Overtime			\$0.00
Part-time Employment			\$0.00
Commissions			\$0.00
Bonuses			\$0.00
Dividends			\$0.00
Interest			\$0.00
Royalties			\$0.00
Pensions			\$0.00
VA Compensation			\$0.00
Net Rental Income			\$0.00
Alimony			\$0.00
Child Support			\$0.00
Public Assistance			\$0.00
Sick Pay			\$0.00
Social Security Benefits			\$0.00
Unemployment Comp.			\$0.00
Income Received-Trusts			\$0.00
Income-Business Activity			\$0.00
Investment Income			\$0.00
			\$0.00
			\$0.00
Total Projected Monthly Gross Income:			\$0.00
		X 12	\$ 0.00
<b>TOTAL PROJECTED ANNUAL HOUSEHOLD INCOME:</b>			0.00

Note: Do not include persons who co-sign a mortgage loan, provided such persons are not acquiring a present ownership interest in the property securing the mortgage loan. However, the income of a co-signor who will live in the residence to be financed by the mortgage loan must be included.

**Please explain how the income was figured and be certain to include the VOE and any other documentation that was used to figure the income calculations.**

## Form 590: Income Calculation Worksheet

Used to calculate income for occupants of household.

### Common Mistakes:

- Explanation not given on how income was calculated.
- Worksheet missing from file



### CERTIFICATION OF ZERO INCOME FOR CHILDREN

(To be signed by custodial parent only)

Borrower's Name: \_\_\_\_\_

Property Address: \_\_\_\_\_

I, \_\_\_\_\_ hereby certify that I do not receive income from any of the following sources:

1. Child Support (whether ordered or not ordered by the court);
2. Social Security payments;
3. Disability payments;
4. Public assistance payments;
5. Any other source not named above.

For the following child(ren):

_____	_____
_____	_____
_____	_____

There is no imminent change expected in my income during the next 12 months.

Under penalty of perjury, I certify that the information in this certification is true and accurate to the best of my knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud.

\_\_\_\_\_  
**Signature of Custodial Parent** **Date**

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ ) ss

Sworn to before me, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Notary

My Commission Expires: \_\_\_\_\_



**First Place MRB**

**Next Step TBA**

**Mortgage Credit Certificate**

# **FORM 575**

## **CO-SIGNORS AFFIDAVIT**

- **Co-Signers cannot take title.**
- **No co-signer information is required or considered.**
- **Anyone taking title or occupying the property will be considered a co-borrower, and must meet all MHDC qualifications.**
- **“Co-Signer” must be typed beneath the signature line on the note & addendum to note.**
- **Co-Signer Affidavit must be signed.**







SPOUSE

Form #550-2

**MISSOURI HOUSING DEVELOPMENT COMMISSION  
QUALIFIED MORTGAGE REVENUE BOND  
WAIVER OF MARITAL RIGHTS SUPPLEMENTAL AFFIDAVIT**

[Note: This affidavit may not be used if husband and wife reside or intend to reside together in the residence being assisted with the MRB. In such cases, both husband and wife must execute all MRB-CAP documents and meet all MRB-CAP eligibility rules.]

STATE OF \_\_\_\_\_ )  
 ) ss  
COUNTY OF \_\_\_\_\_ )

I, the undersigned, being first duly sworn, state that, as of the date of this affidavit, I am lawfully married to \_\_\_\_\_ [name of spouse].

I understand that \_\_\_\_\_ [name of spouse] has applied for a loan to be funded by a Mortgage Revenue Bond issued by the Missouri Housing Development Commission through \_\_\_\_\_ [name of lender] in connection with his/her acquisition of a principal residence located at:

Street: \_\_\_\_\_

City: \_\_\_\_\_ State: **MISSOURI** Zip: \_\_\_\_\_

I hereby certify that I have executed a Waiver of Marital Rights with respect to said residence and that I will not reside in said residence and do not now reside in the same place as \_\_\_\_\_ [name of spouse].

Signature of Spouse \_\_\_\_\_

Typed Name: \_\_\_\_\_

Current Address: \_\_\_\_\_

Phone Number: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

Sworn to before me, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

My Commission Expires: \_\_\_\_\_ Notary \_\_\_\_\_

Form #550-2 page 2

**This form is used in cases where the borrower and spouse have separated and do not intend to reside together.**

**Non-occupying spouse signs this form.**





Form #593

920 Main Street, Suite 1400  
Kansas City, MO 64105  
Phone – 816-759-6600  
Fax – 816-759-6803  
[www.mhdc.com](http://www.mhdc.com)

DATE \_\_\_\_\_

LENDER: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY, STATE ZIP \_\_\_\_\_

Re: **Missouri Cash Assistance Loan (CAL)**

Legally Enforceable Obligation Letter  
For HUD ML 2013-14 and HUD Handbook 4155.1 5.B.5. a  
Gift Letter

Borrower(s):

Property Address:

City:

State: **Missouri**

Zip Code:

DPA Amount: \$ 0.00

First Mortgage Loan Amount:

First Mortgage Loan #

Please be advised that Missouri Housing Development Commission (MHDC), a governmental entity as recognized by the U.S. Department of Housing and Urban Development (HUD) and the Federal Housing Administration (FHA), is providing down payment/closing cost assistance, which is to be used in conjunction with the First Mortgage Loan originated through MHDC's First Time Homebuyer Program. Additional terms of the assistance are provided below:

- No interest will be charged.
- Repayment is deferred.
- The MHDC's CAL is forgiven after ten years.

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Borrower Signature

\_\_\_\_\_  
Date

Christopher Hendrickson  
Homeownership Manager





Form #594

**FHA DPA Commitment Form  
For Use only with FHA First  
Mortgage Loan Commitments**

The Missouri Housing Development Commission (MHDC) hereby agrees to provide its own funds for the downpayment assistance (DPA) loan as stated below in connection with the associated first mortgage and has a legally enforceable obligation to provide those DPA funds.

**Lender must print and complete this form and place it with MHDC Form 593 (MHDC Gift Letter) on the right side of the endorsement binder with Asset Verification documentation needed to close.**

\_\_\_\_\_  
Commitment Date      Est Closing Date      MHDC Loan Number

\_\_\_\_\_  
Lender Name

\_\_\_\_\_  
First Place CAL Program      \_\_\_\_\_  
DPA Program      DPA Loan Amount

\_\_\_\_\_  
Borrower Name      \_\_\_\_\_  
Co-Borrower Name

\_\_\_\_\_  
Property Address      \_\_\_\_\_  
City

\_\_\_\_\_  
Christopher Hendrickson  
Homeownership Manager



Form # 355  
Page 1 of 3

**Mortgage Credit Certificate Program**  
**Missouri Housing Development Commission**  
**Non-Targeted Properties**

**Notice to Mortgagor of Information Regarding Potential Recapture Tax**

Because you are receiving a Mortgage Credit Certificate with your mortgage loan, you are receiving the benefit of a credit against your federal income taxes. If you sell or otherwise dispose of your home during the next nine years, this benefit 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.**

You may wish to consult a tax advisor or the local office of the Internal Revenue Service at the time you sell your home to determine the amount, if any, of the recapture tax. Along with this notice, you are being given additional information that will be needed to calculate the recapture tax.

**Notice to Mortgagor of Maximum Recapture Tax and of Method to Compute Recapture Tax on Sale of Home**

**A. Introduction**

**1. General.** When you sell your home you may have to pay a recapture tax as calculated below. 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 includes other ways of disposing of your home. For instance, you may owe the recapture tax if you give your home to a relative.

**2. Exceptions.** In the following situations, no recapture tax is due and you do not need to do the calculations:

- (a) You dispose of your home later than nine years after you close your mortgage loan;
- (b) Your home is disposed of as a result of your death;
- (c) You transfer your home either to your spouse or to your former spouse incident to divorce and you have no gain or loss included in your income under section 1041 of the Internal Revenue Code; or
- (d) You dispose of your home at a loss.

**B. Maximum Recapture Tax.** The Maximum Recapture Tax that you may be required to pay as an addition to your federal income tax is \$ 0.00. This amount is 6.25% of the highest principal amount of your mortgage loan and is your federally subsidized amount with respect to the loan.

**C. Actual Recapture Tax.** The actual recapture tax, if any, can only 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 by multiplying the following three numbers:

- (i) \$ 0.00 (the Maximum Recapture Tax, as described in paragraph B above),
- (ii) The Holding Period Percentage, as listed in Column 1 in the Table below, and
- (iii) The Income Percentage, as described in paragraph D below.

**D. Income Percentage.** You calculate the income percentage as follows:

- (i) Subtract the applicable adjusted qualifying income in the taxable year in which you sell your home, as listed in Column 2 in the Table, 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.

- (ii) If the amount calculated in (i) above is zero or less, you owe no recapture tax and do not need to make any more calculations. If it is \$5,000 or more, your income percentage is 100%. If it is greater than zero but less than \$5,000, it must be divided by \$5,000. 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%.

**E. 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 the 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.

**F. Mortgagor and Residence Information.**

<b>1. Mortgagors Name:</b> _____
<b>SS#:</b> _____
<b>Co Mortgagors Name:</b> _____
<b>SS#:</b> _____
<b>2. Date of Closing of Mortgage Loan:</b> _____
<b>3. Address of residence:</b> _____
<b>4. Principal amount of Mortgage Loan on date of closing: \$</b> _____

See the following table for your county's ( \_\_\_\_\_ )  
Adjusted Qualifying Income Limits:

**Retain a copy of this notice with your loan closing documentation.**



<b>For Non-Targeted Properties</b>  For the property located at:  County of:		<b>Columbia MSA</b> <i>Counties:</i> Boone		<b>Jefferson City MSA</b> <i>Counties:</i> Cole Osage		<b>Kansas City MSA</b> <i>Counties:</i> Caldwell Cass Clay Clinton Jackson Lafayette Platte Ray		<b>St. Louis MSA</b> <i>Counties:</i> Franklin Jefferson Lincoln St. Charles St. Louis City St. Louis County Warren		<b>Missouri, all other areas</b> <i>Counties not located within the Columbia, Jefferson City, Kansas City or St. Louis MSA as noted to the left.</i>	
		<b>Adjusted Qualifying Income</b> Number of Family Members Living in Your Home at the Time of Sale		<b>Adjusted Qualifying Income</b> Number of Family Members Living in Your Home at the Time of Sale		<b>Adjusted Qualifying Income</b> Number of Family Members Living in Your Home at the Time of Sale		<b>Adjusted Qualifying Income</b> Number of Family Members Living in Your Home at the Time of Sale		<b>Adjusted Qualifying Income</b> Number of Family Members Living in Your Home at the Time of Sale	
<b>Date That You Sell Your Home</b> <i>(Closing being the date of your loan)</i>	<b>Holding Period %</b>	<b>2 or Less    3 or more</b>		<b>2 or Less    3 or more</b>		<b>2 or Less    3 or more</b>		<b>2 or Less    3 or more</b>		<b>2 or Less    3 or more</b>	
		Before the first anniversary of closing (See note below)	20%	88,000	101,200	82,700	95,105	96,800	111,320	94,900	109,135
On or after the first anniversary of closing, but before the second anniversary of closing	40%	92,400	106,260	86,835	99,860	101,640	116,886	99,645	114,591	84,945	97,686
On or after the second anniversary of closing, but before the third anniversary of closing	60%	97,020	111,573	91,176	104,853	106,722	122,730	104,627	120,320	89,192	102,570
On or after the third anniversary of closing, but before the fourth anniversary of closing	80%	101,871	117,151	95,734	110,095	112,058	128,866	109,858	126,336	93,651	107,698
On or after the fourth anniversary of closing, but before the fifth anniversary of closing	100%	106,964	123,008	100,520	115,599	117,660	135,309	115,350	132,652	98,333	113,082
On or after the fifth anniversary of closing, but before the sixth anniversary of closing	80%	112,312	129,158	105,546	121,378	123,543	142,074	121,117	139,284	103,249	118,736
On or after the sixth anniversary of closing, but before the seventh anniversary of closing	60%	117,927	135,615	110,823	127,446	129,720	149,177	127,172	146,248	108,411	124,672
On or after the seventh anniversary of closing, but before the eighth anniversary of closing	40%	123,823	142,395	116,364	133,818	136,206	156,635	133,530	153,560	113,831	130,905
On or after the eighth anniversary of closing, but before the ninth anniversary of closing	20%	130,014	149,514	122,182	140,508	143,016	164,466	140,206	161,238	119,522	137,450

**The undersigned Mortgagor(s) hereby acknowledge receipt of this Notice:**

**Borrower:** \_\_\_\_\_  
Date

**Co-Borrower:** \_\_\_\_\_  
Date



## RETAINING FORM 355/555

- **Buyer must retain this form until they sell their home.**
- **Page 3 chart will be needed if their home is sold in the first nine years of ownership.**



# CONCLUSION

- All MHDC Program Forms can be found at <https://lenderonline.mhdc.com>
- The file submission check sheet and guide (Form 305/505/705) is your checklist and roadmap.
- All MHDC forms can be signed electronically but live notarization will require wet signatures on forms requiring a notary.