

This letter is important, read it carefully.

Partnering to end Poverty



Enclosed is an application packet for the **Princeton Neighborhood Stabilization Program**. With this letter you will find: a program Fact Sheet, a "What to Expect" information sheet, an application, a Privacy Notice & Release form*, a lead based paint hazard information pamphlet, a Fair Housing Pamphlet and income verification forms*.

- Employed persons: fill in the top half of the form titled "Employment Verification" with your current employer's information. Include a COMPLETE mailing address for your employer.
- Persons receiving assistance (public assistance, MFIP, AFDC, TANF, GA/Work Readiness, MSA): fill out the top half of the form titled "Assistance Verification"
- Self employed persons: submit a copy of the last 2 years IRS form 1040, including Schedule C
- Social Security income or benefits: submit the current year award letter or fill out the top half of the enclosed form titled, "Verification of Social Security".
- Child Support or Alimony income: submit a court award notice or fill out the top half of the form titled "Assistance Verification"
- Persons receiving income from pensions, annuities or other retirement accounts: please submit the name, address and phone number of the account/institution and state the monthly benefit amount on your application. Copies of the monthly or quarterly statement that shows the benefit amount is acceptable as well.
- Persons with rental income: submit Federal Tax Schedule E or a written statement from the tenant(s)

***Please note that all persons in the household that are over 18 years old must report income and sign the Privacy Notice & Release of Information form.**

Your application will not be processed until all documentation is received at our office. Mail your application and supporting forms to Lakes & Pines at the address below along with the following information:

- Copy of the most current bank statements for all accounts
- Copy of mortgage approval letter with lender's contact information & mortgage amount.

Before funds will be awarded to your project, you will need to provide proof that you have completed an 8 hour homeownership training course from a HUD approved trainer. If you have any questions or need assistance please call 800-832-6082 ext. 123.

Sincerely,

A handwritten signature in black ink, appearing to read "Lezlie Ballis", is written over a circular stamp or seal.

Lezlie Ballis, Project Manager

1700 Maple Avenue East • Mora, MN 55051-1227
Office 320/679-1800 or 800-832-6082 • FAX 320/679-4139
Special accommodations for people with disabilities upon request.

*Serving the counties of Aitkin, Carlton, Chisago, Isanti, Kanabec, Mille Lacs, and Pine
An Equal Opportunity Employer/Contractor*

**Princeton Neighborhood Stabilization Program 2009-2010
Fact Sheet**

The City of Princeton received grant funds through the Housing & Economic Recovery Act (HERA) to address issues associated with the large number of foreclosed homes in the city limits. These funds will be used to acquire vacant and foreclosed properties within the defined target areas that will either be:

- Rehabilitated (new windows, doors, roofing, siding, etc.) and resold to qualified buyers;
- Demolished and redeveloped into affordable housing for qualified buyers or tenants;
- Demolished and converted into space for public use.

These funds will also be used to assist qualified buyers with down payments and gap financing, if needed.

Qualified buyers are:

- Persons and households with income within the following limit (120% and less than the area median income [AMI].):

Household Size	1	2	3	4	5	6	7	8
Income Limit	\$47,650	\$54,450	\$61,250	\$68,050	\$73,500	\$78,950	\$84,350	\$89,800

Preference will be given to applicants with income below the following limits (50% and less than the AMI):

Household Size	1	2	3	4	5	6	7	8
Income Limit	\$19,850	\$22,700	\$25,500	\$28,350	\$30,600	\$32,900	\$35,150	\$37,400

- Persons and households that have been approved (pre-approved) for a mortgage. These grant funds can not be used to mortgage the home for applicants. Applicants must contact a lender or bank to apply for a mortgage to purchase the property. The pre-approval letter and amount must be supplied at application time. First-time homebuyers can contact Minnesota Housing Finance Agency for first-time homebuyer mortgages at 800-657-3701 or www.mnhousing.gov.
- Persons and households that have taken an 8 hour HUD approved homeownership training course. Applicants must enroll in a class as soon as possible, as no funds can be committed to the project until this class has been completed. Central MN Housing Partnership (CMHP) offers these classes, contact CMHP at 320-259-0393, or email at lenee@cmhp.net or visit their website at www.cmhp.net to enroll or for more information. Certification of the training must be provided.

Other Program Information:

Applicants that purchase a home using down payment assistance through NSP, or a home that has been rehabilitated using NSP funds will enter into an agreement with the City to maintain ownership of the property for a certain period of time (term). The term is dependent on the amount of assistance:

NSP \$\$	Term	Interest Rate	Repayment Requirement
Less than \$15,000	5 years	0%	Decreases 20% each year
\$15,000 to \$40,000	10 years	0%	Decreases 10% each year
More than \$40,000	15 years	0%	Decreases 7% each year

For example, an applicant that received \$5,000 down payment assistance to purchase a home that was rehabilitated with \$20,000 in NSP funds (for a total of \$25,000 in NSP funds) would have to maintain ownership for 10 years, after which the loan would be forgiven and considered a grant. If the property was sold during that term, the loan would have to re-paid back to the City. However, each year that the applicant owns and occupies the home, the loan amount decreases. In the case of the example stated, the loan would decrease 10% each year.

For more information or for an application contact:

**Lakes & Pines Community Action Council, Inc.
Energy-Housing Department**

1700 Maple Avenue East – Mora, MN 55051

Phone: 320-679-1800 Toll Free: 800-832-6082 Fax: 320-679-4139

www.lakesandpines.org

Serving the counties of Aitkin, Carlton, Chisago, Isanti, Kanabec, Mille Lacs and Pine.

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What to Expect In the NSP Application/Project Process:

1. Submit your application and ALL required supporting documentation to Lakes & Pines.
 - a. Application completed & signed (four places)
 - b. Privacy Notice & Release form signed
 - c. Top half of Employment Verification form filled in for all employed persons
 - d. Top half of Assistance Verification form filled in for all person receiving assistance (child support, food support, medical assistance, MFIP, etc.)
 - e. Top half of Social Security Verification form filled in or copy of current year award letter for all persons with Social Security.
 - f. Copies of all bank statements, retirement accounts, etc.
 - g. Copies of last two years Federal Income Tax Return forms if self employed, include all schedules.
 - h. Copy of pre-approval from a mortgage company or bank/lender that is providing the mortgage to purchase the home. (This can be provided at a later date, but it must be submitted PRIOR to entering into a purchase agreement.)
 - i. Copy of the certification of homeownership training. (This can be provided at a later date, but the class must be completed PRIOR to closing on the home.)
2. Lakes & Pines will process your application (verify income, assets, mortgage approval) and send written verification of denial or approval to the applicant.
3. If approved, the applicant will work with the City to find an eligible home to purchase.
 - a. The City will schedule the appraisal.
4. Once the home is selected, the home will be inspected by Lakes & Pines to determine what work should be performed to rehabilitate the home. Lakes & Pines will prepare a scope of work that will be mailed to the applicant & the City for approval.
5. Upon approval of the scope of work, Lakes & Pines will prepare bid packages for the applicant to solicit bids for the work. When there is no applicant for a home, the City will solicit the bids. Bidders will have 30 days to submit bids.
6. Lakes & Pines will review bids for completeness & accuracy. Lakes & Pines will consult with the applicant or the City on who to award the rehabilitation contract to. Lakes & Pines will mail out the rehabilitation contract to the contractor awarded the bid.
7. During this time, the City will work with the current owner of the foreclosed home on a purchase agreement for the City to acquire the property.
8. After the home has been acquired by the City, an agreement will be signed between the applicant and the City, securing the NSP funds for the applicant to have the home rehabilitated, and once this has occurred, the contractor will be notified to begin rehabilitation activities.
9. After rehabilitation, the applicant will purchase the home from the City and a secondary lien will be filed against the property with the City as the lien holder for the amount of NSP funds used to rehabilitate (or also for down payment/gap financing assistance).

NEIGHBORHOOD STABILIZATION PROGRAM APPLICATION

FOR OFFICE USE ONLY:

HOUSEHOLD #:	COUNTY:	STATUS:	REP:
PROGRAM #:	AREA:	DATE:	

PART I: APPLICANT INFORMATION

APPLICANT LAST NAME	FIRST NAME	MIDDLE INITIAL	DATE OF APPLICATION
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CO-APPLICANT LAST NAME	FIRST NAME	MIDDLE INITIAL
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CURRENT MAILING ADDRESS	CITY	STATE	ZIP
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ADDRESS OF PROPERTY INTERESTED IN PURCHASING	CITY	STATE	ZIP
----------------------------------------------	------	-------	-----

() PHONE NUMBER	() DAYTIME PHONE NUMBER	COUNTY
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PART II: INCOME INFORMATION

PLEASE CHECK ALL THAT APPLY:

<input type="checkbox"/> SALARY/WAGES	<input type="checkbox"/> GA/WORK READINESS	<input type="checkbox"/> RETIREMENT/PENSION
<input type="checkbox"/> ALIMONY/CHILD SUPPORT	<input type="checkbox"/> UNEMPLOYMENT COMPENSATION	<input type="checkbox"/> MSA
<input type="checkbox"/> SOCIAL SECURITY	<input type="checkbox"/> AFDC/TANF/MFIP	<input type="checkbox"/> INTEREST/OTHER
<input type="checkbox"/> SELF EMPLOYMENT	<input type="checkbox"/> SSI	<input type="checkbox"/> NO INCOME
<input type="checkbox"/> FOOD STAMPS	<input type="checkbox"/> VETERANS BENEFITS	<input type="checkbox"/> MEDICAL AID

PLEASE ANSWER THE FOLLOWING QUESTIONS:

1. HOW MANY PEOPLE ARE IN YOUR HOUSEHOLD? _____
2. HOW MANY ARE ADULTS (18+YRS) _____ HOW MANY ARE CHILDREN (UNDER 18) _____
4. HOW MANY PEOPLE IN THE HOUSEHOLD ARE CURRENTLY EMPLOYED? _____
5. ESTIMATE YOUR HOUSEHOLD GROSS ANNUAL INCOME: _____
6. DO YOU ANTICIPATE ANY CHANGES IN YOUR INCOME NEXT YEAR? _____

PART III. FAIR HOUSING/EQUAL OPPORTUNITY REPORTING

THE FOLLOWING INFORMATION IS REQUESTED SOLELY FOR THE PURPOSE OF DETERMINING COMPLIANCE WITH FEDERAL LAWS. YOUR RESPONSE WILL NOT AFFECT THE CONSIDERATION OF YOUR APPLICATION. PLEASE CHECK ALL THAT APPLY.

<input type="checkbox"/> WHITE	<input type="checkbox"/> SENIOR CITIZEN
<input type="checkbox"/> BLACK/AFRICAN AMERICAN	<input type="checkbox"/> MARRIED
<input type="checkbox"/> ASIAN	<input type="checkbox"/> SINGLE
<input type="checkbox"/> AMERICAN INDIAN/ALASKAN NATIVE	<input type="checkbox"/> DIVORCED
<input type="checkbox"/> NATIVE HAWAIIAN/OTHER PACIFIC ISLANDER	<input type="checkbox"/> WIDOWED
<input type="checkbox"/> OTHER:(SPECIFY)	<input type="checkbox"/> DISABLED, PLEASE DESCRIBE BELOW:
<input type="checkbox"/> HISPANIC OR LATINO ETHNICITY	_____
<input type="checkbox"/> NOT HISPANIC OR LATINO	_____

**NEIGHBORHOOD STABILIZATION PROGRAM
APPLICATION**

PART VI. ASSET VERIFICATION

PLEASE LIST THE NAME AND ADDRESS THE INSTITUTIONS YOU HAVE ACCOUNTS WITH:

For example, list the bank you have your checking or savings account with, and/or the institution you have a 401k, stocks, CDs with.

NAME OF INSTITUTION <i>Check the type of account you have:</i>	ADDRESS Checking <input type="checkbox"/>	CITY Savings <input type="checkbox"/>	STATE Retirement <input type="checkbox"/>	ZIP Other <input type="checkbox"/>
NAME OF INSTITUTION <i>Check the type of account you have:</i>	ADDRESS Checking <input type="checkbox"/>	CITY Savings <input type="checkbox"/>	STATE Retirement <input type="checkbox"/>	ZIP Other <input type="checkbox"/>
NAME OF INSTITUTION <i>Check the type of account you have:</i>	ADDRESS Checking <input type="checkbox"/>	CITY Savings <input type="checkbox"/>	STATE Retirement <input type="checkbox"/>	ZIP Other <input type="checkbox"/>
NAME OF INSTITUTION <i>Check the type of account you have:</i>	ADDRESS Checking <input type="checkbox"/>	CITY Savings <input type="checkbox"/>	STATE Retirement <input type="checkbox"/>	ZIP Other <input type="checkbox"/>

****Please include copies of the most recent statements you receive from the institutions.**

I (we) the undersigned, certify subject to penalty under law, that by signing this application, the information above is true and correct to best of my (our) knowledge. I (we) realize that giving false information will result in disqualifying from the program, and/or I (we) may be subject to a fine or imprisonment, or both, under provisions of the Minnesota Criminal Code, and/or I (we) may be required to return all or part of the rehabilitation funds to the entity in which they were borrowed from. I (we) hereby authorize Lakes & Pines Community Action Council, Inc. staff to enter my (our) home to identify work items necessary for the rehabilitation of my (our) home, to take photographs and to inspect work in progress while construction is occurring, during regular business hours. NOTE: The information requested in this application is legally required to determine if you qualify for participation in this rehabilitation program. A portion of the data is classified as "private data on individuals" under Minnesota Statutes 462.065. Use of data obtained is limited to the United States Department of Housing and Urban Development.

Your name, address and amount of assistance you receive is considered public data under the Minnesota Data Practices Act. The disclosure of your Social Security Number or Minnesota Tax Identification Number is mandatory for participation in this program, by virtue of the Minnesota Revenue Recapture Act of 1980 (Sections 270A.01-270A.12 of MN Statutes), as well as Section 270.66 of said Statutes. Supplying these numbers could result in the application of state tax refunds to the payment of any delinquent indebtedness to the entity lending the funds to us, resulting from this or other HUD programs. These numbers may be made available to state tax authorities and state personnel involved in the collection of state obligations.

APPLICANT'S SIGNATURE	DATE
CO-APPLICANT'S SIGNATURE	DATE

PLEASE CONTINUE TO THE NEXT PAGE FOR IMPORTANT INFORMATION

**NEIGHBORHOOD STABILIZATION PROGRAM
APPLICATION**

I/WE CERTIFY THAT I/WE HAVE RECEIVED INFORMATION ON THE FAIR HOUSING ACT AND THAT I/WE HAVE READ AND UNDERSTAND THE INFORMATION.

APPLICANT'S SIGNATURE

DATE

CO-APPLICANT'S SIGNATURE

DATE

I/WE CERTIFY THAT I/WE HAVE RECEIVED THE PUBLICATION "RENOVATE RIGHT IMPORTANT LEAD HAZARD INFORMATION FOR FAMILIES, CHILDCARE PROVIDERS AND SCHOOLS" AND THAT I/WE HAVE READ AND UNDERSTAND THE INFORMATION.

APPLICANT'S SIGNATURE

DATE

CO-APPLICANT'S SIGNATURE

DATE

I/WE AUTHORIZE THE PHOTOGRAPHING OF MY PROPERTY. I UNDERSTAND THAT THE PHOTOGRAPHS WILL BE USED BY LAKES & PINES CAC, INC. OR ITS REPRESENTATIVE AS DOCUMENTATION OF PROPERTY CONDITIONS BEFORE REHABILITATION AND AFTER REHABILITATION. THE PHOTOGRAPHS MAY ALSO BWE USED IN PRESENTATIONS OR IN OTHER MANNER FOR DEMONSTRATING VARIOUS STYLES AND SERVICES.

APPLICANT'S SIGNATURE

DATE

CO-APPLICANT'S SIGNATURE

DATE

**NEIGHBORHOOD STABILIZATION PROGRAM
MINNESOTA DATA PRACTICES ACT,
TENNESSEN WARNING,
DISCLOSURE STATEMENT
AND
AUTHORIZATION TO OBTAIN/RELEASE INFORMATION**

PURPOSE: This is to advise you that the Department of Housing and Urban Development (HUD), Lakes & Pines Community Action Council (Lakes & Pines) and the City of Princeton (City) will be collecting information regarding your program eligibility. Lakes & Pines will be requesting information from you or the other entities that include but are not limited to: employment, income, and bank statements. The groups or individuals that may be asked to release this information include, but are not limited to: past and present employers, and bank and other financial institutions. The portion of the data requested which constitutes financial information, including but not limited to credit reports, financial statements and net worth calculation are classified as "private data on individuals" under Minnesota Statutes 462A.065, federal subsidies, you may be asked to supply your Social Security Number. This instrument also serves as your consent to obtain the information from you and the other entities mentioned herein to establish and verify your entitlement to the benefits of the applicable HUD program.

USE AND DISCLOSURE: Use of data obtain which is defined in Minnesota law as private is limited to that necessary for the administration and management of the program. Persons or agencies with whom this information may be shared include: staff and other persons involved in program administration; auditors who perform required audits of this program; authorized personnel from the City, HUD (or those under contract with HUD), other local, state and federal agencies provided funding assistance for your loan; members of the local governing board for the purpose of addressing/resolving complaints; those person who you authorize to see it; law enforcement personnel in the case of suspected fraud or other enforcement authorities as required; and in instances where access to the Internal Revenue Code of 1986, as amended (the federal "Low Income Housing Credit Law"). In the absence of a law specifically authorizing the release of private data concerning you to third parties, dissemination of such information requires your specific informed consent, in writing. Please keep in mind, however, that data must be release if required by court order, and in addition, your private data may be release if Congress or the Minnesota Legislature passes a new that authorizes or requires such release of data.

PENALTY: You must provide all of the information requested, including, if applicable, your Social Security Number. Failure to provide the requested information may result in denial of eligibility, eviction or the withdrawal of housing assistance, where applicable.

AUTHORITY: The Minnesota Government Data Practices Act governing the collection, storage and dissemination of data in Chapter 13 of Minnesota Statues. If your housing is subject to federal subsidies, HUD is authorized to collect information, except your Social Security Number, by the U.S. Housing Act of 1937, as amended, 42 U.S.C.; 1437 et. seq., and the Housing and Community Development Act of 1981, P.L. 97-35, 85 Stat. 348, 408. HUD is additionally authorized, for certain federally subsidized housing to collect your Social Security Number by Section 165(a) of the Housing and Community Development Act of 1987 P.L. 100-242, 100-625. In addition to the above, the above referenced Low-Income Housing Credit Law and regulation pertaining thereto, contain reporting requirements to the Internal Revenue Service to assure the owner's compliance with such law and regulations.

SIGNATURE: I/We have read and signed the Minnesota Government Data Practices Act Disclosure Statement and authorization may be supplied to third parties for the purpose of obtaining the information identified above. **A copy of this authorization may be accepted as an original.**

Printed Name

Printed Name

Signature

Signature

Date

Date

SSN: _____

SSN: _____

Applicant: Just fill out the top portion, your employer will fill out the rest.

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Neighborhood Stabilization Program



VERIFICATION OF EMPLOYMENT

Name of Employer: _____

Address: _____ Street _____ City _____ State _____ Zip Code _____

Employee Name: _____

The person named above has stated that he or she is now employed, or has been employed by your firm. Their signature on the attached form provides you with permission to release the requested information. This request for verification of employment and earnings is required to establish eligibility for participation in a housing improvement loan program. The information you provide will be private and only used in establishing eligibility for this household. If you have any questions or need assistance with this form please call 800-832-6082.

- 1. Is this person currently an employee? _____ Job position/title: _____
2. If not, is the situation temporary or permanent? _____
3. If the employee is seasonal or temporary, please give dates of lay-off periods: _____
4. Original hire date: _____ Termination date: _____
5. Current gross pay rate: \$ _____ per _____ Effective date of rate: _____
6. Average number of hours per week: Straight time: _____ Overtime: _____
7. Overtime rate: \$ _____ per _____
8. Expected change in gross pay rate: \$ _____ Effective date of rate change: _____
9. Amount of bonus, incentive pay, commissions or tips \$ _____ per _____
10. Does this person receive vacation with pay? _____ Sick leave with pay? _____
11. Amount deducted for health insurance: \$ _____ per _____ (weekly, monthly, etc.)

Name of person completing this form (please print): _____

Signature: _____ Title: _____

Phone: (_____) _____ Date: _____

Please return this form in the envelope provided to: Lakes & Pines Community Action Council, Inc.

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Neighborhood Stabilization Program



**VERIFICATION OF
ASSISTANCE**

Part I: (To be completed by the applicant)

I, _____, currently living at:
First Name *Last Name*
_____,
Street *City* *State, Zip*

authorize the _____ staff to furnish the
(Insert the name of the place your receive assistance from)
Neighborhood Stabilization Program with information regarding the monthly payment made to me for assistance or other direct payments. This information is required for income verification for the Rehabilitation Program. The information will be private and only used in establishing eligibility.

Signature

Date

Part II: To be completed by the Social Services Agency

1. Type of assistance provided: _____
2. Monthly amount: \$ _____
3. Amount of Child Support Bonus payment (if applicable): \$ _____
4. This payment is: **Regular** **Sporadic**
5. If it is sporadic, what was the total amount received for the past 12 months? \$ _____
6. Is the same amount likely to be received in the next 12 months? **Yes** **No**
7. Does the recipient receive any other income to the best of your knowledge? **Yes** **No**
If yes what is this source? _____
How much is received? \$ _____

Printed Name & Title: _____ Date: _____

Signature: _____ Phone: () _____

Please return this form in the envelope provided to the address below. If you have any questions, please call (320)679-1800 ext. 123.

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Neighborhood Stabilization Program

VERIFICATION OF SOCIAL SECURITY INCOME

Applicant: Fill out only the top portion of this form.

Name of Applicant: _____

Social Security Number: _____

Social Security Claim Number: _____

Address: _____

Phone: () _____ Date of Birth: ____/____/____

I hereby authorize the Social Security Administration to provide the information regarding my monthly benefits to Lakes and Pines Community Action Council, Inc. I understand the information is private data and will be treated as such.

Signature: _____ Date: _____

Social Security Administration, please provide the information below:

The current gross monthly amount of the Social Security Benefit is: \$ _____

The amount deducted monthly for Medicare is: \$ _____

The net amount of the Social Security check each month is: \$ _____

The above amount became effective on: _____

Please indicate any anticipated changes to the amount over the next 12 months: _____

The SSA is unable to verify the requested information at this time because:

- Claim still pending
No record based upon identifying information
Other reasons given on the reverse side of this form

Please attach additional pages if needed.

Name/Title: _____ Date: _____

Signature: _____ Phone: () _____

Please return this form in the envelope provided to: Lakes & Pines Community Action Council, Inc.