

INSTRUCTIONS: Lenders must include this form in the FHA/VA case file.

NOTICE TO BUYERS

Your home purchase is being financed with a Minnesota Housing Finance Agency (“Minnesota Housing”) Start Up loan. Because of the funding source for your loan, if you choose to sell your home to a purchaser who intends to assume the loan, the purchaser must meet qualifications in addition to the standard requirements which may be imposed by the Federal Housing Administration (FHA) or the Veterans Administration (VA). A purchaser may only assume your loan if Minnesota Housing provides prior written approval that the purchaser meets all the qualifications below:

- At the time of the assumption, they intend to occupy the property as their Principal Residence within 60 days of closing.
- They have not had an ownership interest in a Principal Residence (other than the property purchased with the proceeds of the loan) during the three year period ending on the day the application was executed.
- Their gross household income does not exceed the Minnesota Housing income limits.
- They are not purchasing or acquiring the residence at an Acquisition Cost that exceeds the Minnesota Housing Acquisition Cost limits.

Unless your loan is assumed by a buyer who meets the above qualifications your loan will become due at the time of assumption and Minnesota Housing may exercise its right to accelerate full repayment of the debt used to finance the property. This could result in foreclosure of your mortgage and repossession of the property. In addition, if you rent the property or committed fraud or intentionally misrepresented yourself when you applied for the loan, the lenders may foreclose your mortgage and repossess the property.

If the money received from the foreclosure sale is not enough to pay the remaining amount of money you owe on the loan, Minnesota Housing may obtain a deficiency judgment against you (a court ruling that you must pay whatever money is still owed on the loan after the foreclosure sale) to the extent permitted by Minnesota law. Such judgment will be taken over by HUD/VA if Minnesota Housing files an insurance claim against HUD/VA because of the foreclosure. HUD/VA may then bring an action against you to collect the judgment.

Borrower’s Signature	[Borrower Full Name 1] Print Borrower’s Name
Borrower’s Signature	[Borrower Full Name 2] Print Borrower’s Name
Borrower’s Signature	[Borrower Full Name 3] Print Borrower’s Name
Borrower’s Signature	[Borrower Full Name 4] Print Borrower’s Name

