

**NEIGHBORHOOD STABILIZATION PROGRAM
TEMPORARY FINANCING/REHABILITATION
GRANT RECIPIENT/ HOMEBUYER AGREEMENT**

I/we, _____, have read and understand the following conditions and program requirements that apply to my/our participation in the Neighborhood Stabilization Program (NSP).

1. In order to obtain permanent financing on the property to be purchased, the attached list of repairs or construction requirements must be completed. Temporary financing will be used to acquire the property and finance the rehabilitation or construction completion requirements; then permanent financing will be used to finance the mortgage loan.
2. NSP grant funds in the amount of _____ will be reserved to the extent they are available for an NSP homebuyer assistance grant to subsidize the permanent financing for my/our home. If more than 90 days have elapsed from the temporary financing application date, recipient information such as total household income, credit score, etc. will be reevaluated to determine if recipient is still in compliance with program guidelines or if original grant amount recipient qualified for has changed. Permanent financing must close on or before November 16, 2010.
3. The minimum period of affordability for an NSP assisted property is a restriction established by HUD based upon the total amount of NSP grant funds invested. The period of affordability for this purchase will be _____ years expiring on _____. This period is enforced by a Deed Restriction executed at loan closing. A Deed Restriction is a document signed at closing to assure compliance with the period of affordability.
4. The home must be maintained as the primary residence throughout the period of affordability.
5. A pro-rata amount of NSP grant funds received at the initial purchase of the house will be due to the Mississippi Development Authority if there is a sale, foreclosure or cash-out refinance during the period of affordability (See NSP deed restriction for details).
6. Participation in this program requires the completion of Homeownership Training/ Counseling. Completion is documented by a certificate of completion. The homebuyer will not be charged for this education/training.
7. NSP assisted properties are required to meet local housing codes. In the absence of local housing codes the home must meet HUD's Minimum Property Standards (MPS).
8. NSP grant funds cannot be used to pay liens, judgments or debt collections.
9. All properties built prior to 1978 must pass a lead-based paint and asbestos inspection.

10. There cannot be any unfair advantage or undue benefit to the homebuyer or others associated with the sale/purchase of the home that would create a conflict of interest.
11. At the time a mortgage loan application is completed, a Good Faith Estimate (GFE) will be given to the loan applicant, fully disclosing an estimated amount of fees to be charged to the homebuyer at loan closing. Examples of customary fees include, but are not limited to, realtor commission fee, appraisal fee, survey fee, flood certificate fee, termite inspection fee, loan origination fee, loan discount points, underwriting fee, document preparation fee, recording fees, courier fees, tax service fee, attorney fees, title insurance, mortgage insurance premium, and the customary prepaid items like insurance, interest, and taxes.
12. If there are fees charged at closing that are not fully disclosed on the GFE, the homebuyer has the right to question the fee and consult the NSP Recipient, or the Mississippi Development Authority, Neighborhood Stabilization Program at 601-359-3179.
13. Earnest money may be paid by the homebuyer at the time a sales contract is signed. At loan closing, the amount deposited as earnest money will be used to reduce the loan amount.
14. A non-refundable credit report fee may be collected from the homebuyer at the time a mortgage loan application is submitted.
15. Homebuyers have the option of selecting the house of their choice, their own realtor, and their own financing institution.

I/We have read and understand the contents of this agreement.

Homebuyer(s): _____ Date: _____
 _____ Date: _____

As the Participating Lender, I confirm that all items have been discussed with the above Homebuyer(s) and all questions posed by the Homebuyer(s) have been answered.

Participating Lender by: _____ Date: _____

As the NSP Recipient, all items have been discussed with the above homebuyer(s) and all questions have been answered.

NSP Recipient by: _____ Date: _____

Copies of this agreement are to be submitted to and retained by each party as signed above.