

The response to all the following statements below should be “True.” Do NOT submit a reservation if one or more of the responses is “False “. Contact HCD if you are unsure of the correct response to a question.

No non-occupying co-borrowers or non-occupying co-owners are associated with the first mortgage.

True ____ False ____

Co-borrower: Individual(s) included on the deed, mortgage/deed of trust and promissory note for a property in conjunction with another individual(s) and is liable for repayment of debt secure by the mortgage/deed of trust.

Co-owner: Individual(s) included on the deed and/or mortgage/deed of trust for a property in conjunction with another individual(s).

All borrowers, co-borrowers and co-owners of the transaction are first-time homebuyers as defined by FHLBank Topeka who do not own and are not an investor in another residence. True ____ False ____ **(HSP & HSP+ Only)**

First-time Homebuyer: All borrowers, co-borrowers, and co-owners of the transaction who do not own and are not investors in another residence, and who wish to purchase a home that will be their primary residence. In addition, the homebuyer(s) must meet any one of the following criteria:

1. Have had no ownership in a residence during the prior three-year period ending on the date of purchase of the property;
2. Have only owned a residence not permanently affixed to a permanent foundation in accordance with applicable Regulations;
3. Has only owned a property that was not in compliance with State, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure; or
4. Is a household displaced as a result of a Federally Declared Disaster (as designated by FEMA) within 24 months of the reservation date.

The homebuyer will not receive cash back in excess of \$250.00 at closing. True ____ False ____

All individuals who currently, or will, occupy the residence will be disclosed as household members in the Income Calculation Workbook (ICW). True ____ False ____

The subsidy will not be used for repayment of other debt as part of the home purchase. True ____ False ____

The subsidy will not be used to pay for homebuyer education/counseling costs (if any) associated with this homebuyer that are paid by another funding source. True ____ False ____

The subsidy will not be used to refinance an existing loan. True ____ False ____

The first mortgage loan will not close prior to a status of “Reservation Request Eligible.” True ____ False ____

The homebuyer name and property address identified at reservation will match the homebuyer name and property address for the disbursement request. True ____ False ____

All mortgage interest rates will be at or below the FHLBank maximum interest rate in effect as of the date of closing. (FHLBank maximum interest rates are posted in the Resources section of the TurnKey public website: www.fhlbtopeka.com/turnkey). True ____ False ____

Lender fees (fees paid to the member and/or lender) paid by the homebuyer, including but not limited to origination fees, document preparation fees, application fees, etc. do not exceed 3% of the loan amount for all mortgage loans associated with the transaction. True ____ False ____

Discount points paid by the homebuyer do not exceed 3% of the of the loan amount for all mortgage loans associated with the transaction. True ____ False ____

Processing fees will not be charged by any entity for providing the subsidy to a household. True ____ False ____

The loan-to-value ratio is not less than 80% based on the current loan projections. **(HOPE Only)**

True ____ False ____

Loan-to-Value (LTV) Ratio: The ratio of the first mortgage loan amount divided by the purchase price of the property.

The front ratio does not exceed 38% based on the current loan projections and provided income documentation.

True ____ False ____ **(HSP & HOPE Only)**

Front Ratio: The sum of the monthly principal, interest (including subordinate mortgages), property taxes, property insurance, other housing-related fees (e.g., homeowners' association fees, flood insurance, private mortgage insurance, etc.) divided by the household's monthly income.