



Repair and Rehab Loans

Borrower's Affidavit and Agreement

Borrower Name: _____

Co-Borrower Name: _____

Property Address: _____ City: _____ Zip: _____

County Name: _____ Loan #: _____

You have applied to a lender (“**Participating Lender**”) for a Home R & R loan, or a Home R & R Plus loan (the “**Mortgage Loan**”) for the repair of a residence (“**Residence**”). If your application is approved, the Mortgage Loan will be originated by the Participating Lender and then sold to the Wisconsin Housing and Economic Development Authority (“**WHEDA**”).

Read this affidavit carefully to be sure the information provided is true and complete. If you are uncertain as to the meaning of any or statement, ask an authorized representative of the Participating Lender for an explanation. **You must complete all sections.** The Borrower and each Co-Borrower (whether one or more, collectively referred to in this document as (the “**Borrower**”) must sign this document.

As of the date this document is signed and the date on which the Mortgage Loan is originated, Borrower: (a) represents and warrants to Participating Lender, WHEDA, and every future owner of the Mortgage Loan that all of the information provided below is true, complete, and correct; and (b) agrees as provided below:

ELIGIBILITY OF THE BORROWERS

1. Listed below are the Borrower’s, and all other persons who intend to live in the Residence, including each person’s name, age, relationship to each Borrower, and current Gross Annual Income. Gross Annual Household Income is the total income from all sources (except those exclusions provided below), before taxes or withholdings, and includes income received on behalf of a dependent child or an adult dependent who will reside in the Residence. “Total Annual Household Income” is the total of the Gross Annual Income of all persons who intend to reside in the Residence, calculated in the manner required by Section 143(f)(2) of the IRS Code.

EXCLUSIONS from Gross Annual Income: Gifts, inheritances, out-of-pocket reimbursements, tuition reimbursements or something similar like an expense reimbursement, sales or liquidations of assets (other than a capital asset) such as a 401K or IRA withdrawal or a cash-out of an annuity or life insurance policy. The income from employment of children under the age of 18 years is not included in Gross Annual Income.

1.) Borrower and Co-Borrower to provide their full name, age and gross annual income and check the appropriate box "Borrower" or "Co-Borrower".

2.) For all other persons intending to occupy the subject property, list the full name, age, gross annual income (*earned or unearned*) and the type of relationship to each borrower. (*e.g., spouse, non-applicant spouse, son, daughter, stepson, stepdaughter, sister, brother, parent, friend, significant other, etc.*)

Full Name	Age	Borrower	Co-borrower	Gross Annual Income
Total Number of Household Occupants		Total Household Income		

ATTESTATIONS

2. I will occupy the Residence as my principal residence on a full-time basis. The Residence contains _____ dwelling units. I will not use more than 15% of the area of the Residence in a trade or business.
3. The Residence was constructed at least 40 years prior to the date of this affidavit.
4. The Residence has not been the subject of a claim for a state or federal historic rehabilitation tax credit and has not received financial assistance from tax increments generated by an active tax incremental district.
5. Mortgage Loan proceeds will be placed into an escrow account with the Participating Lender or title insurance company and funds will be paid directly to the contractors performing the work.
6. None of the proceeds of the Mortgage Loan will be used to finance any improvements undertaken prior to the closing of this Mortgage Loan or to refinance any existing mortgages or debt, or to complete an unfinished structure.
7. The proceeds of the Mortgage Loan will be used only for alterations, repairs, or improvements of a permanent nature, which will substantially protect or improve the basic livability or energy efficiency of the property. All improvements listed are eligible according to WHEDA guidelines. I must obtain written WHEDA approval for any changes to the proposed scope of work prior to the commencement of the work associated with the changes.
8. I certify that all improvements will be completed within six months from the closing date of the Mortgage Loan disbursement.
9. All work done with the Mortgage Loan proceeds will be completed in compliance with all applicable local, state, and federal building codes, laws and regulations. Building permits will be obtained when required.

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10. I authorize the Participating Lender and its agents, and WHEDA and its agents to inspect the Residence, and the work financed by the Mortgage Loan.
11. I understand that I must maintain in force a hazard insurance policy in an amount at least equal to all mortgage balances, which are secured by the property.
12. I am aware that any false statement or misrepresentation made in connection with this Borrower's Affidavit or the Mortgage Loan shall put the Note into default and may subject me to criminal and civil penalties under United States and Wisconsin law.
13. Each of the undersigned hereby acknowledges that any owner of the Mortgage Loan, its servicers, successors and assigns, may verify or re-verify any information contained in the application or obtain any information or data relating to the Mortgage Loan, for any legitimate business purpose through any source, including a source named in the application, this affidavit or a consumer reporting agency.
14. The Participating Lender, its agents, and WHEDA, and its agents have no liability, obligation or responsibility for an aspect of improvements being financed by the Mortgage Loan or for any failure to construct, complete, protect, or insure the improvements. Nothing the Participating Lender or its agents, or WHEDA, or its agents do (including inspecting the improvements or making an advance of Mortgage Loan proceeds) will be a representation or warranty that the improvements are completed or comply with the construction, contract between borrower and contractor, any documents associated with the Mortgage Loan, any permits or any applicable local, state, and federal building codes, laws and regulations.

Dated as of:

Borrower Signature

Co-Borrower Signature

Print Name

Print Name