

EXHIBIT 3-A.1.1

HOME BUYER ASSISTANCE CHECKLIST Single Family Noncompetitive Program / Down Payment & Closing Cost Assistance Only

Admin Manual
Exhibit

SUBMIT WITH SET-UP REPORT:

- Homebuyer Set Up Form (pages 1-2)3-K.1
- Housing Quality Inspection Report (HQS inspection form)*10-C
- For pre-1978 construction, evidence of lead paint visual inspection (can be incorporated into HQS inspection form)
- Site-specific Environmental Review Checklist (original signatures) 2-L.1
- Appraisal (Uniform Appraisal Report only) that is dated within 6 months of Buy-Sell Agreement
- Buy-Sell Agreement between Seller and Buyer and copies of any counter offers
-  Voluntary Acquisition Agreement (signed by Seller)** 6-A.5
-  LBP Notification Documentation (pre-1978 construction)2-AA.1
- Match Contribution – Copy of approved MBOH Reservation (**Note: If a waiver has been granted by MDOC to use qualifying match other than a MBOH loan, please include a copy of the waiver approval from MDOC as well as the documentation of the qualifying match that was approved**)
- Homebuyer income calculation and source documentation, including any waivers that have been granted by MDOC for underwriting purposes
- Underwriting summary sheet from 1st mortgage lender
- Underwriting sheet used to determine HOME gap financing – If Grantee does not have an available underwriting sheet or software to determine HOME gap financing, contact the HOME Program

NOTE: All applicable documentation must be complete before Set-Up is submitted. Once a Set-Up is approved, it will be entered into IDIS and you will receive an IDIS number by email.

* *Inspections must be performed by grantee employees, or a third party contracted for this purpose by the Grantee. Because third parties such as consumer inspectors or FHA appraisers are not contractually obligated to the Grantee, their inspections cannot be used to determine compliance with HOME property standards requirements.*

** *Required for ALL homebuyer transactions; may be hand delivered or mailed with return receipt; MUST be signed and dated by seller(s) PRIOR TO CLOSING. Per HUD guidance this form may NOT be signed by the seller(s) at closing. The HOME Program recommends it be delivered shortly after appraisal is completed.*

SUBMIT WITH PAYMENT REQUEST:

- Single Family Noncompetitive Program Request for Payment Form (all parts including Part 6 – Program Income/Recaptured Funds Certification)3-D

NOTE: Pursuant to 24 CFR 92.504(viii), the amount of HOME funds requested is limited to the amount needed for down payment and closing costs.

Pursuant to 24 CFR 92.214 – Service fees such as title insurance and recording fees **cannot be assessed to the homebuyer on the HOME funds** – these type of costs are considered soft costs which are reimbursable to the Grantee if sufficient supporting documentation is available to substantiate the costs.

- Project Progress Report (signed by Grantee)3-J
- Summary of Project Expenditures (signed by Grantee).....3-F
- Settlement Statement which **must clearly identify the actual amount of HOME funds needed, as determined as part of the underwriting process noted above, and must be clearly identified as “MDOC HOME funds”**. The amount of the HOME funds cannot be overstated and the settlement statement **CANNOT** reflect a “principal reduction” to the Grantee.

SUBMIT WITH COMPLETION REPORT:

 MUST BE SUBMITTED WITHIN 120 DAYS OF FINAL DRAW

- Homebuyer Completion Form (pages 3-5).....3-K.1
- SFNP Deed of Trust (signed and recorded)
- SFNP Deed Restriction Agreement (signed and recorded)
- SFNP Promissory Note
- SFNP Occupancy Agreement

NOTE: The amount of HOME funds identified in the Deed of Trust, Deed Restriction Agreement and Promissory Note MUST be the actual amount of HOME funds identified on the Settlement Statement and the Payment Request.

- Certification of homebuyer's participation in homebuyer counseling
- Final Income Verification7-l

At MDOC HOME Program’s discretion, Grantees may be required to submit other back-up documentation to the HOME Program

RETAIN IN CLIENT FILES:

- All of the above** Set-up and Completion documentation
- Application for homebuyer assistance
- Any other documentation Grantee has specified as being required in the approved management plan (e.g. copy of credit score, first mortgage lender application)

RETAIN IN GRANTEE’S HOME PROJECT FILE:

- Copy of Contract between MDOC and Grantee to administer Homebuyer Assistance Program and any amendments
- Copy of Approved Management Plan
- Copy(ies) of Agreement/Resolution from each jurisdictional area’s Local Government to prepare Environmental Review Record that Grantee administers homebuyer assistance in
- Copy(ies) of letters or resolution from City and/or County officials showing evidence of public support for homebuyer assistance activities in jurisdictional area
- Copy(ies) of Agreement with outside agency to conduct HQS inspections, if applicable
- All of the Payment Request forms and supporting documentation for all expenditures
- Match documentation

See Chapter 1 for additional information on Establishing HOME Files

After all the activities have been completed under the contract, Exhibit 9-D - Certification of Completion / Status of Funds Form and Closeout Certification must be sent to the Program Officer.

Copies of yearly audits for years in which HOME funds were received and disbursed must be submitted to the HOME Program.

This checklist is available on the web at:

<http://housing.mt.gov/HM/hmadminmanual/hmadminmanualch03.mcp>