

CHIPPEWA - LUCE - MACKINAC

**COMMUNITY ACTION
HUMAN RESOURCE AUTHORITY, INC.**

POST OFFICE BOX 70
SAULT STE. MARIE, MICHIGAN 49783-0070
PHONE (906) 632-3363 FAX (906) 632-4255



Serving These
Upper Michigan
Counties:
Chippewa
Luce
Mackinac

Dear Applicant:

Thank you for your interest in the Luce County Homeowner Rehabilitation Program. Enclosed is the application. Please fill in all information requested on page two and three. Do not sign or date the application until your office appointment. Other items needed with the application are the following:

- Proof of income – current pay stubs; Self-employed persons must furnish Income Tax information for the last two years; Social Security recipients – current monthly amounts.
- Proof of ownership – deed, purchase agreement, etc.
- Property tax receipts for the last two years.
- Proof of homeowners insurance.
- List of repairs to be completed.


NOTE: Lead Paint Regulations. If your home was built before 1978 and the rehabilitation activities will disturb a painted surface, a lead inspection will need to be done to determine if lead paint exists in the home.

This program is governed by family size and income. Also, the home must be owner occupied. Rental units are not eligible. Mobile homes are eligible provided they are anchored with the axles and tongue removed. A guideline sheet will be provided for mobile home owners.

You may receive information on further program guidelines by calling toll-free 1-800-562-4963, or (906) 440-9338.

When the above items have been completed, please call the Community Action office to begin the process of developing your Job Order Sheet for bidding purposes.

Sincerely,


Eric Rowell
Agency Administrator

Enclosure

Equal Opportunity Employer and Provider / TDD 1-800-649-3777

• Community Development • Human Resources • Transportation • Head Start/Preschool • Senior Citizens • Housing • Energy • Weatherization •

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES
 MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
 401 SOUTH WASHINGTON SQUARE, PLAZA ONE BUILDING
 P.O. BOX 30044
 LANSING, MICHIGAN 48909

BORROWER CREDIT APPLICATION
PROPERTY IMPROVEMENT LOAN
 EQUAL HOUSING LENDER

This application is submitted to obtain credit under the provisions of Title I of the National Housing Act (P.L. 479, 48 Stat., U.S.C. 1701 et seq.) and the Michigan State Housing Development Authority (MSHDA) Act (P.A. 346 of 1966, as amended). Only "DIRECT LOANS" may be submitted.

Privacy Act Notice - The information requested in this form is to be used by the Department of Housing and Urban Development (HUD) in the accounting of Title I loans and in the monitoring of Title I funds. It will not be disclosed or released outside of HUD, MSHDA, and the Lending Institution which will provide the funds except as required and permitted by law. You do not have to give us this information, but, if you do not provide the information necessary to make an evaluation of credit worthiness, your application may be delayed or rejected. The Department of HUD is authorized to ask for this information by Title I, Section 2 of the National Housing Act (48 Stat., 1246, 12 U.S.C. 1701 et seq.).

General Information - Applicants are required to provide their social security number. The answers to questions relating to marital status, race, and sex are voluntary and are requested solely for the purpose of determining compliance with Federal Civil Rights law, and your response will not affect consideration of your application. By providing this information, you will assist us in assuring that this program is administered in a nondiscriminatory manner.

THE LOAN AMOUNT THAT I/WE ARE APPLYING FOR IS \$ _____, TO BE REPAYED OVER _____ MONTHS.

Ethnicity (Please enter "B" for Borrower and "CB" for Co-Borrower, if any): White _____; Black _____;
 American Indian/Alaskan Native _____; Asian/Pacific Islander _____; Hispanic _____; or Other _____.

1. Do you have any past due obligations, including student loans, owed to or insured by any agency of the Federal Government (If "Yes", you are not eligible to apply for an FHA Title I loan until the existing debt has been brought current)? Yes No

2. Do you have any other application for an FHA Title I insured loan pending at this time? Yes No

3. Do you have any unsatisfied collections or judgments (If "Yes", applicant will have to pay any balances in full if this loan request is approved by MSHDA)? Yes No

4. In the last 3 years, have you been declared bankrupt? Yes No

5. Are you a party in a pending lawsuit? Yes No

6. Has your property been foreclosed upon in the last seven years? Yes No

7. Are you physically disabled? Yes No

(Applicant, please continue on page 2)

Explain any "Yes" answers (items 2 through 6) on separate sheet.

This Section to be completed only by Community Agent and/or Lender:

BORROWER'S NAME(S) _____

PIP AGENT'S NAME _____ PHONE () _____

COMMUNITY NAME _____ I.D. # _____

TOTAL OF PROPOSED IMPROVEMENTS \$ _____

LESS: CDBG \$ _____

HOME \$ _____

OTHER \$ _____

BALANCE (if any) FOR PIP LOAN \$ _____

PLUS: MSHDA 4% (\$200 minimum - \$800 maximum) \$ _____

LOAN AMOUNT REQUESTED \$ _____

TERM _____ (MONTHS); INTEREST RATE _____ %; PAYMENT \$ _____

LENDER'S NAME _____ I.D. # _____

ADDRESS _____

CONTACT PERSON _____ PHONE () _____

PLEASE ANSWER ALL QUESTIONS

Address of property to be improved (<i>street/city/state/zip code</i>):	County:
Property Type: <input type="checkbox"/> Single Family <input type="checkbox"/> Manufactured Home <input type="checkbox"/> Multi-unit building. List number of units: _____ (check one) (Permanently Attached) (buildings containing over 11 units not eligible)	
Owner occupied (<i>yes or no</i>): _____ Year dwelling built: _____	

BORROWER	CO-BORROWER
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Name _____	Name _____
Birth Date _____ Social Sec. # - -	Birth Date _____ Social Sec. # - -
Present address (<i>if different from above</i>)	
Street _____	Street _____
City/State/ZIP _____	City/State/ZIP _____
Number of years _____ Phone # () _____	Number of years _____ Phone # () _____
Former address (<i>if less than 2 years at present address</i>)	
Street _____	Street _____
City/State/ZIP _____	City/State/ZIP _____
Years at former address _____ <input type="checkbox"/> Own <input type="checkbox"/> Rent	Years at former address _____ <input type="checkbox"/> Own <input type="checkbox"/> Rent
<input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried <input type="checkbox"/> Male <input type="checkbox"/> Female <i>(incl. single, divorced, widowed)</i>	<input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried <input type="checkbox"/> Male <input type="checkbox"/> Female <i>(incl. single, divorced, widowed)</i>
Total number in household (<i>including you</i>) _____ Ages _____	Total number in household (<i>if not listed by Borrower</i>) _____ Ages _____
Name and address of employer _____ <input type="checkbox"/> Self-employed <i>(two years tax returns, P&L statement, plus balance sheet for current year).</i>	Name and address of employer _____ <input type="checkbox"/> Self-employed <i>(two years tax returns, P&L statement, plus balance sheet for current year).</i>
No. of years _____	No. of years _____
Phone () _____ Position: _____	Phone () _____ Position: _____
Name & address of nearest relative not living with you:	
Relationship _____ Phone () _____	Relationship _____ Phone () _____

GROSS MONTHLY INCOME:		CO-		BANK: ACCOUNT #
Regular Work	BORROWER	BORROWER	TOTAL	NAME & ADDRESS
Income	\$ _____	\$ _____	\$ _____	CHECKING <input type="checkbox"/> YES <input type="checkbox"/> NO SAVINGS <input type="checkbox"/> YES <input type="checkbox"/> NO
Social Security	_____	_____	_____	
Interest Income	_____	_____	_____	
Other Income	_____	_____	_____	
TOTAL	\$ _____	\$ _____	\$ _____	

Describe any other income for <i>all adult household members</i> 18 years or older:			Monthly Income
If employed in current position for less than two years, complete the following:			Monthly Income
Previous employer	City/State/ZIP	Phone #	Dates: From/To

DEBTS:
 LIST ALL DEBTS (if more space is needed, list on attached sheets). IF NO OUTSTANDING DEBT, LIST THREE PREVIOUS CREDIT REFERENCES (such as telephone, electricity, etc.) AND INCLUDE COPIES OF RECENT BILLINGS.

B=Borrower C=Co-borrower	Creditor's name, address, and account number	FHA-GOV. insured?	Original amt. of debt	Present balance	Monthly payment
	Auto lien holder(s):				
		Year and make(s):			
	Auto lien holder(s):				
		Year and make(s):			
Check one: <input type="checkbox"/> Mortgage <input type="checkbox"/> Land contract <input type="checkbox"/> None					
Payments made to:					
If not included in mortgage or land contract payment, enter the following:					
Property taxes (Total yearly amount including summer and winter tax divided by 12 months)					
Home owners insurance (Annual premium divided by 12 months)					
Amount paid for child care, child support, and/or alimony					
TOTAL OF MONTHLY OBLIGATIONS					

IMPROVEMENTS PLANNED (Copies of estimate(s) or itemized cost breakdown must also be attached). HUD requires completion of this box.

IMPORTANT, READ THIS BEFORE SIGNING:
 I/we certify that the above statements are true, accurate, and complete to the best of my/our knowledge and belief, and further certify, for owner occupied units only, that I/we have disclosed in this application the total income(s) of all adults who now are, or are reasonably expected to be, within 60 days of my/our receiving the loan applied for, members of the household. This application shall remain the property of the lending institution to which it is submitted and/or MSHDA. Verification may be obtained from any source including but not limited to those named in this application.
 I/we hereby consent to and authorize the lending institution, community agency, MSHDA, or HUD, after giving reasonable notice, to enter the improved property to determine that the improvements specified in this application have been completed. I/we understand that the selection of a contractor and acceptance of the materials used and the work performed is my/our responsibility, and neither the lender, community agency, MSHDA, or HUD guarantees the quality or workmanship of the improvements.
 I/we understand that it may be a federal crime punishable by fine or imprisonment, or both, to knowingly make and false statements concerning any of the above facts as applicable under the provisions of the United States Criminal Code.

Owner occupied units only: I/we have received a copy of the MSHDA Consumer Information Handbook. Borrower/Co-borrower initial here: _____

 BORROWER'S SIGNATURE DATE

 CO-BORROWER'S SIGNATURE DATE

The undersigned has reviewed and/or assisted the applicant(s) with this Credit Application in a face to face or telephone interview.

 INTERVIEWER'S NAME

 INTERVIEWER'S EMPLOYER

THIS SECTION TO BE COMPLETED BY COMMUNITY AGENCY/LENDING INSTITUTION

REQUIRED OF ALL LOAN APPLICATIONS (Answer each question [Y=yes, N=no]. If the answer is NO, please provide explanation):

- | | |
|---|--|
| 1. Ownership traced to last RECORDED warranty deed? _____ | 5. Proposed improvements appear eligible? _____ |
| 2. Copies of income tax returns (federal and Michigan with ALL schedules). ONE YEAR _____ TWO YEARS _____ | 6. Verified 3 years paid property taxes? _____ |
| 3. Form H-2 retained for Closing _____ | 7. Most recent 1 months paystubs? _____ |
| 4. S.S. No. verified? _____ App. _____ Co-App. _____ | 8. Cont. est./materials list agrees with H-3 total? _____ |
| | 9. Info. verified by: <input type="checkbox"/> Face to face <input type="checkbox"/> Phone |

EXPLANATORY NOTES:

10. Income Determination Area (Record computations used to determine gross household income here):

TOTAL YEARLY INCOME \$ _____ MONTHLY INCOME \$ _____

11. Credit Alert Number(s) (Numbers 11 through 15 completed only by Lender):

	BORROWER		CO-BORROWER
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12. Debt Reconciliation Area:

TOTAL MONTHLY PAYMENT FOR ALL DEBTS LISTED ON PAGE 3:	\$	
ADDITIONS/CORRECTIONS FROM CREDIT REPORT (LIST HERE)		
TOTAL OF MONTHLY DEBT	\$	

13. Debt to income calculation (Divide monthly debt by monthly income): _____%

Debt to income ratios of up to 45% are acceptable. Additionally, for owner occupied units only, higher ratios (not to exceed 55%) may be considered if the applicant has a credit score equivalent of 600 or better (property must be mortgaged).

14. If total package meets MSHDA underwriting guidelines, please forward in the following order (check off each item):

- | | |
|---|--|
| _____ A. CREDIT APPLICATION (H-1) | _____ E. INCOME VERIFICATION |
| _____ B. CREDIT REPORT | _____ F. PROPERTY TAX VERIFICATION |
| _____ C. CONTRACTOR WORKSHEET (H-3) | _____ G. COPY OF HAZARD INSURANCE POLICY |
| _____ D. CONTRACTOR'S EST. OR MAT. LIST | _____ H. PROOF OF HOME OWNERSHIP |

15. Loan processor's name _____ Date _____

NOTES:

**Luce County CDBG
Non-Diminishing Mortgage Lien**

The Luce County Community Development Block Grant Program (CDBG) will provide funds to low- and moderate-income homeowners for needed repairs and rehabilitation of their homes.

These CDBG funds are secured by placing a non-diminishing lien on the owner's property. The lien is a zero interest loan that must be repaid when the homeowner no longer lives in the home. Liens can be assumed by income-eligible heirs who will occupy the residence as their year-round residence with approval by the Grantee and the Michigan State Housing Development Authority (MSHDA).

MSHDA does discourage the subordination of liens resulting from Office of Community Development funded projects. This County does allow the subordination of liens **ONLY** for refinancing of existing debt from mortgage for rate and/or term improvement.

Part (or all) of the CDBG or HOME funds due at the time the property is sold may be forgiven with MSHDA prior approval, if the proceeds from the sale are insufficient to pay all superior liens and the CDBG/HOME lien.

I have read and received a copy of this Non-Diminishing Mortgage Lien statement:

Signature

Date