

DELAWARE STATE HOUSING AUTHORITY

MORTGAGOR’S AFFIDAVIT

OPEN DOOR PROGRAM

(TO BE COMPLETED AND EXECUTED BY BORROWER(S) AT LOAN APPLICATION AND CONFIRMED AT CLOSING)

Borrower(s) _____
Date of Application: _____
Address of Residence being Purchased: _____ _____
Number of Person(s) Residing in Residence being Purchased: _____
Lender: _____

MORTGAGOR’S AFFIDAVIT

Note: It is a federal offense punishable by a maximum of a \$5,000 fine, two (2) years imprisonment, or both, to knowingly make a false statement in connection with a loan application to a federally chartered or insured lending institution (Title 18, United States Code, Section 1014). In addition, false statements in this affidavit may subject the applicant to penalties of perjury under the laws of the State of Delaware. Further, any false statement will affect the eligibility of the mortgage loan under the Authority’s lending program, resulting in cancellation of mortgage loan approval or acceleration of a previously funded mortgage loan. Please review this document carefully to be sure the information is true and correct before signing.

STATE OF DELAWARE)
) ss.:
COUNTY OF _____)

Each of the undersigned, under penalty of perjury, does hereby depose and say:

1. The Residence is located in the State of Delaware.
2. (I/We) intend to occupy the Residence as a principal residence¹ within sixty (60) days after loan closing. (I/We) do not intend to use the residence as a second, weekend, or vacation home, nor, except in the case of a two-to-four family Residence, do (I/we) intend to hold the Residence as an investment property.

¹The term “principal residence” does not include a vacation home or time-sharing residence which is not used as a permanent residence or a mobile home which is located on land which is leased for less than two years.

3. Neither (I/we) nor anyone else intends to use more than fifteen percent (15%) of the total area of the Residence or any other property to be financed by the mortgage loan for any or all of the following:
 - (a) a home office or other property used solely and on a regular basis in connection with a trade or business (either as an employee or a self-employed person) or for the purpose of meeting patients, clients or customers in the normal course of conduct of a business;
 - (b) a place where inventory, held for use in a retail or wholesale business the sole fixed location of which is the Residence, is regularly stored;
 - (c) a place for conducting on a regular basis a trade or business of providing day care services for children, for individuals who are age sixty-five or over, or for individuals who are physically or mentally incapable of caring for themselves; and
 - (d) except in the case of a two-to-four family Residence, rental to any person for a period in excess of fifteen (15) days in any calendar year.
4. All land being financed with the mortgage loan is required to maintain basic livability of the Residence and will not provide (me/us) a source of income. No land can be separated from the land being financed and offered for sale as a separate residence or building lot without obtaining a subdivision approval.
5. No portion of the moneys received by (me/us) from the mortgage loan is intended to be used to purchase any personal property other than fixtures which are considered a necessary part of the Residence under the laws of the State of Delaware.
6. The Residence contains a single residential unit or multiple residential units suitable for occupancy by two, three or four families, in which case the (I/we) occupy one of the residential units. If the Residence is for two-to-four families, to the best of my knowledge, the Residence was first occupied as a residence at least five years prior to the date of this affidavit. The Residence is a complete residential unit and includes all fixtures necessary for the occupancy of the Residence. To the best of my knowledge, no law forbids the occupancy of the Residence.
7. (I/We) have not purchased the Residence for purposes of resale and will not allow the mortgage loan on the Residence to be assumed unless permitted by the mortgage insurer or guarantor and, if applicable, the Delaware State Housing Authority.
8. Except for the additional undersigned parties (if any), (I am/we are) the only person(s) acquiring an ownership interest in the Residence.
9. Other than a construction loan or similar temporary financing with a term not exceeding twenty-four (24) months, (I/we) have not had a mortgage (whether or not paid off) on the Residence at any time prior to the execution of the mortgage loan.
10. (I am/We are) familiar with the Program's limits with respect to the purchase prices of Residences. The purchase price of the Residence is within the applicable limit. In

determining the purchase price, (I/we) have included the total amount to be paid by (me/us), or by anyone related to (me/us) or acting on (my/our) behalf, to the seller of the Residence, or to anyone related to the seller or acting on the seller's behalf, in connection with the purchase of the Residence and any other property being acquired at the same time as the Residence. This amount includes money to be paid and the full value of any goods or services to be provided. This amount does not include the cost of any land (I/we) owned for at least two (2) years prior to the date on which construction of the Residence began, nor usual and reasonable settlement or financing costs, such as title and transfer costs, title insurance, survey fees, credit reference fees, legal fees, appraisal expenses and "points" which are paid by the buyer.

11. The maximum Home Again purchase price limits for a new or existing Residence set forth in the table below.

For Open Door loans, the following maximum home purchase price limits apply:

Residence Location	Purchase Price Limit	
	Non-Targeted	Targeted
New Castle County	\$617,241	\$754,406
Kent County	\$544,232	\$665,173
Sussex County	\$544,232	\$665,173

12. (I am/We are) familiar with the Program's Annual Household Income limits applicable in connection with the purchase of a Residence. (I/we) understand that the Annual Household Income means the current annualized family income at the time of closing, as determined in accordance with applicable IRS rules. Current Annual Household Income means the gross monthly income, multiplied by 12, of (i) each mortgagor (including any person who has signed the promissory note and/or the mortgage), regardless of whether such mortgagor lives in the Residence, and (ii) any other person who is expected to live in the Residence and be secondarily liable on the mortgage. Gross monthly income includes the sum of current monthly gross pay and any additional income from investments, pensions, VA compensation, part-time employment, bonuses, dividends, interest, current overtime pay, net rental income, royalties, etc. Other income must also be included such as alimony and child support, public assistance, sick pay, social security benefits, unemployment compensation, and income received from trusts, business activities or investments.

13. The Annual Household Income Limits for Open Door borrowers are as follows:

Property Location by County	Income Limit	Income Limit
	1-2 People	3+ People
New Castle	\$143,280	\$179,100
Kent and Sussex	\$130,560	\$163,200

14. To the best of my/our knowledge, information and belief (but without any independent investigation on my/our part), title and transfer costs, title insurance and other insurance costs, application fees, survey fees, credit reference fees, legal fees, appraisal expenses, broker fees, "points" paid by (me/us) (but not "points" paid by the seller) and similar settlement or financing costs are of a usual and reasonable amount and are not in excess of the amount typically charged in the area of the Residence in connection with the acquisition of residences by home mortgage financing.
15. (I/We) understand that this document will be relied upon for purposes of determining that the mortgage loan does not cause a violation of any of the requirements of DSHA's Homeownership Loan Program. (I/We) warrant that all of the information in this affidavit is true, correct, and complete and based upon information (I/we) consider to be reliable, (I/we) authorize its use for such determination, and hereby waive the protection of any acts for the protection of my privacy to the extent that those acts would prohibit the use of the document for such determination.
16. (I/We) will assist DSHA and the applicable lender in obtaining any information or documents required to verify the statements made in this document and (I/we) hereby consent to any inspection of the Residence required for such verification.

CERTIFICATION

(I/We) understand that if (I/we) have made any material misstatements in the foregoing representations or omitted to state any of the information requested, the following may occur:

1. (I/We) may be fined up to \$5,000 and/or imprisoned not more than two years, or both, pursuant to Section 1014 of Title 18 of the United States Code.
2. The outstanding principal balance of the loan may be immediately due and payable together with accrued interest and foreclosing costs (if foreclosure is necessary because payment in full is not made immediately).

(I/We) declare under penalty of perjury that the foregoing warranties and representations are true and correct.

Date: _____ Applicant: _____

Date: _____ Applicant: _____

REAFFIRMATION AT LOAN CLOSING

(I/We) as purchaser(s) of the Residence referenced above hereby restate all of the foregoing representations and warranties previously made by (me/us) and confirm that they are true and correct.

Date: _____ Applicant: _____

Date: _____ Applicant: _____

Sworn to before me this

_____ day of _____, 20_____

Notary Public