



## **BORROWER CLOSING AFFIRMATION**

### **Home First and Home First Plus Programs**

#### **AFFIRMATION AT LOAN CLOSING**

#### **AFFIRMATION OF REPRESENTATIONS, COVENANTS AND WARRANTIES IN RECAPTURE NOTIFICATION AND BORROWER(S) AFFIDAVIT**

(I/We), as purchasers of the property, affirm all the representations, covenants and warranties set forth in the RECAPTURE NOTIFICATION AND BORROWER(S) AFFIDAVIT that (I/We) executed in connection with (my/our) application for a Mortgage Loan.

You have applied to New Hampshire Housing Finance Authority (New Hampshire Housing) for a loan to be financed with tax-exempt funds. You are hereby notified that current federal tax law may require a payment to the federal government of a "recapture" amount upon the sale, transfer or other disposition of your residence. You may be required to pay a recapture tax equal to a portion of the loan amount if you sell or otherwise transfer your residence to someone else within the first nine years of your Mortgage Loan. The recapture tax may not exceed, in any event, 50% of the gain realized on sale, transfer or other disposition. You may not have to pay part of all of the recapture amount if your income at the time of sale, transfer or other disposition, is less than a prescribed amount, or if the sale, transfer or disposition arises as a result of your death. There is no way to predict your exact tax liability since it is based on when you sell or transfer your residence, your gain from the disposition, income and family size at the time of disposition. Moreover, because the U.S. Congress may at any time enact legislation amending the current federal tax law, the requirement (if any) affecting your Mortgage Loan at the time of closing may be different from that described above. Consult your tax adviser or local IRS office for further information.

(I/WE) HAVE READ THE RECAPTURE NOTIFICATION AS SET FORTH ABOVE HEREOF, AND UNDERSTAND THAT (I/WE) MAY BE REQUIRED TO PAY A RECAPTURE TAX TO THE UNITED STATES TREASURY AS A RESULT OF RECEIVING (MY/OUR) MORTGAGE LOAN FROM THE PROCEEDS OF A TAX-EXEMPT BOND.

(I/WE) HAVE NOT HAD A PRESENT OWNERSHIP INTEREST IN A PRINCIPAL RESIDENCE, INCLUDING A MANUFACTURED HOME PERMANENTLY FIXED TO REAL PROPERTY, AT ANY TIME DURING THE THREE-YEAR PERIOD IMMEDIATELY PRIOR TO THE CLOSING OF THE MORTGAGE. (THIS REQUIREMENT DOES NOT APPLY IF THE RESIDENCE IS IN A "TARGETED AREA" AS DETERMINED BY NEW HAMPSHIRE HOUSING.)

(I/WE) UNDERSTAND THAT, IF (I/WE) HAVE MADE ANY MATERIAL MISSTATEMENTS IN THE REPRESENTATIONS, COVENANTS OR WARRANTIES IN (MY/OUR) BORROWER(S)' AFFIDAVIT OR THIS AFFIRMATION, OR OMITTED TO STATE ANY OF THE INFORMATION REQUESTED IN (MY/OUR) BORROWER(S)' AFFIDAVIT OR THIS AFFIRMATION, THE FOLLOWING MAY OCCUR:

(I/WE) WILL BE FINED NOT MORE THAN \$1,000,000.00 OR IMPRISONED NOT MORE THAN THIRTY (30) YEARS, OR BOTH, PURSUANT TO SECTION 1014 OF TITLE 18 OF THE UNITED STATES CODE.

THE OUTSTANDING PRINCIPAL BALANCE OF THE LOAN WILL BE IMMEDIATELY DUE AND PAYABLE TOGETHER WITH ACCRUED INTEREST AND FORECLOSING COSTS (IF FORECLOSURE IS NECESSARY BECAUSE PAYMENT IN FULL IS NOT MADE IMMEDIATELY).

---

Signature \_\_\_\_\_ Date \_\_\_\_\_

---

Name (Printed) \_\_\_\_\_

---

Signature \_\_\_\_\_ Date \_\_\_\_\_

---

Name (Printed) \_\_\_\_\_