

## GOVERNOR'S HOUSE ELIGIBILITY PACKET

Submit the completed forms and documentation listed in the checklist below to:

Jenna Lequire at [jenna@secog.org](mailto:jenna@secog.org) or mail to:

South Eastern Council of Governments  
500 N. Western Avenue, Suite 100  
Sioux Falls, SD 57104

Once you are determined income and asset eligible, you will need to provide a pre-qualification letter from your mortgage lender and the address where you plan to place your home. Once you provide these items, an appointment will be scheduled to complete the purchase contract for the Governor's House.

The following items are required to determine your eligibility to purchase a Governor's House. **We will not review applications until all documentation has been provided:**

### APPLICATION CHECKLIST

|  |  |
|--|--|
| Buyer Contact Information Form                           |  |
| Income and Eligibility Certification Form                |  |
| Personal Net Worth Statement Form                        |  |
| Copy of most recent Federal Income Tax Return (IRS 1040) |  |
| Copies of pay stubs or proof of income (6 weeks worth)   |  |
| Lender Pre-Qualification Letter                          |  |
| Exhibit A  |  |

# The Governor's House

## BUYER CONTACT INFORMATION

### Buyer

Last Name \_\_\_\_\_

First Name \_\_\_\_\_

Home Phone \_\_\_\_\_

Work Phone \_\_\_\_\_

Email Address \_\_\_\_\_

### *Home Address*

Address 1 \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_

Zip \_\_\_\_\_

County \_\_\_\_\_

### **Names and Ages of Others in Household (full-time)**

Name \_\_\_\_\_ Age \_\_\_\_\_

- ***Provide paystubs (6 weeks worth) for all working members of household***
- ***Provide most recent tax return (IRS 1040)***

How would you prefer to be contacted? \_\_\_\_\_

## Exhibit A

### GOVERNOR'S HOUSE CRITERIA AND HOMEOWNER REPRESENTATIONS

The undersigned homeowner(s) acknowledges, certifies and agrees as follows:

1. There are eligibility criteria to purchase a Governor's House.
2. I (we) intend to purchase a Governor's House and that such house will be my (our) one and only place of residence.
3. Only one (1) Governor's House may be purchased in a lifetime.
4. My (our) adjusted gross household income for the next year will not exceed (i) \$54,460.00\* for a household of 2 or less (or 70% of the state median income), or (ii) \$62,240.00\* for a household of three (3) or more (or 80% of the state median income). \*These numbers are subject to change periodically based upon HUD state median income updates. Contact SDHDA for details.
5. My (our) total net worth and liquid assets are not greater than (i) \$90,000 and \$70,000, respectively, if under sixty-two (62) years of age, or (ii) \$175,000 and \$100,000, respectively, if sixty-two (62) years of age or older.
6. I (we) have provided true, correct and complete copies of the most recent IRS Tax return(s), Income Eligibility and Personal Net Worth Statement(s) for this household as of this date, and that neither my (our) income or net worth will vary from the amounts provided.
7. Unless a written waiver is received from SDHDA, no additional encumbrances may be filed against the house, and I (we) may not use the house to secure additional financing, within three (3) years of purchase.
8. Unless a written waiver is received from SDHDA, I (we) shall pay a penalty of \$5,000 to SDHDA if the house is rented within three (3) years of purchase.
9. Unless a written waiver is received from SDHDA, I (we) shall pay to SDHDA an amount equal to the difference between (Y) the purchase price plus documented improvements and (X) the sale price (net of sales expenses), if the house is sold within three (3) years of purchase.
10. I (we) acknowledge that the Governor's House Program, pursuant to which this Purchase Agreement is made and entered into, is a program operated by SDHDA for public purposes, including providing owner-occupied residences and providing an opportunity for citizens of the State of South Dakota to acquire residences for their personal use. SDHDA and I (we) agree (i) that the damages resulting from breach of the provisions of Item 8 of Purchase Agreement prohibiting rental of a Governor's House to an ineligible tenant within three (3) years of purchase, and the provisions of Item 9 of Purchase Agreement prohibiting re-sale of a Governor's House within three (3) years of purchase to an ineligible purchaser would be difficult to calculate or determine; (ii) that the provisions of Items 8 and 9 are a reasonable effort to fix the compensation due SDHDA in the event of a breach of said provisions; and (iii) that the sums set forth and calculated pursuant to Items 8 and 9 herein bear a reasonable relationship to the damages likely to be suffered by SDHDA in the event of breach of said provision and are not disproportionate to the damage to SDHDA reasonably anticipated for the breach of said provisions.
11. The provisions of Items 7, 8, 9 and 10 shall survive the closing of the purchase of the Governor's House by the Purchaser, and shall continue in full force and effect thereafter for the period set forth in said Items.

**CONTINUED ON FOLLOWING PAGE**

\_\_\_\_\_  
\_\_\_\_\_  
Initials  
Initials

## Exhibit A (continued)

BY SIGNING BELOW, the undersigned Homeowner(s) declares and affirms under penalties of perjury that to the best of the undersigned's knowledge and belief, the undersigned meets all qualifications for the purchase of a Governor's House including the income restrictions and net worth and liquid assets limitations; that all information submitted by the undersigned is true, correct, and complete in all respects; and that the undersigned's household income will not vary significantly in the next year from the income reported on the most recent federal tax return (unless disclosed in the Income and Eligibility Certification).

|                       |                             |              |       |
|-----------------------|-----------------------------|--------------|-------|
| _____                 | _____                       | _____        | _____ |
| Homeowner             | Date                        | Homeowner    | Date  |
| Household Size        | ___ Adults (Over age 18)    | ___ Children |       |
| Optional Information) | Age of Purchaser(s) ___ ___ |              |       |

**INCOME AND ELIGIBILITY CERTIFICATION**

The undersigned hereby acknowledges and certifies as follows:

1. There are eligibility criteria to purchase a Governor's House.
2. I (we) intend to purchase a Governor's House and that such house will be my (our) one and only place of residence.
3. Only one (1) Governor's House may be purchased in a lifetime.
4. My (our) adjusted gross household income for the next year will not exceed (i) \$54,460.00 for a household of 2 or less (or 70% of the state median income), or (ii) \$62,240.00 for a household of three (3) or more (or 80% of the state median income). Household Income is defined by the HUD Part 5 definition of income.
5. My (our) total net worth and liquid assets are not greater than (i) \$90,000 and \$70,000, respectively, if under sixty-two (62) years of age, or (ii) \$175,000 and \$100,000, respectively, if sixty-two (62) years of age or older.
6. Attached hereto are true, correct and complete copies of the most recent IRS Tax return(s) and Personal Net Worth Statement(s) for this household as of this date.
7. If, for whatever reason, buyer's **household** gross income as stated in this document or their most recent federal tax return changes from the approval of this purchase agreement and the completion of the purchase of buyer's Governor's House, buyer will notify SDHDA in writing prior to taking delivery of the house.
8. (If applicable) My (our) anticipated income will vary from that documented in the attached IRS Tax return and is expected to be as follows:

|                            | Buyer | Buyer<br>(or other<br>household<br>member) | Other | Total |
|----------------------------|-------|--|-------|-------|
| Salaried/Wage Earners      | _____ | _____                                      | _____ | _____ |
| Bonuses/Commission/Tips    | _____ | _____                                      | _____ | _____ |
| Overtime                   | _____ | _____                                      | _____ | _____ |
| Self-Employment Income     | _____ | _____                                      | _____ | _____ |
| Other Wages                | _____ | _____                                      | _____ | _____ |
| Military Income            | _____ | _____                                      | _____ | _____ |
| Unemployment Comp.         | _____ | _____                                      | _____ | _____ |
| Child Support/Alimony      | _____ | _____                                      | _____ | _____ |
| Social Security Benefits   | _____ | _____                                      | _____ | _____ |
| Retire./IRA/Keogh/401(k)   | _____ | _____                                      | _____ | _____ |
| Pension Income             | _____ | _____                                      | _____ | _____ |
| Contract for Deed Income   | _____ | _____                                      | _____ | _____ |
| Dividend/Interest          | _____ | _____                                      | _____ | _____ |
| Rental Income              | _____ | _____                                      | _____ | _____ |
| Trust Accounts             | _____ | _____                                      | _____ | _____ |
| <b>TOTAL ANNUAL INCOME</b> | _____ | +  | _____ | +     |
|                            |       |  |       | =     |

BY SIGNING BELOW, I declare and affirm under the penalties of perjury that the information listed above has been examined by me, and to the best of my knowledge and belief, is in all things true and correct. I understand that the completion of purchase of my (our) Governor's House is at risk should this information be incorrect.

\_\_\_\_\_  
BUYER  
\_\_\_ 62 or over

\_\_\_\_\_  
DATE

\_\_\_\_\_  
BUYER  
\_\_\_ 62 or over

\_\_\_\_\_  
DATE

**PERSONAL NET WORTH STATEMENT**

Net Worth is simply the difference between a person's assets (what they own) minus their liabilities (what they owe). By definition, liquid assets are all assets that can be quickly converted into cash, including savings and checking accounts, money-market accounts and most Certificates of Deposit, stocks and bonds (unless they are held in a retirement fund). Non-liquid assets include such items as a house or car that are not easily turned into cash.

| <b>Assets<br/>(what you own)</b>                 | <b>Liabilities<br/>(what you owe)</b> |
|--|---------------------------------------|
| 1. Cash _____                                    | 1. Credits Cards _____                |
| 2. Checking Accounts _____                       | 2. Personal Loans _____               |
| 3. Savings Accounts _____                        | 3. Auto Loans _____                   |
| 4. Certificate of Deposit _____                  | 4. Student Loans _____                |
| 5. Mutual Funds _____                            | 5. Real Estate Loans _____            |
| 6. Stocks & Bonds _____                          | 6. Medical Bills _____                |
| 7. Cash Value of Life Insurance _____            |                                       |
| 8. Other Liquid Assets _____                     |                                       |
| <b>SUBTOTAL OF LIQUID ASSETS</b> _____           | <b>TOTAL LIABILITIES</b> _____        |
| 9. Real Estate Owned _____                       |                                       |
| 10. Vested Interest in Retirement Accounts _____ |                                       |
| 11. Business Ownership or Interests _____        |                                       |
| 12. Personal Property _____                      |                                       |
| 13. Automobiles _____                            |                                       |
| 14. Other Non-Liquid Assets _____                |                                       |
| <b>SUBTOTAL OF NON-LIQUID ASSETS</b> _____       | <b>TOTAL ASSETS</b> _____             |
| <b>TOTAL ASSETS</b> _____                        | <b>TOTAL LIABILITIES -</b> _____      |
|  | <b>NET WORTH</b> _____                |

BY SIGNING BELOW, I declare and affirm under the penalties of perjury that the information listed above has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

\_\_\_\_\_  
BUYER DATE  
\_\_\_\_ 62 or over

\_\_\_\_\_  
BUYER DATE  
\_\_\_\_ 62 or over