

QUALIFICATION REQUIREMENTS

COMMUNITY DEED RESTRICTED HOUSING – PROSPECT HOMESTEAD

“QUALIFIED OWNER” means a person who meets the following requirements at the time that he or she takes initial ownership interest of transfer of interest in the property as qualified by the Town of Mt. Crested Butte:

1. INCOME RESTRICTIONS meet the following which are applicable at the time of purchase or transfer of interest of Essential Housing Units and shall be qualified by the Town of Mt. Crested Butte prior to the execution of the purchase agreement.

2. Has resided in Gunnison County, Colorado, for at least the immediately preceding one year; and

Category 1	\$100,000
Category 2	\$200,000
Category 3	\$300,000
Category 4	\$400,000

3. Is employed in Gunnison County, Colorado, and derives eighty percent (80%) of his/her income from wages or salary from said employment; and

4. A qualified household does not have a net worth that exceeds the following amounts:

Category 1	\$100,000
Category 2	\$200,000
Category 3	\$300,000
Category 4	\$400,000

5. Shall occupy the Essential Housing Unit as his or her sole and exclusive primary residence at all times during the ownership of the housing unit.

Differences between Pre-Qualification, Pre-Approval, Loan Commitment

It's important to get pre-approved for a mortgage before you shop for a home, but sometimes the terminology is confusing. Do you understand the differences between the terms pre-qualified, pre-approval and loan commitment? The differences can affect your home buying transaction.

Pre-Qualified, Pre-Qualification

Loan pre-qualification does not typically include an analysis of your credit report or an in-depth look at your true ability to buy a home.

You can be pre-qualified by a lender, by a real estate agent or you can do it yourself. The term means that someone has taken a general look at your income and expenses and plugged them in to a debt-to-income ratio formula.

Pre-qualifying yourself before you start looking for a home gives you a general idea of the price range you can afford. It will not nail-down an interest rate for you, and that factor and others affect the monthly payments a bank will allow you to make.

Pre-Approval (this is what is needed for Prospect Homestead)

When you are pre-approved for a mortgage, it means a lender has looked closely at both your credit report and your income and determined that you qualify for a loan. The lender will tell you the maximum amount of loan it will make, which loan programs you qualify for, and will discuss the interest rates it will offer for different types of loans.

When you're pre-approved, you can go shopping for a home with confidence about your buying power, but it still isn't a guarantee that the lender will approve the loan.

Loan Commitment

A lender issues a loan commitment after it has approved both the house and you. A home appraisal must meet the lender's guidelines, which usually includes a stipulation that the home must appraise at or higher than the sales price.

PROSPECT HOMESTEAD CHECKLIST FOR APPLICATION SUBMISSION

To ensure that all perspective applicants are qualified and meet the stated criteria the following documentation must be submitted with the application:

- Copies of Federal Income Tax Returns – including **all schedules** for the previous **two (2) years**. Extensions are not eligible for consideration.
- W-2 Forms for the previous two (2) years
- Copies of paycheck stubs for the previous two (2) months
- Verification of length of Gunnison County residency (submit one of the following):
 - Copy of prior lease
 - Phone bill
 - Utility bill
- Qualification Application for Homestead Units
- Net Worth Statement
- Signed Certification Statement
- Lender pre-approval letter: providing pre-approved loan amount, any down payment contribution and lender contact information.
- Full lender loan application (from bank or lender that you are working with)

The Town of Mt. Crested Butte reserves the right to ask for additional information to verify the qualification criteria.

Applications will be accepted on a first come, first serve basis.

If you have any questions, please contact the
Town of Mt. Crested Butte at (970) 349-6632.

TOWN OF MT. CRESTED BUTTE

Qualification Application for Prospect Homestead Employee Units

Applicant Name:		Circle One: Unmarried Married Separated	
Social Security Number	Date of Birth	Phone Number	
		Home: Work: Cell:	
Applicant Mailing Address:		Applicant Physical Address:	
Previous Address:		Employer's Name: Address: Phone:	
Please list all addresses of other property owned:		Applicant's Annual Gross Income \$	Terms of Employment Yrs. Mos.
Co-Applicant Name:		Circle One: Unmarried Married Separated	
Social Security Number	Date of Birth	Phone Number	
		Home: Work: Cell:	
Applicant Mailing Address:		Applicant Physical Address:	
Previous Address:		Employer's Name: Address: Phone:	
Please list all addresses of other property owned:		Applicant's Annual Gross Income \$	Terms of Employment Yrs. Mos.
OTHER INCOME			
Child Support/Alimony: _____		AFDC/TANF: _____	
Social Security, SSDI: : _____		Foster Care: _____	
OTHER:			
List Other Adults in Household and their Annual Income		List Children Names and Ages	

Applicant Signature

Date

Co-Applicant Signature

Date

CERTIFICATIONS

It is our policy to verify all information and in acknowledgement of this policy, please sign your name(s) where indicated.

I/We certify the following:

- All the information contained and submitted is true and complete to the best of my/our knowledge and belief.
- I/We are aware that any misrepresentation will result in the disqualification of unit purchase and my/our right to participate in future essential housing projects/programs may be jeopardized.
- Consent to Release Information:

I/We authorize representatives from the Town of Mt. Crested Butte to receive information from my/our employer(s), my/our financial institution(s), other housing/down payment assistance programs, my/our Realtor and my/our Mortgage Lender to verify the information contained in this application. This information includes, but is not limited to bank statements, employment status, income, outstanding debts and other financial information. I also authorize representatives from the Town of Mt. Crested Butte to allow inspection and reproduction of any financial records or information in their possession. I/We understand that information in this application may be shared with funders/grantors for the purpose of funding compliance.

I/We understand that the income I/we use to qualify for a mortgage loan amount must be the same as the income I/we have stated in all submitted documentation.

I release all representatives from the Town of Mt. Crested Butte from any and all liability arising from release of such information. This authorization is limited solely to information requested for the purpose of determining eligibility to qualify as a buyer for deed restricted essential housing units. This is only to determine qualification as a "qualified buyer" as prescribed by the deed restriction. I/We understand that we must qualify separately for a mortgage loan with a qualified institution.

- I/We understand that the submission of the documentation requested does not guarantee participation or reservation of a specific unit or program.

Signature

Date

Signature

Date

Printed Name

Printed Name

Confidentiality: In order to process an application, the Town of Mt. Crested Butte may supply and receive information as detailed in the "Consent to Release" clause above. Information may also be released to comply with the auditing requirements of program funders/grantors. With these two exceptions, all personal and identifying information on an application remains fully confidential.

STATEMENT OF ASSETS AND LIABILITIES
PERSONAL FINANCIAL STATEMENT
(Net Worth Statement)

Name(s): _____ Date Completed: _____

ASSETS		LIABILITIES	
Cash on Hand & in Banks	\$	Accounts Payable	\$
Savings Accounts	\$	Notes Payable to Banks and Others (Describe in Section 2)	\$
IRA or Other Retirement Accounts	\$	Installment Account (Auto) Monthly Payments \$ _____	\$
Accounts & Notes Receivable	\$	Installment Account (Other) Monthly Payments \$ _____	\$
Life Insurance -Cash Surrender Value Only (Complete Section 8)	\$	Loan on Life Insurance	\$
Stocks & Bonds (Describe in Section 3)	\$	Mortgages on Real Estate (Describe in Section 4)	\$
Real Estate (Describe in Section 4)	\$	Unpaid Taxes (Describe in Section 6)	\$
Automobile -Present Value	\$	Other Liabilities (Describe in Section 7)	\$
Other Personal Property (Describe in Section 5)	\$		
Other Assets (Describe in Section 5)	\$		
TOTAL ASSETS	\$	TOTAL LIABILITIES	\$
NET WORTH	\$		

SECTION 1			
Source of Income		Contingent Liabilities	
Salary/Salaries	\$	As Endorser or co-Maker	\$
Investment Income (Market Value)	\$	Legal Claims & Judgments	\$
Real Estate Income	\$	Provision for Federal Income Tax	\$
Other Income (Describe below)*	\$	Other Special Debt	\$
Description of Other Income in Section 1			
*Alimony or Child Support payments need NOT be disclosed in "Other Income"			

SECTION 2**Notes Payable to Banks and Others**

(Use attachments if necessary. Each attachment must be identified as a part of this statement and signed)

Name & Address of Note Holder(s)	Original Balance	Current Price	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

SECTION 3**Stocks & Bonds**

(Use attachments if necessary. Each attachment must be identified as a part of this statement and signed)

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

SECTION 4**Real Estate Owned**

(List Each Parcel Separately. Use attachments if necessary. Each attachment must be identified as a part of this statement and signed)

	Property A	Property B	Property C
Type of Property			
Address			
Date of Purchase			
Original Cost			
Present Market Value			
Name & Address of Mortgage Holder			
Mortgage Account Number			
Mortgage Balance			
Amount of Payment per Month/Year			
Status of Mortgage			

SECTION 5

Other Personal Property and Other Assets

(Describe, and if any pledged as security, give name and address of lien holder, amount of lien, terms of payment and if delinquent, describe delinquency)

SECTION 6

Unpaid Taxes

(Describe in detail, as to type, to whom payable, when due, and to what property, if any, a tax lien attaches)

SECTION 7

Other Liabilities

(Describe in detail)

SECTION 8

Life Insurance Held

(Give name of insurance companies, beneficiaries and face value and cash surrender value of policies)

I authorize the Town of Mt. Crested Butte to make inquiries as necessary to verify the accuracy of the statements made. I certify the above information and statements contained in the attachments are true and accurate as of the stated date(s). I understand FALSE statements may result in forfeiture of benefits and possible prosecution as allowed by law.

Signature:

Date:

Social Security Number:

Signature:

Date:

Social Security Number: