

HFA OF MIAMI-DADE COUNTY COMPLIANCE FILE CHECKLIST

SERVICER LOAN NUMBER:

MCC NUMBER:

MORTGAGOR(S) Name:

LENDER NAME:

LENDER LOAN NUMBER:

PLEASE SUBMIT ONLY COMPLETE FILES IN AN ACCO-BOUND FILE FOLDER IN THE EXACT ORDER SHOWN BELOW. INCOMPLETE AND NON ACCO-BOUND FILES WILL BE RETURNED AT LENDER EXPENSE.

(If using only the HFA first mortgage loan with or without DPA, follow this column.)

OR

(If using the MCC as a stand alone product with your own first mortgage or with the HFA of Miami Dade first mortgage with or without DPA, follow this column.)

____ THIS CHECKLIST
 ____ **Compliance/Admin Fee** of \$225
 Corporate or Cashier Checks only made payable to eHousingPlus; please include Borrower name and Servicer Loan number on check.
 ____ **Check# or ACH Confirmation**
 ____ **ORIGINAL SIGNED Notices to Buyer**
 ____ **ORIGINAL SIGNED Affidavit/Certification**
 ____ COPY of Real Estate Purchase Contract
 ____ COPY of **Final Signed Loan Application-1003**
 ____ **COPY of Signed Settlement Statement –HUD1 for loan apps dated prior to 10-3-15 OR 10-3-15 & after COPY of Closing Disclosure**
 ____ COPY OF Warranty Deed
 ____ COPY OF Homebuyer Education Certificate
 ____ If Qualified Veteran, copy of Discharge/Release papers

____ THIS CHECKLIST
 ____ **Compliance/Admin Fee** of \$275
 Corporate or Cashier Checks only made payable to eHousingPlus; please include Borrower name and Servicer Loan number on check.
 ____ **Check# or ACH Confirmation**
 ____ **ORIGINAL SIGNED Notices to Buyers**
 ____ **ORIGINAL SIGNED Affidavit/Certification**
 ____ **IRS Income Tax Transcripts for past 3 yrs**
 ____ COPY of Real Estate Purchase Contract
 ____ COPY of **Final Signed Loan Application-1003**
 ____ **COPY of Signed Settlement Statement –HUD1 for loan apps dated prior to 10-3-15 OR 10-3-15 & after COPY of Closing Disclosure**
 ____ COPY OF Warranty Deed
 ____ COPY OF Homebuyer Education Certificate

**THE COMPLETE ACCO-BOUND COMPLIANCE FILE FOLDER IS SUBMITTED TO:
 eHousingPlus, 3050 Universal Blvd., Suite 190, Weston, FL 33331**

PLEASE NOTE: MORTGAGE FILE (IF USING THE HFA FIRST MORTGAGE LOAN), INCLUDING CREDIT PACKAGE IS SENT TO U S BANK.

The **Compliance/Admin Fee** is the fee charged by the Program Administrator/Compliance Agent to process the applicant/borrower from Origination to Compliance Approval, and to assess that the lenders originating such loans are following Program guidelines for the benefit of the eligible borrower(s). The Program Administrator/Compliance Agent tracks the loan via its web-based system, and assists the lender in processing the loan ensuring eligibility to the program available offerings, which can include various rate options, and down payment assistance.

The **Compliance/Admin fee** includes the review of information and documents delivered in the form of a Compliance File by the originating lender, on behalf of the borrower. Additionally the Compliance review verifies that the lender has charged only the fees allowed by the Program. Contrary to this, approval may be denied and/or fees may have to be reimbursed to the borrower. The compliance file processing consists of required affidavits, application, closing documents, certain non-mortgage documents, tax returns where applicable and other pre-defined Program documents that are disclosed to the potential borrower(s). This is required to ultimately receive Compliance Approval. These documents can support both the first mortgage and any down payment assistance available, and are required to ensure eligibility to the Program, Federal, State and Local requirements, where applicable. The Compliance review verifies that the data and documents submitted meet all requirements, and may include those for first-time homebuyer, income limits, sales price limits, targeted areas, homebuyer education, rate, term, points, fee limits, LTV, FICO score, special state, city, county program requirements for qualified military, first responders, teachers, etc.). The **Compliance/Admin Fee** must be referred to as such in the Closing Disclosure and must be ONLY for amount stated in the program Administrator's Guidelines.

**Housing Finance Authority of Miami-Dade County
NOTICES TO BUYERS/AUTHORIZATION**

Servicer Loan # _____

MCC # _____

NOTICE OF POTENTIAL RECAPTURE TO MCC APPLICANTS

This mortgage loan is funded from the proceeds of a tax-exempt mortgage revenue bond (MRB) of the Issuer or the Issuer is issuing a Mortgage Credit Certificate in the name of the borrower. Therefore, the Mortgagor/MCC applicant is receiving (1) the benefit of a lower interest rate than is customarily charged on other mortgage loans or (2) a federal income tax credit. If the Mortgagor/Applicant sells or otherwise dispose of the residence during the next 9 years, this benefit may be "recaptured". Such recapture is accomplished by an increase in the Mortgagor(s) federal income tax for the year in which the residence is sold or disposed. This recapture only applies if there is a gain resulting from the sale or disposition of the residence and the total annual household income increases above specified levels. You may wish to consult a tax advisor or the Internal Revenue Service at the time of sale or disposition of the residence to determine the amount, if any, of the recapture tax. Following loan closing, you will be provided additional information that will be needed to calculate the maximum recapture tax liability at the time you sell or dispose of the residence.

NOTICE TO FIRST MORTGAGE BUYERS USING A SECOND MORTGAGE (if applicable)

\$ _____ **AMOUNT OF SECOND**

I/We have applied to the HFA of Miami-Dade County ("HFA for a down payment assistance loan in the amount set forth above under the HFA's Second Mortgage Program to be used toward the down payment owed or closing costs incurred by me/us in connection with my/our purchase of the property being purchased in this program (the "Property"). I/We understand that the second mortgage loan (if not already paid in full) must be repaid in full in the event that I/we sell, transfer or give away the Property (including any involuntary transfer by or as a result of foreclosure or judicial sale or operation of law) or I/we satisfy or refinance the first mortgage loan from the lender or if I/we rent the Property. I/We understand that the Loan cannot be assumed by any person acquiring the Property from me/us.

FIRST MORTGAGE BUYERS DISCLOSURE OF MORTGAGOR INFORMATION

The Mortgagor(s) hereby consent and agree that all information furnished by the MRB Mortgagors or MCC Applicants to the participating Lender, the Servicer, the Administrator and the Issuer, including but not limited to, non-public personal and financial information (the "Information"), in connection with the application for mortgage loan(s) under this program, may be disclosed to any person or other third parties in connection with the processing of the Mortgagor(s) loan application, verification of information concerning the loan or the Mortgagor(s), and for any other purpose in furtherance of or connected with the Issuer's program.

I/We have read and understand all the Notices and the Authorization shown above.

DATE

SIGNATURE OF MORTGAGOR

DATE

SIGNATURE OF MORTGAGOR

SERVICER LOAN # _____

MCC # _____

**Housing Finance Authority of Miami-Dade County
2012 SINGLE FAMILY – AFFIDAVIT/CERTIFICATION**

There are important legal consequences to this Affidavit. Read carefully before signing.

MRB MORTGAGOR/MCC RECIPIENT AFFIDAVIT

STATE OF FLORIDA

COUNTY OF _____

The undersigned, as part of my (our) application for a Housing Finance Authority of Miami-Dade County Mortgage Revenue Bond (MRB) program loan and/or a Mortgage Credit Certificate (MCC), from a participating lender of my (our) choice for a single-family residence that will become my (our) permanent, primary residence, being first duly sworn state the following information to be true and correct:

MORTGAGOR LAST NAME, FIRST, MIDDLE

MORTGAGOR LAST NAME, FIRST, MIDDLE

ADDRESS BEING PURCHASED

MIAMI-DADE COUNTY, FLORIDA

CITY, ZIP CODE

CHECK AS APPLICABLE:			
New Construction	Existing Structure	Non-Targeted Area	Targeted Area
1st Mtg Only	MCC Only	1 st and MCC Combination	

_____ CHECK IF APPLICANT IS USING THE EXCEPTION TO FIRST-TIME HOMEBUYER REQUIREMENT FOR QUALIFIED VETERANS: Applicant meets the requirements to qualify as a "veteran" as defined in 38 U.S.C. Section 101. Attached hereto are true and correct copies of my discharge or release papers, which demonstrate that such discharge or release was other than dishonorable. Applicant has not previously obtained a loan financed by single family mortgage revenue bonds or another MCC utilizing the exception to the first-time homebuyer requirement for Residences to Veterans under Section 143(d)(2)(D).

Copies of Federal Tax Return Transcripts for the past three (3) years for all persons who will be liable on the mortgage loan are submitted herewith or the reasons for exemption from filing are stated as follows:

Total Persons in Household _____ Number of Income Recipients _____ Number of Minors _____

MID CREDIT SCORE _____

Household Income includes the anticipated gross income from all sources of all persons in the household 18 years of age or older – including but not limited to Annual Wages, bonuses, commissions, overtime, part-time earnings, dividends, interest, royalties, pensions, VA compensation and net rental income, other income (such as alimony, child support, public assistance, sick pay, social security benefits, unemployment compensation, income received from trusts, and income received from business activities or investments and other income).

Applicant Type	Applicant Name	Income Type	Income Amount

Total Income _____

The TOTAL ACQUISITION COST \$ _____

TOTAL ACQUISITION COST of the property includes all amounts paid previously or in the future, in cash or in kind by **AFFIDAVIT 1, ORIGINAL WITH COMPLIANCE FILE**

SERVICER LOAN # _____

MCC # _____

window treatments, floor carpeting; capitalized value using discount rate established by the Issuer of ground rent, (leasehold estate); additional amounts to be paid if dwelling is incomplete or unfinished for which a written estimate of completion cost is attached; additional amounts for land purchased separately and not owned by the applicant for at least two (2) years prior to the commencement of construction of the residence; and other amounts including any agreements, whether oral or written, property taxes in excess of the applicant pro-rata share and settlement and financing costs in excess of the usual and reasonable costs, hook-up, tap-in, site improvements, architectural and builder fees, permits, subcontracted items, construction loan interest and commissions. Apart from any normal real estate agents' commissions, no money is being paid, no promissory note is being delivered, nor is anything else of value (including, without limitation, personal property) being exchanged for or transferred to the seller of the residence or any other persons by me, or to my knowledge, by any other person in connection with the residence except as itemized with the amount of their purchase price that does not exceed their fair market value and attached hereto and incorporated into this Affidavit.

AND THAT (a) the residence will be occupied as my (our) principal residence within a reasonable time not to exceed 60 days of loan closing, will not be used as investment property, vacation, or recreational home, or in conjunction with business activities (as evidenced by the use of more than fifteen percent [15%] of the total floor space in a trade or business) except for the rental of one to three of the units respectively in a two-to-four family residence; and I (we) will immediately notify the Servicer in writing if the residence ceases to be my (our) principal, permanent residence; **(b)** this is not a refinancing of an existing, previously occupied residence for which this mortgage loan is being requested and will not replace my (our) existing mortgage or land contract or a newly constructed residence has not and will not be occupied prior to loan commitment and the proceeds of the mortgage loan will not be used to replace my (our) existing mortgage, unless such loan is a construction, bridge or temporary initial financing of 24 months or less; **(c)** unless the residence is located in a targeted area or is for a qualified veteran or a cosigner, all applicants and spouses have submitted the most recent 3 years federal income tax transcripts or reasons exempted by law to do so, and individually or together have not had an ownership interest in a principal residence within 3 years of loan closing (*principal residence includes single family detached, condominium, shares in housing cooperative, occupancy in an owned multi-family housing unit, factory made housing affixed to real property; ownership includes full or partial ownership interest, fee simple, joint ownership interest by joint tenancy, tenancy in common or tenancy in entirety, in interest of a tenant-stockholder in a cooperative, a land contract under which possession and the burdens and benefits of ownership are transferred, even if legal title is until some later date, ownership interest in trust or life estate interest*); **(d)** I (we) do not have an application in process nor have I (we) received a commitment for a mortgage loan under a single family mortgage revenue bond program; **(e)** no person related to me (us) has or is expected to have an interest as a creditor in the mortgage loan; **(f)** I (we) must meet all federally and locally mandated requirements to qualify for the first mortgage loan to which this MCC is granted; **(g) this Affidavit will be relied upon for the purposes of determining my (our) eligibility and if any information contained in this certification contains a material misstatement which is due to fraud or intentionally made, I (we) are subject to criminal penalty.**

Further, I/We state not

SIGNATURE OF MORTGAGOR

SIGNATURE OF COMORTGAGOR

PRINTED NAME OF MORTGAGOR

PRINTED NAME OF COMORTGAGOR

Sworn to and subscribed before me on the _____ day of _____, _____.

Notary Public Signature

PERSONALIZED SEAL

SERVICER LOAN # _____

MCC # _____

SELLER/BUILDER AFFIDAVIT

I/We the undersigned, as an essential participant in an application for a single family mortgage revenue bond (MRB) program loan and/or a Mortgage Credit Certificate (MCC) being submitted in connection with the Mortgagor's(s)' purchase from the undersigned of a single family, residence (the "Residence") located at

_____ being first duly sworn hereby state the following:

I (We) certify that I (we) are the Seller (or Builder) of the Residence and that the Residence is a single-family residence located at the above address.

I (We) certify that (1) the total amount to be paid to me (us), or to anyone related to me (us), or acting on my (our) behalf (such as a real estate agent) in connection with the purchase of the residence is \$_____ as total acquisition cost. This amount includes all amounts being paid by or on behalf of the Borrower.

I (We) have not entered into any other contract or agreement with the Mortgagor(s), either expressed or implied, to perform additional construction on the residence or to transfer any additional property at additional cost other than personal property contained in the residence which are listed by item and amount and attached hereto and incorporated into this Affidavit.

I (We) acknowledge and understand that this Affidavit will be relied upon for purposes of determining the Mortgagor(s) eligibility.

Dated

Signature of Seller or Signature of Builder Representative

Printed Name of Seller or Builder Representative

Dated

Signature of Seller – If Seller is not an individual, type/print Name and Title and Name of Selling Entity. If Signator is not the Owner, type/print Name and Title. Attach copy of Power of Attorney.

Printed Name of Seller

Sworn to and subscribed before me on the _____ day of _____, _____.

PERSONALIZED SEAL

Notary Public Signature

LENDER CERTIFICATION

_____ The Lender, certifies that as of the date of closing it has (1) reviewed the foregoing certifications of the Mortgagor(s) and the Seller/Builder and found them to be true and correct; (2) has charged the Mortgagor(s) only reasonable and customary fees of processing the financing and no more than charged to buyers of other products we originate; and (3) after completion of all underwriting, verifications and investigations has approved the mortgage loan. The Lender hereby agrees that it will immediately forward to the Servicer all information which it may receive during the life of the mortgage loan which (1) may indicate that the mortgagor(s) may have made a misrepresentation in applying or (2) may affect the mortgagor's continued eligibility. Lender also certifies that if Homebuyer Education is required that an approved provider actually conducted the training.

Dated

Signature of Authorized Officer

Telephone Number of Authorized Officer

Printed Name & Title of Authorized Officer

ABOUT RECAPTURE TAX

When you receive a first-time homebuyer first mortgage loan and/or a Mortgage Credit Certificate (MCC), you are receiving the benefit of a lower mortgage interest rate with a first-time homebuyer first mortgage loan and/or the benefit of a federal income tax credit with a MCC. Both programs are governed by federal law. The law mandates a "recapture" of some of the benefit of the program that are not customarily available with other mortgage loans. Buyers who meet all three of the following criteria may pay Recapture Tax – (1) the property ceases to be the principal residence in the first full nine years of ownership; (2) there is a profit on the sale of the home **AND** (3) the household income increases significantly (generally over the program limits in the first year and an additional 5% over the previous year every year thereafter).

If "Recapture Tax" is owed, it's computed and paid to the IRS for the tax year in which the home is sold. For the average buyer in these programs, it's very unlikely that they'll be required to pay because their income is lower than that allowed. But if Recapture tax must be repaid it will **never exceed the lesser** of 6.25% of the original loan amount or one-half of the gain on the sale of the home.

The most that you will ever be required to pay when you sell your home in the first nine years is 6.25% of the highest principal amount of the mortgage loan during the life of the loan. (i.e. If the highest loan amount during the course of the loan was \$50,000 and you sold in the 49-60 months of ownership, then multiply \$50,000 x .0625 and the highest you would pay would be \$3,125.) This amount is considered to be the federally subsidized amount. **When** you sell your home is as important as the amount you receive for the sale of your home and your income at the time you sell.

The actual recapture tax, if any, can only be determined when you sell your home.

Remember

- if you sell your home after nine years, there is no Recapture Tax due;
- if you don't receive a gain (net profit) on the sale of your home, there is no Recapture Tax due, **or**
- if your adjusted gross income does not increase significantly over the nine years, (usually that means more than 5% per year), there is no Recapture Tax due.

To owe any Recapture Tax, you must sell your home within nine years, make a net profit on the sale of your home **AND** have a significant increase in income. All three criteria must be met in order for Recapture Tax to be due.

You May Not Have to Pay Recapture Tax if

your home is destroyed by fire, storm, flood or other casualty, there is generally no recapture tax if within two years you build or rehab for use as your principal residence on the site of the home financed with your original subsidized mortgage loan.

You Are Not Subject to The Recapture Tax if

you sell or give away or dispose of your home later than 9 full years after you close your mortgage loan.
your home is disposed of as a result of your death.
you transfer your home to your spouse or your former spouse as an agreement of your divorce and you have no gain or loss included in your income as a result of the transfer.

INFORMATION YOU'LL NEED IN THE FUTURE

After you close your loan, you will receive a detailed letter from the Program Administrator or one that will be provided by your lender at closing. This letter should be kept with your other mortgage documents. It contains extremely important information that you will need to determine if you must pay recapture tax.

The letter contains information that you'll need in order to complete Form 8828 such as
The loan amount (the highest principal amount of the loan)
Closing Date,
Name of the Issuer of the Bonds,
Name of the original lender that made the loan, and
Chart that details data necessary to complete Form 8828.

What about refinancing my home?

If you refinance your home and stay in it for a full nine years, you won't pay Recapture Tax. Recapture kicks in when the property ceases to be your principal residence before the full nine years, then you may owe Recapture Tax. If you refinance in the first full four years and the property ceases to be your principal residence before the full nine years, there is a special calculation worksheet that must be used if you must pay Recapture Tax. See "For More Information" on the next page and instructions for Form 8828 for more detail.

What does “net profit” on the sale of your home mean?

Consult your tax advisor but generally you will be considering the amount you received for the sale of your home and deducting the expenses of selling your home (i.e. commission paid to a real estate agent, advertising, legal fees, etc.). This is the “Amount Realized” from the sale of the home. From the “Amount Realized” you will subtract your “Adjusted Basis” of your interest in the home. The “Adjusted Basis” will be increased by any sales commission you paid when you bought the home and decreased by depreciation. Your tax advisor will be helpful in determining the exact amount. If the total of the “Amount Realized” minus the “Adjusted Basis” is “0” or lower, you did not realize a gain (make a profit) when you sold the home and you **DO NOT** owe recapture tax. You will still need to complete a form 8828 and send it to the IRS with your federal income tax return in the year you sell or dispose of the home..

What about my income?

If you did make a profit, then you may have to pay recapture. Now you must consider your income. There will be a chart on the letter you receive after closing that shows the maximum income allowable for each 12 month period following closing. The limits are the **program limits for the first 12 months** and then 5% more than the preceding year for each year thereafter. Example: If your income at the time you bought the home was \$40,000 and the income limit is \$50,000, the limit for the first 12 months after closing is \$50,000. Then each 12 months it’s 5% more than the previous year. If your modified adjusted gross income on your federal income tax return does not exceed the income limit for the 12-month period in which you sell your home, you **DO NOT** owe recapture tax. If your modified adjusted gross income does exceed the income limit, you **DO** owe recapture tax.

How much do I owe?

The amount you owe will be the LESSER of 50% of the gain realized from the sale of your home OR the amount resulting from a calculation that uses–

The income percentage (Consider the amount by which your income exceeds the limit in the year that you sell. If the amount is \$5,000 or more , then your income percentage is 100%. If less than \$5,000 then divide the amount by which your income exceeds the limit by \$5,000 and round to the nearest whole percentage.)

The maximum recapture tax or federally subsidized amount (this is .0625 x the highest principal amount of your loan).

The holding period percentage as shown on the chart below:

Disposition Within # Months of C	Holding Period Perce	Income 1-2 person HH	Income 3 + per
1 - 12	20%	\$Amt shown for 1-12	Months represent the program limits.
13 - 24	40%	Balance will be	completed on
25 - 36	60%	personalized	form you receive
37 - 48	80%	following closing.	The limits for each
49 - 60	100%	successive 12 mos.	is approx. 5%
61 - 72	80%	higher than the	preceding 12 mos.
73 - 84	60%		
85 - 96	40%		
97 - 108	20%		
109 or More	No Recapture Tax		

FOR MORE INFORMATION

Contact the IRS and request Form 8828 and the instructions for Form 8828 (both available on the **IRS Website:** <http://www.irs.gov> In the Forms and Publications search box, type “8828” and click). Review the form and instructions now. Consult your tax advisor. In the year that you sell your home, you are required to complete Form 8828 and submit it with your federal income tax return (even after the full 9 years). The income that will be considered in that year will be your modified adjusted gross income from your federal income tax return.