

KODIAK ISLAND HOUSING AUTHORITY
“HOME START” HOMEOWNERSHIP PROGRAM POLICY
For
NAHASDA ELIGIBLE HOUSEHOLDS

1. General

Under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA), Kodiak Island Housing Authority (KIHA) will offer its “Home Start” Homeownership Program. The “Home Start” program is designed to increase affordable housing for Native American households who are in the low to very low-income categories. KIHA shall have sole discretion in determining the eligibility in the program and shall have the discretion to approve, disapprove, or deny any individual application.

The program is available to Native American families and single persons that financially qualify for NAHASDA assistance, and who meet all eligibility factors listed in *Section 2* below.

KIHA will implement the program in a manner consistent with its overall policy of providing decent, safe, sanitary and affordable housing to participant households under the requirements of NAHASDA.

2. Eligibility Factors

To ensure that only eligible applicants receive assistance, KIHA requires verification of all factors of eligibility.

To be eligible a family or single person must satisfy all of the following factors:

- a) Meet the NAHASDA income limits as established annually by HUD,
- b) Primary borrower must be a first-time homebuyer (someone who has not owned a home as their primary residence in the past three years), and does not currently own a home.
- c) Provide proof of Alaska Native/American Indian blood,
- d) Certify that the subject property will be owner occupied,
- e) Submit evidence of regular, recurring income sources sufficient to establish ability to make regular payments of principal, taxes, insurance, and any interest under a mortgage loan, and financial ability to maintain a home,
- f) Be willing to sign an Agreement to Purchase and Sell, Promissory Note, Deed of Trust, and NAHASDA Covenant,
- g) Pay a minimum of 1% of the purchase price in cash at closing. The borrower’s 1% down payment must be from their own reserves and cannot be borrowed or be a gift.

- h) Attend and satisfactorily complete an AHFC-approved Homebuyer Education Class within 24 months prior to closing the home purchase transaction,
- i) Obtain credit approval and credit counseling from KIHA,
- j) Must not owe money to KIHA or to any other federally-funded housing entity or program. Applicants will be ineligible for this program until the amounts owed are paid in full and verification is provided,
- k) Be willing and able to cooperate in any required occupancy or financial counseling required by KIHA, at any time during the term of the mortgage loan.

3. Income Limits for the Program

To be eligible, the family's total household income cannot exceed the current maximum percentage of HUD Published Area Median Family Income. Applicants whose annual income is at 80 – 100% of the HUD published area median family income limits may be considered eligible in KIHA's discretion, in accordance 24 CFR §1000.110.

Applicants must fully complete the written application for Program participation. Applications are available from KIHA at 3137 Mill Bay Road, Kodiak AK 99615. Participants must timely provide accurate information on all sources of household income, and sign release and consent forms to permit KIHA to verify income and income sources. Refusal to cooperate with income and program qualifying activities shall disqualify the application from further consideration and processing.

Fraud or misrepresentation in the application process is a serious matter and shall be grounds for disqualification of the applicant or an admitted participant from all housing assistance programs administered by KIHA.

If it is discovered that an applicant has misrepresented his/her situation, family income, terms of the transaction or other pertinent factors, and KIHA has already disbursed funding, KIHA shall determine if the misrepresentation results in ineligibility for this program. If it is determined that the applicant is not eligible for the program, and has received funding they were not entitled to receive, KIHA shall require the applicant to repay KIHA in full for all actual costs associated with the program. If the applicant refuses to repay KIHA, KIHA shall enforce its recovery rights to the fullest extent of the law.

Applicants for the "Home Start" Loan Program may be approved for processing based upon information the applicant has provided KIHA regarding the applicants' income and first time homeowner status. Such approval is preliminary and nonbinding. KIHA's final determination for eligibility for the program will be determined before the parties execute the Agreement to Purchase and Sell, which includes KIHA's commitment to providing the loan funds. Determination of the applicant's eligibility will be based upon accuracy and completeness of information the applicant(s) provide to KIHA, changes in household income, composition and compliance with all other terms and condition of the "Home Start" Loan Program.

4. Down Payment

The "Home Start" Program will incorporate reasonable closing costs in the price or the loan amount for the home. The borrower must contribute at least 1% of the purchase price toward the down payment.

5. Eligible Properties

Homes financially funded by KIHA's Indian Housing Block Grant under NAHASDA.

6. Inspection

All units must meet KIHA's Housing Quality Standards (HQS) inspection to be performed by a KIHA-approved inspector. Health and Safety concerns must be addressed and remedied prior to entering into the Purchase Agreement.

7. "Home Start" Program

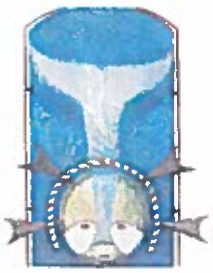
The Borrower's monthly payments will include loan principal installments, Homeowner's Insurance, property taxes and applicable interest.

8. Renting the House After Purchase

Borrowers must occupy the property as their primary residence. Renting the property is strictly prohibited. Absences of more than 3 months must be pre-approved by KIHA. Failure to occupy the home as primary residence shall constitute a loan default.

9. Availability of Program

The "Home Start" Homeownership Program shall be available until suspended or terminated by KIHA. KIHA may suspend receipt of applications or update the wait list in its discretion. Length of program shall depend upon funding and need. KIHA may change the scope of the program, the program policies, or terminate the program at any time.



Kodiak Island Housing Authority
3137 Mill Bay Road, Kodiak, AK 99615
www.Kodiakislandhousing.com
Phone: 907-486-8111 Fax: 907-486-4432
Origination License #280607 Mortgage License #287623

MORTGAGE LOAN APPLICATION CHECKLIST

Thank you for choosing Kodiak Island Housing Authority for your home loan. KIHA has several types of loans available to assist you in either purchasing or refinancing a home. KIHA services all loans we make—which means that your loan is at home with us!

*The following is a list of information necessary to properly document your loan application file. The sooner you provide this information, the faster we can assist you.
Please include these items for all applicants.*

- ❑ **Completed, legible loan application, with signatures from all loan applicants**
- ❑ **Most recent paystubs:** covering a 6-week period, or a printout from your employer
- ❑ **Last paystub:** or printout of earnings from all other employers this year
- ❑ **Complete copy of most recent money account statements:** covering a 2-month period (including checking, savings, Money market, IRA, stock, investment, etc)
- ❑ **W-2's & 1099's** for the past 2 years
- ❑ **Tax returns:** including all schedules for the past 2 years (3 years are required if you are a first-time home buyer)
- ❑ **All other sources of income**
- ❑ **If active duty military or Public Health Service:** we will advise you of the documents needed
- ❑ **Prior residence(s):** Name and address and telephone number for the landlord, along with your physical address, for all prior addresses you have had for the past 24 months. Use the last page of the loan application, or additional pages, as necessary
- ❑ **Complete copy of Purchase and Earnest Money Agreement:** (if purchasing a home)
- ❑ **Seller information:** Name and telephone number of the seller of the property you are purchasing
- ❑ **Photo I.D.** for each applicant

Additional items and prepayment may be required. Please contact our office to arrange for an appointment to start your application, or with any questions. Our hope is to help make the loan process as pleasant as possible for you

Uniform Residential Loan Application

This application is designed to be completed by the applicant(s) with the Lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower," as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when the income or assets of a person other than the Borrower (including the Borrower's spouse) will be used as a basis for loan qualification or the income or assets of the Borrower's spouse or other person who has community property rights pursuant to state law will not be used as a basis for loan qualification, but his or her liabilities must be considered because the spouse or other person has community property rights pursuant to applicable law and Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

If this is an application for joint credit, Borrower and Co-Borrower each agree that we intend to apply for joint credit (sign below):

Borrower	Co-Borrower	I. TYPE OF MORTGAGE AND TERMS OF LOAN			
Mortgage Applied for: <input type="checkbox"/> VA <input type="checkbox"/> FHA <input type="checkbox"/> Conventional <input type="checkbox"/> USDA/Rural <input type="checkbox"/> Other (explain):		Agency Case Number		Lender Case Number	
Amount \$		Interest Rate %		No. of Months	
Amortization Type:		<input type="checkbox"/> Fixed Rate		<input type="checkbox"/> Other (explain):	
		<input type="checkbox"/> GPM		<input type="checkbox"/> ARM (type):	

II. PROPERTY INFORMATION AND PURPOSE OF LOAN					
Subject Property Address (street, city, state & ZIP)					No. of Units
Legal Description of Subject Property (attach description if necessary)					Year Built
Purpose of Loan <input type="checkbox"/> Purchase <input type="checkbox"/> Refinance <input type="checkbox"/> Construction <input type="checkbox"/> Construction-Permanent <input type="checkbox"/> Other (explain):			Property will be: <input type="checkbox"/> Primary Residence <input type="checkbox"/> Secondary Residence <input type="checkbox"/> Investment		
<i>Complete this line if construction or construction-permanent loan.</i>					
Year Lot Acquired	Original Cost \$	Amount Existing Liens \$	(a) Present Value of Lot \$	(b) Cost of Improvements \$	Total (a + b) \$ 0.00
<i>Complete this line if this is a refinance loan.</i>					
Year Acquired	Original Cost \$	Amount Existing Liens \$	Purpose of Refinance	Describe Improvements	<input type="checkbox"/> made <input type="checkbox"/> to be made
Title will be held in what Name(s)			Manner in which Title will be held		Estate will be held in: <input type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (show expiration date)
Source of Down Payment, Settlement Charges, and/or Subordinate Financing (explain)					

Borrower				III. BORROWER INFORMATION				Co-Borrower			
Borrower's Name (include Jr. or Sr. if applicable)				Co-Borrower's Name (include Jr. or Sr. if applicable)							
Social Security Number		Home Phone (incl. area code)	DOB (mm/dd/yyyy)	Yrs. School	Social Security Number		Home Phone (incl. area code)	DOB (mm/dd/yyyy)	Yrs. School		
<input type="checkbox"/> Married <input type="checkbox"/> Separated		<input type="checkbox"/> Unmarried (include single, divorced, widowed)		Dependents (not listed by Co-Borrower)		<input type="checkbox"/> Married <input type="checkbox"/> Separated		<input type="checkbox"/> Unmarried (include single, divorced, widowed)		Dependents (not listed by Borrower)	
		no.		ages				no.		ages	
Present Address (street, city, state, ZIP)				<input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.		Present Address (street, city, state, ZIP)				<input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.	
Mailing Address, if different from Present Address				Mailing Address, if different from Present Address							
<i>If residing at present address for less than two years, complete the following:</i>											
Former Address (street, city, state, ZIP)				<input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.		Former Address (street, city, state, ZIP)				<input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.	

Borrower				IV. EMPLOYMENT INFORMATION				Co-Borrower			
Name & Address of Employer		<input type="checkbox"/> Self Employed	Yrs. on this job	Name & Address of Employer		<input type="checkbox"/> Self Employed	Yrs. on this job				
		Yrs. employed in this line of work/profession				Yrs. employed in this line of work/profession					
Position/Title/Type of Business		Business Phone (incl. area code)		Position/Title/Type of Business		Business Phone (incl. area code)					

If employed in current position for less than two years or if currently employed in more than one position, complete the following:

Borrower		IV. EMPLOYMENT INFORMATION (cont'd)		Co-Borrower	
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from - to)	Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from - to)
		Monthly Income			Monthly Income
		\$			\$
Position/Title/Type of Business	Business Phone (incl. area code)		Position/Title/Type of Business	Business Phone (incl. area code)	
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from - to)	Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from - to)
		Monthly Income			Monthly Income
		\$			\$
Position/Title/Type of Business	Business Phone (incl. area code)		Position/Title/Type of Business	Business Phone (incl. area code)	

V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION						
Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income*	\$	\$	\$	Rent	\$	\$
Overtime				First Mortgage (P&I)		\$
Bonuses				Other Financing (P&I)		
Commissions				Hazard Insurance		
Dividends/Interest				Real Estate Taxes		
Net Rental Income				Mortgage Insurance		
Other (before completing, see the notice in "describe other income," below)				Homeowner Assn. Dues		
				Other:		
Total	\$	\$	\$	Total	\$	\$

* Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.

Describe Other Income

Notice: Alimony, child support, or separate maintenance income need not be revealed if the Borrower (B) or Co-Borrower (C) does not choose to have it considered for repaying this loan.

B/C		Monthly Amount
		\$

VI. ASSETS AND LIABILITIES

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-Borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly presented on a combined basis; otherwise, separate Statements and Schedules are required. If the Co-Borrower section was completed about a non-applicant spouse or other person, this Statement and supporting schedules must be completed about that spouse or other person also.

Completed Jointly Not Jointly

ASSETS	Cash or Market Value	Liabilities and Pledged Assets. List the creditor's name, address, and account number for all outstanding debts, including automobile loans, revolving charge accounts, real estate loans, alimony, child support, stock pledges, etc. Use continuation sheet, if necessary. Indicate by (*) those liabilities, which will be satisfied upon sale of real estate owned or upon refinancing of the subject property.		
Description				
Cash deposit toward purchase held by:	\$			
<i>List checking and savings accounts below</i>		LIABILITIES	Monthly Payment & Months Left to Pay	Unpaid Balance
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payment/Months	\$
Acct. no.	\$	Acct. no.		
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payment/Months	\$
Acct. no.	\$	Acct. no.		
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payment/Months	\$
Acct. no.	\$	Acct. no.		

VI. ASSETS AND LIABILITIES (cont'd)

Name and address of Bank, S&L, or Credit Union		Name and address of Company		\$ Payment/Months	\$	
Acct. no.	\$	Acct. no.				
Stocks & Bonds (Company name/ number & description)		Name and address of Company		\$ Payment/Months	\$	
		Acct. no.				
Life insurance net cash value		Name and address of Company		\$ Payment/Months	\$	
Face amount: \$						
Subtotal Liquid Assets						
Real estate owned (enter market value from schedule of real estate owned)						
Vested interest in retirement fund						
Net worth of business(es) owned (attach financial statement)						
Automobiles owned (make and year)		Acct. no.		\$		
		Alimony/Child Support/Separate Maintenance Payments Owed to:		\$		
Other Assets (itemize)		Job-Related Expense (child care, union dues, etc)		\$		
		Total Monthly Payments		\$		
Total Assets a.		\$	Net Worth (a minus b) ▶	\$	Total Liabilities b.	\$

Schedule of Real Estate Owned (If additional properties are owned, use continuation sheet)

Property Address (enter S if sold, PS if pending sale or R if rental being held for income)	Type of Property	Present Market Value	Amount of Mortgages & Liens	Gross Rental Income	Mortgage Payments	Insurance, Maintenance, Taxes & Misc.	Net Rental Income
		\$	\$	\$	\$	\$	\$
	Totals	\$	\$	\$	\$	\$	\$

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

Alternate Name	Creditor Name	Account Number

VII. DETAILS OF TRANSACTION

VIII. DECLARATIONS

a. Purchase price	\$	If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.	Borrower		Co-Borrower	
			Yes	No	Yes	No
b. Alterations, improvements, repairs		a. Are there any outstanding judgments against you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Land (if acquired separately)		b. Have you been declared bankrupt within the past 7 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Refinance (incl. debts to be paid off)		c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Estimated prepaid items		d. Are you a party to a lawsuit?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Estimated closing costs		e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. PMI, MIP, Funding Fee		(This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name, and address of Lender, FHA or VA case number, if any, and reasons for the action.)				
h. Discount (if Borrower will pay)						
i. Total costs (add items a through h)						

VII. DETAILS OF TRANSACTION

VIII. DECLARATIONS

		If you answer "Yes" to any question a through l, please use continuation sheet for explanation.	Borrower		Co-Borrower	
			Yes	No	Yes	No
j.	Subordinate financing					
k.	Borrower's closing costs paid by Seller	f. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		g. Are you obligated to pay alimony, child support, or separate maintenance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l.	Other Credits (explain)	h. Is any part of the down payment borrowed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		i. Are you a co-maker or endorser on a note?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
m.	Loan amount (exclude PMI, MIP, Funding Fee financed)					
n.	PMI, MIP, Funding Fee financed	j. Are you a U.S. citizen?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
o.	Loan amount (add m & n)	k. Are you a permanent resident alien?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
p.	Cash from/to Borrower (subtract j, k, l & o from i)	l. Do you intend to occupy the property as your primary residence? If "Yes," complete question m below.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		m. Have you had an ownership interest in a property in the last three years? (1) What type of property did you own—principal residence (PR), second home (SH), or investment property (IP)? (2) How did you hold title to the home— by yourself (S), jointly with your spouse or jointly with another person (O)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

IX. ACKNOWLEDGEMENT AND AGREEMENT

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described in this application; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated in this application; (6) the Lender, its servicers, successors or assigns may retain the original and/or an electronic record of this application, whether or not the Loan is approved; (7) the Lender and its agents, brokers, insurers, servicers, successors, and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the Lender, its servicers, successors or assigns may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more consumer reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property, and (11) my transmission of this application as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

Acknowledgement. Each of the undersigned hereby acknowledges that any owner of the Loan, its servicers, successors and assigns, may verify or reverify any information contained in this application or obtain any information or data relating to the Loan, for any legitimate business purpose through any source, including a source named in this application or a consumer reporting agency.

Borrower's Signature X	Date	Co-Borrower's Signature X	Date
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X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation and surname if you have made this application in person. If you do not wish to furnish the information, please check the box below (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

BORROWER <input type="checkbox"/> I do not wish to furnish this information	CO-BORROWER <input type="checkbox"/> I do not wish to furnish this information
Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> White	Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> White
Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male	Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male

To be Completed by Loan Originator:

This information was provided:
 In a face-to-face interview
 In a telephone interview
 By the applicant and submitted by fax or mail
 By the applicant and submitted via e-mail or the Internet

Loan Originator's Signature X	Date
Loan Originator's Name (print or type) Karenia Hackett	Loan Originator Identifier 280607
Loan Origination Company's Name KIHA	Loan Origination Company Identifier 287823
	Loan Originator's Phone Number (including area code) (907) 486-8111
	Loan Origination Company's Address 3137 Mill Bay Rd. Kodiak, AK 99615

CONTINUATION SHEET/RESIDENTIAL LOAN APPLICATION

Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark **B** for Borrower or **C** for Co-Borrower.

Borrower:

Agency Case Number:

Co-Borrower:

Lender Case Number:

I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Borrower's Signature X	Date	Co-Borrower's Signature X	Date
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INSTRUCTIONS

Uniform Residential Loan Application

The lender uses this form to record relevant financial information about an applicant who applies for a conventional one- to four-family mortgage. Roman numerals in these instructions correspond to the sections on the form.

Lenders must use the PDF dated 6/09 for mortgage loans applications taken on or after July 1, 2010.

Printing Instructions

We provide Form 1003 in an electronic format that prints as a letter size document. However, lenders may print Form 1003 as a legal size document or with different fonts or margins that may affect pagination; we have no specific standards for the number or size of pages the form may have. Consequently, the number and size of pages will not affect compliance with Fannie Mae requirements pertaining to use of the Uniform Residential Loan Application, provided that the content of the form has not been materially altered. When printing this form, you must use the "shrink to fit" option in the Adobe Acrobat print dialog box.

Instructions

The lender may accept applications taken during a face-to-face interview, over the telephone, through the mail, or via the Internet. The lender should complete all blanks and attach any separate exhibits, details, or statements that are relevant to underwriting the mortgage. The borrower(s) must sign the original application at the time it is completed. If the application is taken over the telephone or via the Internet, the borrower(s) must sign the completed application as soon as possible thereafter. However, an electronic signature or facsimile of the borrower's signature is acceptable as indicated in the "Acknowledgment and Agreement" section of the application. The lender should retain the original application with the supporting information provided by the borrower(s). Before or at the loan closing, the borrower(s) must sign the final application that the lender prepares based on its verification of the information that the borrower(s) provided in the original application.

The instructions at the top of Form 1003 are consistent with the permissible inquiries that creditors are allowed to make under the Equal Credit Opportunity Act (ECOA). Although ECOA permits the lender in a community property state to obtain information regarding the liabilities of a borrower's spouse even though he or she is not applying for the mortgage and his or her income will not be considered for loan qualification purposes, we do not require the lender to obtain the information. This also means that in states where another person shares community property rights with the applicant, the lender does not need to include information on that person's liabilities if he or she is not an applicant.

Note: The following instructions highlight certain sections of the form.

Introductory Statement

We recognize that the introductory paragraph of Form 1003 differs slightly from the introductory paragraph in the Uniform Residential Loan Application found on Freddie Mac's website, Freddie Mac Form 65. However, because we have determined that these differences are not material, Fannie Mae will deem either version to comply with our requirements for use of the Uniform Residential Loan Application.

V. Monthly Income and Combined Housing Expense Information

Gross Monthly Income: If the net cash flow for an investment property is a positive number, it should be listed as "net rental income." If it is a negative number, it must be included in the applicant's monthly obligations. If the property is a two- to four-unit property for which the applicant occupies one of the units as a principal residence, the monthly rental income should be listed as "net rental income."

Combined Monthly Housing Expense: The present monthly housing expenses for the borrower and the co-borrower should be listed on a combined basis. The proposed monthly housing expense for a two- to four-unit property in which the applicant will occupy a unit as a principal residence should reflect the monthly payment (PITIA) for the subject property. For all one- to four-unit investment properties the present monthly housing expense should reflect the applicant's principal residence.

VI. Assets and Liabilities

When the borrower's and co-borrower's assets and liabilities are not sufficiently joined to make a combined statement meaningful, a separate Statement of Assets and Liabilities (Form 1003A) should be completed for the co-borrower.

VII. Details of Transaction

The purchase price shown on Line "a" under the "Details of Transaction" should not include any discounts or rebates or other allowances paid or allowed to the purchaser. For refinancing, the amount being refinanced should be shown on Line "d" – Refinance. The figure should include the total amount of all existing liens plus the costs of improvements that have been – or will be – made. Lines "a", "b", and "c" should not be used to describe a refinance transaction.

VIII. Declarations

Noncitizen Applicants: If an applicant indicates in his response to Question J that he is not a U.S. citizen, and also indicates in his response to Question K that he is not a permanent resident alien, the lender may wish to ask whether he is a nonpermanent resident alien or otherwise is lawfully present in the United States.

X. Information for Government Monitoring Purposes

This section is included to aid the federal government in monitoring compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. Supplying this information is strictly voluntary on the part of the applicant, but lenders should ask all applicants to provide it, including those who apply by telephone and through the Internet, and should describe the reason for collecting this data. Race and ethnicity are separate categories, and although the lender should ask applicants to furnish information for both, applicants may furnish one but not the other. Note that there is no longer a place for applicants to indicate race as "Other" but applicants may check as many races as apply.

The Home Mortgage Disclosure Act and its implementing Regulation C generally require Lenders to collect sex, race, and ethnicity data on all applications.

When an application is taken in person and an applicant elects not to provide some or all of this information, federal law requires the lender to note the applicant's sex, ethnicity, and race on the form, based on the lender's visual observation or the applicant's surname. To aid in identifying applicants who may be of Hispanic ethnicity and who elect not to self-identify, the lender may wish to consult the list of Spanish surnames developed by the U.S. Bureau of the Census. Furthermore, the lender may wish to advise the applicant that he may complete or change the information in this section after the application is approved, at any time up until closing.

To Be Completed By Interviewer

The interviewer must complete this portion of the form to indicate the method used to take the application and to provide the name and telephone number of the interviewer, as well as his or her employer's name and address.

To Be Completed By Loan Originator (for PDF dated 06/09 for mortgage loans applications taken on or after January 1, 2010)

The loan originator must complete this portion of the form to indicate the method used to take the application and to provide the loan originator's name, ID, and telephone number, as well as his or her employer's name, company ID, and address.

Continuation Sheet/Residential Loan Application

Lenders may amend this section by including space to evidence intent to apply for joint credit. Other approaches, such as including this information on a separate document, are also acceptable to Fannie Mae, provided they meet the requirements of applicable law. Lenders should consult counsel to determine their alternatives.

Special Notice for Balloon Mortgages

For each balloon mortgage, the lender must insert a special notice regarding the nature of the balloon features on Form 1003 or in a separate attachment to the form.

If an attachment is used, the borrower(s) must sign the attachment. The following language must be inserted, using capital letters:

"THIS LOAN MUST EITHER BE PAID IN FULL AT MATURITY OR REFINANCED TO A MARKET LEVEL FIXED-RATE MORTGAGE. YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE IF YOU DO NOT QUALIFY FOR THE CONDITIONAL RIGHT TO REFINANCE AS SPECIFIED IN THE NOTE ADDENDUM AND MORTGAGE RIDER. THE LENDER IS UNDER NO OBLIGATION TO REFINANCE THE LOAN IF QUALIFICATION CONDITIONS ARE NOT MET. YOU WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER, WHICH MAY BE THE LENDER YOU HAVE THIS LOAN WITH, WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF YOU OBTAIN REFINANCING."

For California Applications

California Civil Code 1812.30 (j) requires that credit applications clearly specify that the applicant, if married, may apply for a separate account. This requirement is not inconsistent with the language at the beginning of Form 1003.

Lenders may revise the description of the "Married" box in Section III for Borrowers and Co-Borrowers by adding "(includes registered domestic partners)." If lenders are unable to insert the language due to the format of the form, this language may be added to the continuation sheet or included as an attachment to Form 1003.

CERTIFICATION AND AUTHORIZATION

The undersigned hereby certifies the following: I have applied for a real estate or a mortgage loan through Kodiak Island Housing Authority. In applying for the loan, I have completed a loan application containing various information as to the purpose of the loan, the amount and source of the down payment, employment and income information, and assets and liabilities. I certify that all of the information is true and complete. I have not misrepresented information in the loan application or other documents, nor have I omitted any pertinent information.

I understand and authorize Kodiak Island Housing Authority as the lender may verify the information provided on the application.

I fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make false statement when applying for this mortgage, as applicable under the provision of Title 18, United States Code, Section 1001, et seq.

Authorization and Consent to Release Information

I have applied for a real estate or a mortgage loan through Kodiak Island Housing Authority. As a part of the application process, Kodiak Island Housing Authority may verify information contained in my application and in other documents required in connection with the loan, either before the loan is closed or as a part of its Quality Control process.

I authorize you to provide to Kodiak Island Housing Authority, and to any investor to whom Kodiak Island Housing Authority may sell or assign my mortgage, any and all information and documentation that they may request. Such information includes, but is not limited to, employment history and income; bank, money market, and similar account balances; credit history; and copies of income tax returns.

The lender or any investor that purchases the mortgage may address this authorization to any party named in the loan application.

A photographic or faxed copy of this authorization may be deemed to be the equivalent of the original and may be used as a duplicate original.

Signature of Loan Applicant
Printed Name of Loan Applicant: _____

Date Signed

Signature of Loan Applicant
Printed Name of Loan Applicant: _____

Date Signed

KODIAK ISLAND HOUSING AUTHORITY

PRIVACY POLICY

We collect non-public personal information about you from the following sources:

- * Information we receive from you on applications or other forms;
- * Information about your transactions with us or others; and
- * Information we receive from others, such as a consumer reporting agency, court records, employers.

We do not disclose non-public personal information about you to anyone, except as authorized by you or permitted by law.

If you decide to close your account(s) or become an inactive client, we will adhere to the privacy policies and practices as described in this notice.

To maintain security of client information, we restrict access to your personal and account information to those employees who need to know that information to provide you with our products and/or services. We maintain physical, electronic and procedural safeguards that comply with federal standards to guard your non-public personal information.

Your confidence in us is important and we want you to know that your personal and account information is safe. If you have any questions or concerns, please contact us:

Kodiak Island Housing Authority
3137 Mill Bay Road
Kodiak, Ak. 99615
Telephone: (907) 486-8111 or Toll free: 1-(800) 478-5442

I/we have received a copy of this Privacy Policy.

_____ Dated: _____

_____ Dated: _____

FACTS**WHAT DOES KODIAK ISLAND HOUSING AUTHORITY DO WITH YOUR PERSONAL INFORMATION?****Why?**

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- account balances and payment history
- credit history and credit scores

When you are *no longer* our customer, we continue to share your information as described in this notice.

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons KODIAK ISLAND HOUSING AUTHORITY chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does KODIAK ISLAND HOUSING AUTHORITY share?	Can you limit this sharing?
For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes – to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes – information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes – information about your creditworthiness	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions?

Call (907) 486-8111

What we do

<p>How does KODIAK ISLAND HOUSING AUTHORITY protect my personal information?</p>	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p>
<p>How does KODIAK ISLAND HOUSING AUTHORITY collect my personal information?</p>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> ■ apply for a loan or give us your income information ■ give us your employment history or give us your contact information ■ show your driver's license <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
<p>Why can't I limit all sharing?</p>	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> ■ sharing for affiliates' everyday business purposes - information about your creditworthiness ■ affiliates from using your information to market to you ■ sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>

Definitions

<p>Affiliates</p>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> ■ <i>KODIAK ISLAND HOUSING AUTHORITY has no affiliates</i>
<p>Nonaffiliates</p>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> ■ <i>KODIAK ISLAND HOUSING AUTHORITY does not share with nonaffiliates so they can market to you</i>
<p>Joint marketing</p>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> ■ <i>KODIAK ISLAND HOUSING AUTHORITY doesn't jointly market</i>

Other important information

By signing below I (we) acknowledge receiving a copy of this disclosure.

Borrower

Date

Borrower

Date