



STATE OF MICHIGAN

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

RICK SNYDER
GOVERNOR

GARY HEIDEL
EXECUTIVE DIRECTOR

MEMORANDUM

October 10, 2011

TO: All NSP1 and NSP2 Grantees

FROM: Renee Conklin, HOME/CDBG Program Specialist
Community Development Division

RE: Homebuyer Certification and Program Agreement and
Revised/Obsolete Policy Bulletins

Attached please find a new form that HUD has suggested we incorporate into all federally-funded homebuyer programs immediately. The purpose of these forms is to insure that recipients are fully aware of all program requirements prior to accepting the federal assistance.

From this point forward, this form must be completed for all homebuyer programs. The forms will be tracked and retained in the same manner as the lien documents required for your programs as follows:

- **Homebuyer Programs (any funding source):** Lien documents are between MSHDA and the homebuyer. The original Homebuyer Certification Form must be forwarded to MSHDA along with the original of the recorded Mortgage and original executed Note securing the homebuyer assistance.

Changes will eventually be made to OPAL to allow for the tracking of the receipt of this document.

This form is Attachment D to newly revised Policy Bulletin #16. In addition, be advised that Policy Bulletin #9 has been revised and Policy Bulletin #20 is now obsolete since information is covered in PB #9 and PB #16. These documents describe eligibility and lien requirements.

Please begin using this form immediately and forward it to MSHDA per the instructions above.

Attachment

HOMEBUYER CERTIFICATION AND PROGRAM AGREEMENT

Persons receiving assistance with the purchase of a property through MSHDA's Housing Resource Fund or Neighborhood Stabilization Program must sign below to certify their understanding and acceptance of the following:

1. The Loan (mortgage and note) is a lien against the property.
2. The Loan bears no interest.
3. The Loan is NOT a grant or gift.
4. All or a portion of the Loan may be due and payable, pursuant to the terms of the Note, upon the sale, transfer or conveyance of the property and/or upon the death of Homeowner and/or when the property is no longer the Homeowner's principal place of residence.
5. The following terms and conditions remain in effect for the full affordability period, even if the lien is discharged due to early repayment:
 - The Homeowner must occupy the property as their principal place of residence.
 - No portion of the property may be rented (unless licensed as a 2-4 unit rental prior to seeking assistance). The owner must occupy one of the units.
 - The owner must occupy one of the units.
 - The property may not be used for any illegal activity.
 - The property must be insured at all times.
 - The Homeowner must keep real estate taxes paid at all times.
 - The Homeowner must keep all mortgage payments (if any) up to date and paid on time.
 - The Homeowner must keep the home in reasonably good repair.
 - The Homeowner must keep all debris to a minimum to reduce fire, health and safety hazards.
 - The Homeowner must keep **Grantee Name** informed as to any changes in the above.

I/We, being the purchaser of the property located at _____, hereby certify my/our understanding and acceptance of the above-written program requirements.

HOMEBUYER(S)

Date: _____

Insert Printed Name of signature above

Date: _____

Insert Printed Name of signature above

GRANTEE NAME

Date: _____

Insert Printed Name of Program Administrator and Title

