

**HOMEOWNERSHIP DISCLOSURE**

Property Address: \_\_\_\_\_  
\_\_\_\_\_

**I understand that the HOME Program will make available grant funds in the form of a soft second mortgage in an amount necessary to help me qualify for permanent financing to purchase the above property. I further understand the following conditions apply to my receipt of home purchase assistance through the HOME Program:**

1. If I choose to get a home equity loan, refinance or sell my new home during the affordability period, I must repay the entire HOME purchase assistance grant.
2. I will not place, or allow to be placed, additional liens on the property, for home improvement, debt consolidation, or any other purpose until I have lived in the property for at least five (5) years and the HOME affordability period has expired.
3. I cannot receive any money back at the time of closing.
4. I am required to contribute at least 1% of the purchase price from my own funds. If I have more than \$20,000 in liquid assets I will be required to contribute 10% of the purchase price.
5. I understand that I must live in this property as my principal residence to receive the HOME grant. If I vacate the property or rent it out during the first 5 years, I will be required to repay the entire HOME grant.
6. I understand that my HOME grant is forgiven at the end of 5 years. If the property is sold within the 5 year term, the amount of the HOME grant is reduced by 20% for each year I have resided in the property and balance of the HOME grant is repaid. If the house is sold and there are not sufficient proceeds to repay the outstanding HOME grant, the net proceeds are shared between myself and \_\_\_\_\_.

7. \_\_\_\_\_ I understand that completing the application package and attending the required homebuyer education class does not guarantee that my request for these funds will be approved. \_\_\_\_\_ must review all applications and site specific documentation. It is \_\_\_\_\_ sole responsibility to approve or deny this specific request. There may be additional questions for me or my lender to assist \_\_\_\_\_ in making their decision.

I/we, the undersigned, acknowledge receipt of a copy of this Disclosure, and understand and agree that a Deed of Trust will be placed against the property I/we are purchasing to secure the requirements of the HOME grant.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date