

## CONNECTICUT HOUSING FINANCE AUTHORITY

### PARTICIPATING LENDER CERTIFICATION

CHFA Loan #: \_\_\_\_\_

Date of Closing: \_\_\_\_\_

Participating Lender: \_\_\_\_\_

Borrower/s Name(s): \_\_\_\_\_

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

Title Insurance Co.: \_\_\_\_\_

Title Ins. Policy Number: \_\_\_\_\_

For purposes of this Certification, the following terms are defined as follows:

**“CHFA”** shall mean the Connecticut Housing Finance Authority.

**“Borrower”** shall mean each and all Borrower/s referenced above.

**“Borrower Certificate”** shall mean the Certificate signed by the Borrower during the application process pursuant to the Manual.

**“Lender”** shall mean the undersigned CHFA Participating Lender which originated the Mortgage Loan as hereinafter defined.

**“Mortgage Loan”** shall mean the loan from the Lender to the Borrower to purchase the Property.

**“Manual”** shall mean the current CHFA Home Mortgage Programs Operating Manual.

**“Property”** shall mean the property stated in the property address of the Mortgage Loan.

The Lender does hereby certify the following to CHFA (or its designee) as to the Mortgage Loan:

1. On the above mentioned date of closing, the Lender closed the Mortgage Loan to finance the purchase and/or rehabilitation of an Eligible Dwelling. The Mortgage Loan was closed in compliance with all requirements of CHFA’s Commitment, CHFA’s Procedures, the Manual, the Master Commitment Agreement for Mortgage Purchases, and the Internal Revenue Code, in particular Section 143 thereof. All documents required by the Manual have been duly executed and obtained.
2. The mortgage deed to the Property, the assignment of the mortgage to CHFA (or its designee), all of the documents necessary for the transfer of title to the Borrower for the granting of a mortgage to the Lender and the assignment of such mortgage to CHFA (or its designee) have been duly executed, acknowledged, delivered and recorded. With the exception of encumbrances permitted by the Manual, all payments necessary to extinguish all liens have been made. The Lender has obtained a first mortgagee title insurance policy (with the company and policy number specified on Page 1 hereof) which complies with the requirements of the Manual.
3. The Lender has received an original hazard insurance policy, or is maintaining in effect blanket insurance coverage evidencing all hazard insurance required pursuant to the Manual. All premiums have been paid to establish such hazard insurance in full force and effect for one year. The Lender hereby certifies that the Property is adequately covered by hazard and flood insurance, as required by the Manual.

4. The Lender has, with due diligence, verified the information in the Borrower Certificate and determined such information to be true and correct. In particular, the following items have been verified:
  - a. The Borrower has had no present ownership interest in a principal residence within the last three years, or alternatively, such an interest was disclosed in the Borrower Certificate and is permissible under the CHFA Home Mortgage Program, pursuant to the Manual.
  - b. The Acquisition Cost of the Eligible Dwelling does not exceed the applicable CHFA Sales Price Limit, pursuant to the Manual.
  - c. The Property consists of only such land as reasonably maintains the basic livability of the residence. The Property does not contain more than one building lot, and the Property cannot be subdivided.
  - d. The Mortgage Loan is not being used to refinance, acquire, or replace an existing loan or mortgage of the Borrower except as permitted in the Manual.
  - e. If required by the Manual, the Lender has obtained a copy of any federal income tax return that was filed by the Borrower during the period between the date of the loan application and the date of closing.
  - f. The Borrower meets the income limitation in effect at the time of application and at the time of Mortgage Loan closing.
  
5. Lender does hereby warrant that:
  - a. The Mortgage Loan is not subject to any pledge or assignment.
  - b. The Lender has reviewed the Borrower's application and Borrower Certificate for conformity with the eligibility provisions in the Manual.
  - c. The Mortgage Loan has been made to an Eligible Borrower to finance an Eligible Dwelling.
  - d. Information supplied by the Lender has been accurately stated, and the Lender knows of no material misstatement or omission in information supplied by the Borrower or the Lender in connection with the Mortgage Loan.
  - e. Mortgage insurance, as required by the Manual, has been obtained.
  - f. The lien securing the Mortgage Loan has been perfected by recording and has not been impermissibly satisfied, subordinated, or impaired.
  - g. The Mortgage Loan creates a valid first mortgage lien on the Property subject only to encumbrances created by, among other things, nondelinquent taxes or assessments, rights-of-way, and other easements and encroachments which do not materially affect the security for the Mortgage Loan.
  - h. No payment required by the Mortgage Loan is delinquent, nor is any default thereunder continuing.
  - i. The Mortgage Loan has been underwritten in accordance with the Manual and with prudent lending practice.
  - j. Lender duly provided Borrower with a copy of the complete accurate Notice to Mortgagor of Maximum Recapture Tax executed by Borrower.
  
6. The Lender hereby certifies that all fees collected from the Borrower, including but not limited to, application fees and processing fees, do not in their aggregate exceed the amount permitted pursuant to the Manual. If funds have been escrowed for incomplete items, Lender will monitor the completion of these items and disbursement of such funds in full compliance with the Manual. The Lender has obtained the TRID Closing Disclosure (formerly HUD-1 Settlement Statement) as required by the Manual.

7. The Lender or its agent has conducted an inspection of the Property subsequent to the date of closing, but not more than sixty (60) days after said date, and hereby confirms the following:
  - a. The Borrower has occupied the Property as a principal residence as required in the Manual.
  - b. The Property is not being used in a trade or business (except for a two-to-four family residence which otherwise meets the requirements set forth in the Manual, in which case, the Borrower may rent or lease the non-owner occupied units), or as an investment property, a vacation home, or a second home.
  
8. The land, if any, financed by the Mortgage Loan is not being used to provide a source of income to the Borrower aside from incidental income (e.g., no portion of the land is being commercially farmed).
  
9. The Property is being used in accordance with the terms and conditions set forth in the Mortgage, the Master Commitment Agreement for Mortgage Purchases, and the Manual.
  
10. The Lender has full right and authority to carry out the sale and delivery of the Mortgage Loan to CHFA (or its designee).
  
11. The Lender hereby certifies the following if the Mortgage Loan is for new construction:
  - a. Construction of the Property has been completed in accordance with plans, specifications, and contractual agreements submitted for appraisal, or construction has been completed in accordance with plans, specifications, and contractual agreements as amended after being submitted for appraisal.
  - b. If amendments to the plans, specifications and contractual agreements have changed the value of the Property, the dollar amount of such improvements in the aggregate do not cause the Acquisition Cost of the Property to exceed the applicable CHFA sales price limit for that Property.
  - c. A Certificate of Occupancy has been issued for the Property.
  
12. Capitalized terms in this Certificate are used as defined in the Manual.

***The undersigned Lender acknowledges that CHFA (or its designee) is relying upon this Certification in the purchase of the Mortgage Loan and would be harmed if this Certification is incomplete or inaccurate.***

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_

(Lender Signature )

\_\_\_\_\_

(Print Title)

By: \_\_\_\_\_

(Print Lender Name)