



**2. OTHER REAL ESTATE OWNED**

I will not at the time of the loan closing date have an ownership interest in any real estate other than the property securing the mortgage loan except for the following:

- Vacant land,
- A property that is unsuitable for year-round occupancy and was never occupied as a residence.
- Commercial or industrial property that has no residential units,
- Named on the deed of a parental home that is currently being occupied by a living parent(s) that I have not resided in as my principal property nor claimed any tax benefit for.

**3. NEW MORTGAGE REQUIREMENT AND USE OF PROCEEDS**

No part of the proceeds of the mortgage loan will be used directly or indirectly to repay any existing loan made in connection with the property, except construction loans, bridge loans or similar temporary initial financing having a term of twenty-four (24) months or less.

**4. INCOME COMPLIANCE (Federal Act Income)**

- A. I acknowledge that for the most recent tax year I filed, I must furnish the lender with a copy of my as-filed Federal Income Tax Return with all amendments signed by me and the applicable W2s, or transcripts of my Federal Income Tax Return obtained directly from the IRS. If required, I will provide tax returns for additional years.
- B. I have disclosed all sources of income to the lender, including any known increases in income expected to occur within sixty (60) days after closing. Sources of income that must be disclosed, include but are not limited to gross base pay, overtime, part-time or second income, bonuses, dividends, interest income, disability, social security, unemployment, pension, rental income, alimony, child support, self-employment or public assistance and all income of a non-borrowing spouse.
- C. I acknowledge the combined total gross income of all borrowers and any non-borrowing spouse, and the purchase of the property (acquisition cost) does not exceed the program maximum limits established by VHFA shown below:

| <b>Standalone MCC Maximum Income and Purchase Price Limits</b>  |                                       |                                      |  |  |
|---|---------------------------------------|--------------------------------------|--|--|
| <b>AREA</b>   | <b>Maximum Income<br/>1-2 Persons</b> | <b>Maximum Income<br/>3+ Persons</b> | <b>Maximum<br/>Purchase Price<br/>1-Unit</b> | <b>Maximum<br/>Purchase Price<br/>2-Unit</b> |
| Addison, Bennington, Windsor  | \$110,000                             | \$130,000                            | \$450,000                                    | \$500,000                                    |
| Caledonia, Chittenden, Essex, Franklin,<br>Grand Isle, Lamoille, Orange, Orleans,<br>Rutland, Windham | \$120,000                             | \$140,000                            | \$450,000                                    | \$500,000                                    |
| Washington  | \$125,000                             | \$145,000                            | \$450,000                                    | \$500,000                                    |

**5. FIRST-TIME BUYER REQUIREMENT**

I acknowledge that to meet the eligibility requirement to purchase in the county of **Addison, Bennington, Chittenden, Grand Isle or Windsor**, I have NOT held an ownership interest in or received a spousal benefit from a principal residence (at any location) in the most recent 36 months. This first-time homebuyer requirement does NOT apply if:

- The property being purchased is in any other Vermont county; OR,
- At least one borrower served in active duty and was other than dishonorably discharged from the armed services and meets the definition of veteran and has provided such evidence to the lender.

**6. FEDERAL RECAPTURE TAX**

I understand that I may be subject to a Federal Recapture Tax. There is no way to predict if I will owe any Recapture Tax since it is based on how long I own the home, my income and family size at the time I sell or dispose of the property and the amount of profit on the sale, if any. I am required to pay a Federal Recapture Tax at the time I sell or dispose of the property only if all the following are met:

- A. The property is sold within nine (9) years from the loan closing date of the mortgage loan, **AND**

- B. My income exceeds limits that are set for the year in which I sell the property and family size. These are not the same limits used for mortgage loan approval. It is my income for the year in which I sell or dispose of the property that determines if I am liable for Federal Recapture Tax, **AND**
- C. At the time the property is sold or disposed of, if I make a profit, I may be subject to the Federal Recapture Tax based on the lesser of 6.25% of the original mortgage loan amount or 50% of the profit received from the sale of my home.

NOTE: This program is **not** eligible for VHFA recapture tax reimbursement.

**7. CONSENT TO DISCLOSURE**

I consent to the disclosure of my/our nonpublic personal information to Vermont Housing Finance Agency, its underwriters and servicers who may be unaffiliated third parties for purposes of doing all things related to the mortgage loan for which I have applied, including, but not limited to, regulatory compliance, origination, purchasing and servicing.

**8. MISCELLANEOUS REPRESENTATIONS AND WARRANTIES**

- I certify that no portion of the financing of the acquisition of the property is or will be provided from the proceeds of a qualified mortgage bond or a qualified veteran’s mortgage bond. No portion of the mortgage for the residence has been provided by person related to me (as defined pursuant to Section 1.25 3T(n)), or has or is expected to have, an interest as a creditor in the mortgage loan being acquired for the property.
- I understand and agree that if an MCC is issued to me, it cannot be transferred or assumed.
- I understand and agree that I may seek financing from any lender of my choosing provided that the lender has signed the Lender Participation Agreement required by VHFA and that I am in no way prohibited from seeking financing from any particular lender, so long as the lender executes and complies with the terms of the Lender Participation Agreement.
- I acknowledge and understand that this Affidavit will be relied upon for purposes of determining my eligibility for an MCC. In addition, any material misstatement or false statement which affects my eligibility for an MCC will result in denial of my application for an MCC, or, if an MCC has been issued prior to discovery of the false statement, cause immediate cancellation of the MCC issued as a result thereof.
- I further acknowledge that if any information or certification I provide contains a material misstatement which is due to fraud, then any MCC issued will automatically become null and void without any need for further action on the part of VHFA.

**9. REPRESENTATIONS TRUE AND CORRECT**

I declare UNDER PENALTY OF PERJURY that the foregoing representations are true and correct and understand that if I made any material misstatements or omissions in the foregoing representations, it is possibly a criminal offense.

\_\_\_\_\_  
Borrower Name

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Non-Borrowing Spouse

\_\_\_\_\_  
Non-Borrowing Spouse

**Lender verification:**

The Lender declares that the foregoing certifications were reviewed by each borrower and any non-borrowing spouse, and each borrower and any non-borrowing spouse acknowledged that review as evidenced by the signature above.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Title)

Lending Institution: \_\_\_\_\_