

GOVERNOR'S HOUSE ELIGIBILITY PACKET

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

Sara Lum at sara@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	
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 (or other household 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	_____	_____	_____	_____
TOTAL ANNUAL INCOME	_____	+	_____	+
				=

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.

Assets (what you own)		Liabilities (what you owe)	
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	_____	TOTAL LIABILITIES	_____
SUBTOTAL OF LIQUID ASSETS	_____		
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	_____	TOTAL ASSETS	_____
SUBTOTAL OF NON-LIQUID ASSETS	_____	TOTAL LIABILITIES -	_____
TOTAL ASSETS	_____	NET WORTH	_____

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
____ 62 or over

DATE

BUYER
____ 62 or over

DATE