



KEYSTONE CHALLENGE FUND, INC.

NSP Program

Neighborhood Stabilization Program

For Very Low, Low and Moderate Income Homebuyers



Programs administered for Polk County



and the City of Lakeland



2005 S. Florida Ave. Lakeland, FL 33803
863-682-1025
www.keystonechallenge.org

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Introduction: NSP PROGRAM DESCRIPTION

The Neighborhood Stabilization Program (NSP) is a new and innovative program created by the Housing and Economic Recovery Act of 2008 (HERA). Homes that have been foreclosed and /or abandoned in targeted neighborhoods are purchased with program funds, completely renovated, and sold to eligible very low, low, and moderate income homebuyers (referred to in HERA regulations as low, moderate, and middle income respectively). In addition to the benefit of purchasing a completely renovated home, buyers receive financial assistance in the form of a substantial percentage of the purchase price as a principal reduction and additional assistance with closing costs.

Keystone Challenge Fund is a partner in both the Polk County Neighborhood Stabilization Program and the City of Lakeland Neighborhood Stabilization Program. In addition to our role of owner/ developer of the Polk County properties, we process requests for the financial assistance to homebuyers for Polk County. We also work with the City of Lakeland NSP in a slightly more limited capacity, and will be the primary contact for lenders submitting requests for assistance. NSP funds provide financial assistance for principal reductions (down payment assistance) and closing cost assistance to eligible homebuyers who have secured affordable first mortgage financing. It is important to note that Polk County or the City of Lakeland is the actual provider of the funds, and will be the named mortgagee or lien holder on any documents used to secure the assistance, not Keystone Challenge Fund.

The assistance may be used in conjunction with conventional, FHA, or other first mortgage financing that meets the First Mortgage Loan Requirements on the following page and the US Treasury guidance for non-traditional mortgages – FDIC Rule 5000- Interagency Guidance on Nontraditional Mortgage Product Risks. A link to view the full text on the FDIC web site is available on our web site at http://www.keystonechallenge.org/Information_For_Lenders.htm or at <http://www.fdic.gov/regulations/laws/rules/5000-5160.html>.

NSP principal reduction and closing cost assistance can be used to provide secondary financing with FHA loans, and FHA has released a memorandum dated March 24, 2010 with additional guidance for NSP (see link at http://www.keystonechallenge.org/Information_For_Lenders.htm). As the funds are provided by the local government entity and secured by the government entity, mortgage lenders are responsible for assuring that all requirements outlined in HUD Handbook 4155.1, Rev-5, Paragraphs 1-13A are met, along with the requirements contained in Mortgage Letters 94-2 and 02-22. However, the guidance memo of March 24, 2010 does allow assistance to buyers earning over 115% of the median, as our programs are capped at 120% of the median. Please also note that Keystone is the seller of the property, so it is permissible for the local government to provide the principal reduction /closing cost assistance. This NSP Program Manual provides guidelines for the assistance programs only, which may differ from FHA guidelines.

The principal reduction assistance is generally secured by a second mortgage that is subject to recapture based on continued occupancy for a specific term. Interest is not charged and the homebuyer does not make monthly payments. Closing cost assistance is generally considered to be a grant.

Clients who are obtaining first mortgages and secondary assistance through Florida Housing Finance Corporation (FHFC) bond programs or the Housing Finance Authority of Pinellas Bond Programs (serving Polk County) may also qualify under NSP guidelines for a Polk County NSP purchase (not Lakeland). In this case, the assistance will be secured by a third mortgage.

Generally, homes and assistance are available for very low, low, and moderate income buyers. However, NSP may require that funds be distributed across income categories, so it is possible that at various times we may not be able to serve a particular income category. Buyers may view info on Polk County's available homes at <http://www.polkhousing.com/> and the City of Lakeland homes at www.lakelandgov.net/commdev/housing/nsp.html.

Additional guidelines follow and specifics to the Polk County and Lakeland programs are found in Appendix A.

Section I. ELIGIBILITY REQUIREMENTS

FIRST MORTGAGE LOAN REQUIREMENTS:

Assistance is provided only in conjunction with an affordable first mortgage loan.

The first mortgage loan must,

- a) Be a fixed interest rate loan at not more than 1% above the current 60-day FNMA par pricing.
- b) Be fully amortizing for a term not to exceed forty (40) years.
- c) Not contain a pre-payment penalty.
- d) Not require unreasonable or unnecessary closing costs paid by the borrower.
- e) Meet the requirements of US Treasury Guidance FDIC Notice 5000- Statements of Policy Regarding Nontraditional Mortgage Product Risks.

BUYER'S INCOME LEVEL:

NSP can serve household earning up to 120% of the area median income limit based on household size. Incomes are categorized as a percentage of the median income and very low income is 50% of the median, low income is 80%, and moderate is 120%. Current maximum incomes by household size and category are shown in Appendix A.

Income limits are reviewed periodically by HUD and are subject to change. See the following section on how to determine a household's income eligibility for the program.

HOME PURCHASE REQUIREMENTS:

The NSP allows for the purchase of homes developed specifically for the program. Homes are fully renovated for NSP and a HUD Housing Quality Inspection (HQS) is not required for purposes of determining eligibility for the program. However, should a buyer wish to obtain an independent home inspection they are certainly welcome to do so in accordance with the terms of their home purchase contract.

HOME BUYER EDUCATION:

To receive assistance, all buyers who will be named on the property deed must attend a Keystone Homebuyer Education Class and attend an additional one-on-one counseling session with Keystone, or receive the equivalent eight hour homebuyer education from a HUD approved education provider. Education classes are provided by Keystone on a regular basis. Clients may register on-line for classes. View the available class schedule at http://www.keystonechallenge.org/Homebuyer_Education.htm or contact Keystone directly for details.

DEBT RATIOS:

Generally, the homebuyer's front-end (PITI) ratio and back-end ratio cannot exceed certain percentages. See Appendix A for details.

APPRAISAL REQUIREMENTS:

NSP has restrictions on the sales price of the property and we are required to review the buyer obtained appraisal within 48 hours of receipt by the lender in order to ensure conformity with NSP requirements.

ADDITIONAL GUIDELINES FOR ASSISTANCE ARE FOUND IN APPENDIX A

Section II. DETERMINING INCOME ELIGIBILITY

WHO IS IN THE HOUSEHOLD?:

Applicants are expected to disclose **all** household members who will be living in the purchased home, including all adults (related and unrelated) and children except foster children, or children being pursued for legal custody or adoption who currently do not live with the household. Unborn children can be counted as household members if written proof of the pregnancy by a qualified medical professional is provided. Generally, we require that all adult household members submit a copy of their most recent tax return as verification of dependents **and** provide other satisfactory evidence of household composition.

Non-occupant, co-signers are not allowed.

A married applicant will be required to disclose the income of the spouse for eligibility purposes even if applying separately from the spouse, unless they can prove that the spouse is no longer part of the household by providing a lease or deed proving residency at a location different from the applicants.

Applicants (and any co-head of households) must be U.S. citizens or permanent resident aliens.

DEFINITION OF INCOME:

Keystone will be required to calculate the gross income of the **entire household** that is **anticipated to be received** during the next 12 months to determine eligibility for assistance.

NOTE: This income may differ from the income being used by the first mortgage lender and income from all sources and all household members will be considered for eligibility purposes.

VERIFICATION OF INCOME:

The income to be verified to determine eligibility for assistance includes the gross amount of income of **all** adult household members **and** includes income for the benefit of minors such as child support, social security, and AFDC. It does not include income earned by minors who will not be 18 in the coming year, or income in excess of \$480 earned by a full time adult student who is not a co-head of household. Income also includes income from assets.

Include the following forms of verification with your loan file for any type of income.

Employment

Verification of Employment Form for each working adult household member, AND a copy of a recent paystub.

Self Employment

Copies of most recent tax returns and a year to date profit and loss statement AND, a notarized statement from applicant or their accountant stating the anticipated income for the next 12 months.

Social Security, Pensions, SSI, Disability Income

An award or benefit letter prepared by and signed by the awarding agency. Make sure that the form of verification shows the gross amount prior to any deduction or withholdings.

Unemployment Benefits

A statement from the paying agency showing full record of benefits paid and current benefit amount and term.

Alimony or Child Support

A printout from the court or governmental agency through which payments are being made and a copy of the original court order/divorce decree showing the payments. If payments are not being made through a court order, obtain copies of most recent month's payment and a notarized letter from the payer or the recipient stating the amount being paid and frequency of payments. Child support does not have to be included in income calculations if the applicant: a). provides a written certification that it is not being provided, **and** b). provides written proof that they have taken action through the appropriate child support enforcement agency to attempt to enforce the payments. Proof of this action would be written documentation that a "Contempt of Court" hearing has been scheduled with the court ordering child support, or the applicant has filed with the Department of Revenue's Child Support Enforcement office and can provide copies of the resulting paperwork. If the applicant cannot produce papers to document the attempted enforcement, the lender may verbally contact the child support enforcement agency and obtain confirmation. A lender's certification to the file will be required. Lenders and applicants can contact the Department of Revenue's Child Support Enforcement office at 1-800-622-5437. Otherwise, the amount of support awarded will be counted.

Other Sources

Third party verification.

It is important to remember that the income will be calculated on an anticipated basis. Basically, the anticipated income is calculated by taking the current circumstances and projecting the income for the next twelve months, however, if the VOE or other documentation indicates the likelihood of overtime, bonuses, raises, or other changes in income or circumstances, etc, it must be included in the calculation.

INCOME FROM ASSETS:

Income from assets will also be considered when determining a household's eligibility. Assets for all household members, **including minors**, must be considered. An asset is defined as a cash or non-cash item that can be converted to cash (excluding necessary personal property that is not being held as an investment).

Additionally, if a household has disposed of an asset for less than fair market value during the preceding 24 months and the amount received was at least \$1000 less than the fair market value of the asset, the difference must be treated like a current asset.

Generally, the actual income expected to be generated from the asset during the next 12-month period is included as income. However, if the total of all assets is over \$5000, the income is considered to be the actual income generated or 2%, whichever is higher.

NOTE: Include statements on all assets such as checking, savings accounts, stocks, bonds, retirement accounts, etc. with your loan package, not just those being verified for your lender.

Section III. SUBMISSION PROCEDURES

Lenders are not required to pre-register buyers. Lenders are required to submit a package of documentation to Keystone Challenge Fund based on the requirements of the following section. Completed packages are to be submitted to Keystone Challenge Fund, 2005 S. Florida Ave., Lakeland, FL 33803. Faxed packages are not acceptable.

Keystone will review the submitted packages for eligibility and contact the client for additional paperwork that will be generated by us. Keystone will be responsible for ensuring that all NSP eligibility requirements are met to obtain funds from Polk County or the City of Lakeland.

Send your file to us at least 14 - 21 days before the loan closing date. We generally need at least 14 days to complete the file and obtain approval for closing when a completed file is received, but may not be able to process each file within this time frame. The more complete the file is when we receive it, the quicker the process will be.

The loan closing agent will be selected by Keystone Challenge Fund or the City of Lakeland, and noted as part of the purchase contract with the buyer. The assistance being provided to the buyer will also be detailed in the purchase contract. **It is important to note that the borrower cannot receive any cash back at the loan closing, so please base your loan figures accordingly.**

Keystone will work with you and the loan closing agent to schedule the closing as soon as all paperwork and approvals have been obtained. Keystone will work directly with the closing agent to ensure that the assistance is properly reflected on the HUD-1 settlement statement, the second mortgage is insured by a title insurance policy if applicable, and that all charges/fees relative to the second mortgage are collected.

The City and the County will require that their interest appear as a second mortgagee on the homeowner's insurance policy obtained by the buyer. In addition, Polk County requires that their second mortgage be insured by a title insurance policy. Keystone will provide a form to you containing the required second mortgagee clause information.

Direct any questions you may have regarding the first mortgage or the assistance requirements for this program to Beth Niemeyer at Keystone Challenge Fund, 863-682-1025, ext. 3.

Section IV. WHAT FORMS ARE NEEDED?:

All requests for assistance to Keystone will be processed when the following documents are received from the first mortgage lender.

The following forms are required to receive assistance. Most of the forms are from your own loan package. A * refers to a specific Keystone form. A sample of each Keystone specific form is provided. Copy as needed or download from our web site at <http://www.keystonechallenge.org/FormsforLenders.htm>.

- * 1. A Lender's Request for Assistance.
- 2. A copy of the Lender's Good Faith Estimate of Settlement Costs showing all buyer down payment, prepaids, closing costs, and permanent financing.
- 3. Lender's Transmittal Summary/Mtg. Credit Analysis Worksheet.
- * 4. Original, signed Household Certification /Consent Form with proof of dependents attached along with copies of all Head and Co-Head of Household driver's license and resident alien cards if applicable.
- 5. A copy of the Certificate of Completion from a Keystone Homebuyer Education Class or equivalent.
- 6. Verifications of Employment on each household member presently employed over the age of 17 AND a copy of a recent paystub. A VOE must be obtained on each employed, adult household member, whether or not they are listed as a borrower on the loan and be dated by the employer within 30 days. Obtain a VOE on any co-head of household regardless of age.
- 7. A completed, signed, typed Uniform Residential Loan Application (1003). If typed application is not signed, provide borrower's original, signed application.
- 8. Copy of most recent tax return to verify dependents listed on the Household Certification / Consent Form.
- 9. Verification of Deposits - dated within 30 days and a copy of the most recent bank statement on all **savings accounts**.
- 10. For all **checking accounts**, please provide copies of last six months bank statements. VOD not needed.
- 11. Verification of assets not held in a financial institution. Provide statements on asset for verification. Statement must provide information regarding interest rate or earnings. Provide statements on all assets including retirement and pension plans, stocks, bonds, etc.
- 12. Verification of Rent for current residence only.
- 13. Verification of other current sources of income. Third party verification is generally required. Refer to page 4.
- 14. Copy of the home purchase contract.
- 15. A copy of the appraisal.
- 16. A termite inspection report.
- 17. A letter of explanation regarding ratios in excess of 33 /43 % if prior approval has been obtained from Keystone for the County Program. N/A for the Lakeland program.
- 18. Credit report only for the City of Lakeland program.

[See the Lenders Request for Assistance Form \(submitted with each request\) for a complete list of file documentation required.](#)

	Polk County NSP Program	City of Lakeland NSP Program
Assistance	20% of the home purchase price.	30% of the home purchase price if very low income. 20% of the purchase price for low and moderate income.
Closing Costs	May be up to 4% of the purchase price or more. See sales purchase contract for exact amount. Grant to the buyer.	Up to 3% plus \$2,000. See sales purchase contract for exact amount. Grant to the buyer.
Repayment Terms	15 year deferred payment Due in full during first 15 years in the event of sale, buyer's failure to occupy property, refinance, transfer of title. Forgiven after 15 years. If newly constructed, term is adjusted to 20 years.	30 year deferred payment. Due in full at death of recipient or recipients, property sold, rented, no longer principal residence, or property no longer maintained to minimum housing standard.
Mortgage Position	May be a third mortgage in conjunction with FHFC or other pre-approved bond programs.	Second position.
Ratios	33% / 43% Exceptions may be allowed. Prior approval needed. Approvals are usually only granted in cases where the homebuyer can demonstrate a short-term reduction in debt, or evidences other household income not being included in the lender's ratio calculation. Contact Keystone prior to submitting your request to discuss an exception.	33% / 45%
Credit History	N/A	May be subject to review.
1st Time Home Buyer	Not a current homeowner.	Not a current homeowner.
Location	NSP designated properties only in the targeted areas of: Auburndale, Combee, Eaton Park, Inwood, Jan Phyl Village, Kathleen, Poinciana, South Lake Wales, Wabash, and Wahneta.	NSP designated properties only.
Minimum Homebuyer Investment	N/A	\$ 500 if very low income \$1,000 if low or moderate

CURRENT INCOME LIMITS

**50%, 80% and 120% of the Median Area Income by Household Size
Lakeland - Winter Haven, Polk County, Florida, MSA**
Income limits effective May 17, 2010

Household Size	Very Low 50%	Low 80%	Moderate Income 120%
1	\$ 18,450	\$ 29,550	\$ 44,280
2	21,100	33,750	50,640
3	23,750	37,950	57,000
4	26,350	42,150	63,240
5	28,500	45,550	68,400
6	30,600	48,900	73,440
7	32,700	52,300	78,480
8	34,800	55,650	83,520

KEYSTONE CHALLENGE FUND, INC.

2005 S. Florida Ave.
 Lakeland, FL 33803
 (863) 682-1025 FAX (863) 687-2863



LENDER'S REQUEST FOR ASSISTANCE - NSP FUNDS
 Page 1

BUYER/PROPERTY INFORMATION

Name of Buyer:	Name of Co-Buyer:
Street Address of Property to be purchased:	
City, State, Zip Code:	
Contract Price: \$	Appraised Value: \$

MORTGAGE LENDER INFORMATION

Mortgage Lender Name:			
Mailing Address:			
Contact Name:			
Phone: () -	Fax: () -		
Amount of First Mortgage: \$	PITI: \$	Anticipated Date of Commitment:	Anticipated Closing Date:

MORTGAGE BROKER /CORRESPONDENT INFORMATION

File Submitted By (if other than lender): Company			
Mailing Address:			
Phone: () -	Fax: () -	Contact:	

HOUSEHOLD INFORMATION

Number of Household Members:	Gross Annual Income: \$	
FOR KEYSTONE USE		
<input type="checkbox"/> Very Low Income	<input type="checkbox"/> Low Income	<input type="checkbox"/> Moderate Income

MORTGAGE LENDER INFORMATION

Down Payment: \$	+	Total Costs:\$	(Amount on Line i from Section VII/1003)
Closing Costs: \$	-	Total Credits: \$	(Amount on Lines k + l, Section VII/1003)
Total: \$	-	1st Mortgage: \$	(Amount on Line o from Section VII/1003)
		= Cash from Borrower: \$	(Amount on Line p from Section VII/1003)

KEYSTONE CHALLENGE FUND, INC.

2005 S. Florida Ave.
Lakeland, FL 33803
(863) 682-1025 FAX (863) 687-2863



Keystone
CHALLENGE FUND

CHECKLIST- Page 2

IN FILE		TO SUBMIT
YES	NO	
		Good Faith Estimate
		Lender's Transmittal Summary/Mortgage Credit Analysis Worksheet
		*Original, signed Household Certification/Consent Form with proof of dependent information attached.
		Home Buyer Education Certificate of Completion
		Copy of Driver's License and Resident Alien Cards (if applicable), for all heads/co-heads of household. (Borrowers and non-borrowers)
		Completed, signed, typed Uniform Residential Loan Application (1003)
		Current VOE on Each Adult Household Member (dated within 30 days) and copies of current paystubs
		Third party verification of all other sources of income
		Copy of tax return for the preceding year (with W-2s)
		A copy of the most recent bank statement for savings accounts. VOD not required.
		Copies of last 6 months statements on all checking accounts. VOD not required
		Verification of other assets not held in a financial institution (including retirement account information)
		Verification of Rent to cover current residence
		Contract for Sale and Purchase
		Appraisal
		A letter of explanation regarding ratios in excess of 33 /43 % if prior approval has been obtained from Keystone – County NSP only.
		Credit report – ONLY for the City of Lakeland program.
BEFORE CLOSING		
		Termite Report
		Survey
		Final Inspection Report (if applicable)

NOTE: Copies accepted unless otherwise noted above

* Requires a specific Keystone form

CLOSING AGENT INFORMATION		
Name of Closing Agent :		
Mailing Address:		
Phone: () -	Fax: () -	Contact:

**Neighborhood Stabilization Program (NSP)
HOUSEHOLD CERTIFICATION & CONSENT FORM**
TO BE COMPLETED BY BORROWER(S)

You are applying for a mortgage loan through _____ (Name of Company)
_____ (Address of Company)

and you hereby provide consent for this Company to release any and all information regarding income, employment, rental history, assets, household composition, and a property appraisal or other property information you may obtain to Keystone Challenge Fund in order to determine your eligibility to purchase an NSP property and to receive NSP assistance funds administered by Keystone Challenge Fund. Keystone Challenge Fund administers funds loaned by the Polk County Housing & Neighborhood Development Division, The City of Lakeland, and the City of Winter Haven to low and moderate-income home buyers. The actual funds are provided through State or Federal sources and you understand that certain eligibility requirements must be met in order to receive these funds. You are further advised that all documents regarding this assistance will constitute public records and are subject to Florida's open records laws.

One requirement to receive these funds is that you must be certified by Keystone to be a very low, low or moderate-income family. You are required to disclose the gross amount of income of all adults who will be living in the home whether or not they are related to you or listed as a borrower on your mortgage loan. This includes income from all sources. You are also required to disclose all income received for the benefit of minors living with you including child support, social security, AFDC, or other. You do not have to disclose income from employment that is earned by a minor unless they are your spouse or a co-head of household. Disclose all income that is anticipated to be received during the coming 12-month period. You are also required to disclose all assets for all household members including assets held by minors. Furthermore, it is important that you understand that you must be eligible on the day that assistance is awarded to you, not the application date, and any changes to your income, family size, etc. should be reported to Keystone or your mortgage lender during the mortgage application process.

Your mortgage lender may not have required you to disclose all income and assets for purposes of your loan approval with them. This form is being provided to you as an application for assistance and full disclosure of income and assets.

Your application will be reviewed for other eligibility requirements relating to the price, condition, location, affordability of the property, and others as established by the Neighborhood Stabilization Program.

PART I - HOUSEHOLD CERTIFICATION

The head of household and any co-head of household or spouse do hereby certify to the following:

- a. I/We plan to reside in the home.
- b. All household members who will reside in the home are listed below.
- c. I/We are disclosing all income earned by or for the benefit of any household member who is a head of household, co-head of household, or spouse regardless of age, the income earned by other household members over the age of 17, and any and all income received for the benefit of any household member under the age of 18.
- d. No other persons are expected to reside in the property other than those disclosed below.

Head of Household Name:	Social Security #: - -	Age:
Sources of Income: (check as applicable) <input type="checkbox"/> Employment <input type="checkbox"/> Alimony <input type="checkbox"/> Child Support <input type="checkbox"/> Social Security <input type="checkbox"/> Pension <input type="checkbox"/> Public Assistance <input type="checkbox"/> Other _____		
Has this income been disclosed on the application to your lender? <input type="checkbox"/> Yes <input type="checkbox"/> No. If No, Amount \$ _____ per _____		
If No - provide proof of income with this form such as a copy of a check, award letter, or court order.		
Co-Head of Household Name:	Social Security #: - -	Age:
Sources of Income: (check as applicable) <input type="checkbox"/> Employment <input type="checkbox"/> Alimony <input type="checkbox"/> Child Support <input type="checkbox"/> Social Security <input type="checkbox"/> Pension <input type="checkbox"/> Public Assistance <input type="checkbox"/> Other _____		
Has this income been disclosed on the application to your lender? <input type="checkbox"/> Yes <input type="checkbox"/> No. If No, Amount \$ _____ per _____		
If No - provide proof of income with this form such as a copy of a check, award letter, or court order.		

List Other Members of Household Here

Household Member Name:		Age:	DOB: / /
Social Security #: - -		Relationship to you:	
If 18 or over - Income earned per month: \$		Employer Name & Address:	
Student: (yes/no) Disabled: (yes/no)			
Household Member Name:		Age:	DOB: / /
Social Security #: - -		Relationship to you:	
If 18 or over - Income earned per month: \$		Employer Name & Address:	
Student: (yes/no) Disabled: (yes/no)			
Household Member Name:		Age:	DOB: / /
Social Security #: - -		Relationship to you:	
If 18 or over - Income earned per month: \$		Employer Name & Address:	
Student: (yes/no) Disabled: (yes/no)			
Household Member Name:		Age:	DOB: / /
Social Security #: - -		Relationship to you:	
If 18 or over - Income earned per month: \$		Employer Name & Address:	
Student: (yes/no) Disabled: (yes/no)			
Household Member Name:		Age:	DOB: / /
Social Security #: - -		Relationship to you:	
If 18 or over - Income earned per month: \$		Employer Name & Address:	
Student: (yes/no) Disabled: (yes/no)			
Household Member Name:		Age:	DOB: / /
Social Security #: - -		Relationship to you:	
If 18 or over - Income earned per month: \$		Employer Name & Address:	
Student: (yes/no) Disabled: (yes/no)			

I/We certify that I/We have read and understood the above and the information I/We am/are providing is true and correct as of this date. I/We understand that all income for each household member must be disclosed and that I/We will be asked to provide proof of income and dependent relationships.

Signature of Head of Household

Signature of Co-Head of Household or Spouse

Date

Date

WARNING: Florida Statute 817 provides that willful false statements or misrepresentation concerning income and assets or liabilities relating to financial condition is a misdemeanor of the first degree and is punishable by fines and imprisonment provided under S775.082 or 775.83.

ATTACH TO THIS CERTIFICATION (for each dependent named above): Copy of Birth Certificate, or copy of a school record showing **your** name and address, or letter of adoption, or social security card, or copy of court-ordered guardianship letter, or copy of divorce decree.

PART II - ASSET CERTIFICATION

I/We understand that we must disclose all assets, cash or non-cash items that can be converted to cash, for all household members **including minors**. Typical assets include savings, checking accounts, certificates of deposit, stocks, bonds, IRA accounts, retirement and pension funds, lump sum receipts such as lottery winnings, insurance settlements, and personal property held as an investment such as gems, jewelry, and coin collections.

Check one:

- _____ All assets have been disclosed on our application.
- _____ The following assets have not been disclosed on our application.

Type of Asset	Held By* (If a Financial Institution, Company, etc.)	Name of Household Member Owning Asset	Value of Asset

*NOTE: Attach statements providing value of asset if held by a third party such as a checking, savings, certificate, pension fund, stocks, etc.

In addition, I/We certify that during the preceding 24 months, I/We (check one) _____ HAVE _____ HAVE NOT disposed of more that \$1,000 in asset(s) for less than fair market value.

If HAVE is checked above, complete the following for each disposition:

1. The asset was _____. The date of disposition was _____.
The fair market value of the asset was \$ _____. We disposed of it for \$ _____.
2. The asset was _____. The date of disposition was _____.
The fair market value of the asset was \$ _____. We disposed of it for \$ _____.
3. The asset was _____. The date of disposition was _____.
The fair market value of the asset was \$ _____. We disposed of it for \$ _____.

Signature of Head of Household

Signature of Co-Head of Household or Spouse

Date

Date

PART III - AUTHORIZATION TO RELEASE INFORMATION

By signing the following you agree to allow The Keystone Challenge Fund to verify any and all income, credit, savings, and rental references in regard to your application as needed to determine eligibility. You also agree to furnish information requested by Keystone directly from you to facilitate your request for assistance or document your eligibility.

KEYSTONE CHALLENGE FUND, INC.
2005 S. Florida Ave.
Lakeland, FL 33803
863-682-1025
863-687-2863 Fax

AUTHORIZATION TO RELEASE INFORMATION

To Whom It May Concern:

I have made an application to Keystone Challenge Fund, Inc. to obtain a loan to purchase an NSP home from the City of Lakeland or Polk County.

I hereby authorize the Keystone Challenge Fund, Inc. and/or its assigns to verify my past and present employment earnings records, bank accounts, stock holdings, and any other asset balances that are needed to process my mortgage loan application. I further authorize Keystone Challenge Fund, Inc. to order a consumer credit report and verify other credit information, including past and present mortgage and landlord references.

Photocopies of this letter may be made to facilitate multiple inquiries. In the event you do receive a photocopy of this letter, it should be treated as an original and the requested information be released.

The information obtained by Keystone is only to be used in the processing of my application for a mortgage loan.

PRIVACY ACT NOTICE: This information is to be used by the agency collecting it or its assignees in determining whether you qualify as a prospective mortgagor under its program. It will not be disclosed outside the agency except as required and permitted by law. You do not have to provide this information, but if you do not, your application for approval as a prospective mortgagor or borrower may be delayed or rejected. The information requested in this form is authorized by Title 38, USC, Chapter 37 (if VA); by 12 USC, Section 1701 et. seq. (if HUD/FHA); by 42 USC, Section 1452b (if HUD/CPD); and Title 42 USC, 1471 et. seq. of 7 USC, 1921 et. seq. (if USDA/FMHA).

Signature - Head of Household

Social Security Number

Date

**Signature - Co-Head of Household
(or Spouse)**

Social Security Number

Date