

Hutchinson HRA
Application Instructions for a Minnesota Housing Finance Agency
FUF/ CFUF Home Improvement Loan

It is recommended before you submit your application packet to the Hutchinson HRA you review your: credit score, the value of your home, the total indebtedness secured by the property (even deferred loans that you aren't making payments on), your month revolving debt and your monthly income.

You will need to submit to the HRA the following items:

1. Credit Application: (enclosed)

Complete pages 1-7, sign and date. Please do not leave any questions unanswered.

There is a \$15.00 cost fee for a credit report. Please include the \$15.00 check with your application. Applications will NOT be processed until the fee has been received by the HRA. Please make payment out to the Hutchinson HRA.

2. Authority to Release Information: (enclosed)

Both applicant and co-applicant must sign and date.

3. Property Tax Statement: A copy of your most current statement.

4. Copy of your Deed for your home.

This is used to verify that you have at least 1/3 ownership interest.

5. Income Verifications: (Attached copies of your 3 most current paystubs too)

Please submit all required information that pertains to your household's source of income.

- For Salary or Regular Wages: enclosed is a Verification of Employment Form. Please complete the section that asks for your employer's name, address and phone number as well as your name. Your employer is to complete the other section. Return the form to the HRA to be forwarded to your employer.
- Interest or Dividends: From the most two recent calendar years, copies of 1099 Forms or Federal Tax Form 1040.
- Seasonal Employment: Copies of the most recent two years W-2 Forms & 1099 forms; or Federal Tax Form 1040, if this is the only source of income
- Self Employment: Sole Proprietorship or Farm Operation: Copies of the two most recent years federal income tax returns; Form 1040, Schedule C (for sole proprietorship, Schedule F (farm operation) or Form 8829 if you operate a business out of your home.
- Self Employment: Partnership: Copies of two most recent federal income tax returns; Form 1040, Schedule E, Form 1065 K-1 or from the U.S. Partnership Return of Income Form 1065.
- Self Employment: S-Corporation: Copies of the two most recent federal income tax returns; Form 1040, Schedule E, Form 1120S K-1, W-2 or 1099 form or form the U.S. Small Business Income Tax Return Form 1120S.
- Rental Income: Schedule E from the most recently file federal income tax returns, or a copy of the rental agreement if the rental property is a new purchase.

- Child Support or Alimony: A copy of the divorce decree and a Six month history verifying that the income is received such as cancelled checks, bank deposit records or county disbursement printout.
- Contract for Deed Income: A copy of the contract of deed and evidence that the income is received such as cancelled checks or bank deposits.
- Social Security: Copies of a current check or a current bank deposit or the award letter received at the start of each calendar year.
- Education Grants/Scholarships: Copies of Grant Award Letters for grants or scholarships paid directly to the Applicant not to include Education Loans.

6. Signed Primary Use of Property Certification (enclosed)
Both applicant and co-applicant must sign and date.

7. Copy of Your Current Mortgage Statement

8. Copy of Your Current Home Insurance Policy

9. Broker Price Option – may be needed to determine current home value

10. Bids and Estimates for all proposed work:

- Bids cannot be more than 120 days old
- A Building Permit from the City of Hutchinson is required!

Please return all required forms, bid estimates, copies of all sources of income and \$15.00 credit report fee to:

Hutchinson HRA

111 Hassan St. SE, Hutchinson, MN 55350

Phone (320) 234-4251 Fax (320) 234-4240

When we receive the requested items, we will evaluate your application based on your income, credit history, the eligibility of your proposed home improvements and your ability to repay a loan based on our underwriting standards. *We will notify you of your qualifications for the loan.*

NOTICE: The Hutchinson HRA will sell your loan to the Minnesota Housing Finance Agency (MHFA) when your loan is approved, closed and the funds have been disbursed to you. By the time your first payment is due, MHFA’s loan servicer will provide you with their payment instructions.

Fees that can be charged to borrower (but not financed by loan proceeds)	* \$15 credit report fee * Mortgage/document recording fees - ~\$92 or current fee
Fees that can be financed by loan proceeds	Loan Origination Fee - 1% of Loan Amount
	Title & Lien Search - \$50 or current fee
	Loan Document Preparation Fee - \$50



Release of Information

This is your authorization to release information regarding my income, employment, bank accounts, and outstanding debts including mortgages, to order a consumer credit report and to obtain other information about me/us that is necessary to support my application for a housing improvement loan from the **City of Hutchinson/HRA**.

You may make copies of this letter to distribute to any party with which I have a relationship and that party may treat that copy as an original.

Signature of Applicant

Date

Signature of Applicant

Date





City Center, 111 Hassan Street SE
Hutchinson, MN 55350
Website Site: www.hutchinsonhra.com
(320) 234-4251 • (320) 234-4240 Fax

VERIFICATION OF EMPLOYMENT

Part I: To be completed by the Applicant

Name of Employer: _____

Address: _____ Phone #: _____

Employee: _____ Fax #: _____

Part II: To be completed by the Employer

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 our housing improvement loan program. The information you provide will be private and only used in establishing eligibility for this family.

1. Gross earnings during the past 12 months: \$ _____ YTD \$ _____
2. Is this person currently an employee? Yes No
3. If not, is this a temporary situation? Yes No
4. If employment is seasonal or sporadic, please give lay-off periods: _____
5. Original or re-hire date: _____ Termination date: _____
6. Average number of hours per work week: Straight time _____ Hrs/Week Overtime _____ Hrs/Week
7. Current Gross pay rate: \$ _____ per _____. Effective date of rate: _____
8. Overtime is paid at the rate of \$ _____ per _____
9. Expected change in pay rate: \$ _____ Date: _____
10. Amount of bonus, incentive pay, commission or tips: \$ _____ per _____
11. Does this person receive vacation with pay? Yes No Sick leave with pay? Yes No
12. Amount deducted for health insurance: \$ _____ per _____ (weekly, monthly, etc.)
13. Employee's position or job title: _____

Person completing this form

Date

Title

Telephone Number

Please return this form to: **Hutchinson HRA, 111 Hassan St SE, MN 55350 Fax 320-234-4240**
If you have any questions contact: **Judy Flemming, Hutchinson HRA, 320-234-4251**





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CHECKING/SAVINGS ACCOUNT VERIFICATION

Part I: To be completed by the Applicant

Name of Financial Institution: _____ Date: _____

Financial Institution Address: _____ Phone: _____

Applicant Name: _____ Account #'s: _____

To the Bank named above, I hereby grant the release of information regarding my income and assets to the Hutchinson HRA. I understand that this information will be treated as private data. This verification request is required to establish my program eligibility and I would appreciate your prompt completion of the form. Please return it to:

Judy Flemming, Hutchinson HRA, 111 Hassan St SE,
Hutchinson, MN 55350 Telephone: 320-234-4251

Signature of Applicant: _____

Part II: To be completed by the Bank

Current Checking Account Balance: \$ _____ Interest Rate Paid: _____

Average Checking Account Balance for the last 6 months: \$ _____

Current Savings Account Balance: \$ _____ Interest Rate Paid: _____

Saving Certificates: \$ _____ Interest Rate Paid: _____

Saving Certificates: \$ _____ Interest Rate Paid: _____

Total interest earned during the last 12 months from all above: \$ _____

To the best of your knowledge, will there be a change in earnings during the next 12 months?

Person completing form

Date

Title

Telephone Number

**Return this Form to: Judy Flemming, Hutchinson HRA, 111 Hassan St SE
Hutchinson, MN 55350 • Telephone: 320-234-4251 • FAX 320-234-4240**





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VERIFICATION OF ASSISTANCE

To: McLeod County Social Services

Part I: To be completed by the Applicant

I, _____, living at
First Name *Last Name*
_____, Hutchinson, MN 55350
Street Address

do hereby authorize the McLeod County Social Services staff to furnish the Small Cities Development Program with information regarding the monthly payment made to me for AFDC, General Assistance or other direct payments.

This information is required for income verification for the Housing Rehabilitation Program. The information you provide will be private and only used in establishing eligibility for this family.

Signature **Date**

Part II: To be completed by the Social Services Agency

Type of Assistance Provided: _____ Monthly Amount: \$ _____

If the above recipient receives a Child Support Bonus Payment, please give the monthly amount:
\$ _____

Is this payment? Regular or Sporadic

If it is sporadic, what was the total amount received for the past 12 months? \$ _____.

Is the same amount likely to be received in the next 12 months? Yes No

Does the recipient receive any other income to the best of your knowledge? Yes No

If Yes, what is the source _____
and how much is received? _____

Social Services Signature _____ **Date:** _____

Title **Phone**

Please return this form to: **Hutchinson HRA, 111 Hassan St SE, Hutchinson, MN 55350**
If you have any questions, please call: **Judy Fleming, Hutchinson HRA, 320-234-4251**
Fax: 320-234-4240



Fix-Up/Community Fix-Up Fund Loan

Primary use of Property is Residential not a Home Business Certification

Address of Home: _____

I (We) certify that my (our) home at the above address is used primarily for residential purposes.

I (We) certify that my (our) home at the above address has a home business however not more than 49% of the home is used regularly and exclusively in a business.

Signature

Date

Signature

Date