



INDIANA FORECLOSURE PREVENTION NETWORK

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# INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY INDIANA HOMEOWNER ASSISTANCE FUND

## IHAF CLOSING APPROVAL FORM

Primary Applicant Name: _____	IHAF Application Number: _____
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I understand that providing false information in my application for Indiana Homeowner Assistance Fund (IHAF) assistance could result in civil or criminal penalties. I further understand that the Indiana Housing and Community Development Authority (IHCDA) reserves the right to investigate all information provided by me to determine its truthfulness.

I \_\_\_\_\_, hereby certify that the following statements are true (*initial each statement and sign at the bottom of the page*).

- I understand that if I am approved for mortgage reinstatement assistance my servicer or lender will receive a direct payment to bring my mortgage or related expenses current. I understand that funds received by a servicer or lender will be applied to my specific account at the discretion of the servicer or lender. IHCDA has no control over the assistance once it has been disbursed.
- I understand that if I am approved for monthly mortgage payment assistance my servicer will directly receive up to, and no more than, 6 months of mortgage payment assistance. I understand that funds received by a servicer or lender will be applied to my specific account at the discretion of the servicer or lender. IHCDA has no control over the assistance once it has been disbursed. If my monthly mortgage payment amounts change, the amount of assistance IHCDA provides will also change.
- I understand that if the good through date provided by my servicer or lender expires before funds are disbursed then IHCDA will need to obtain a new validation from my servicer or lender which may result in a delay in disbursement of my assistance and the need for a new promissory note to be signed.
- I understand that **IHAF assistance is a forgivable loan**, and that certain terms and conditions apply, including but not limited to the following:

**1-877-GET-HOPE (438-4673) WWW.877GETHOPE.ORG**  
ADDRESS 30 South Meridian Street, Suite 900, Indianapolis, IN 46204  
PHONE 317 232 7777 TOLL FREE 800 872 0371 WEB [www.ihcda.IN.gov](http://www.ihcda.IN.gov)



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State of Indiana  
Lieutenant Governor  
Suzanne Crouch



- *Although IHAF is a loan, you do not have to make loan payments or pay interest. After 5 years, the loan is completely forgiven. You only have to pay money back if you sell your home for a profit before the 5 years pass and you only have to pay back as much as you can with the profit you make from the sale. The rest is forgiven. For example, if you received \$10,000 in IHAF assistance and six months later you sell your house and make \$10,000 in profit you would have to pay back the entire \$10,000 IHAF loan. But if you only made \$2,000 in profit, you would only pay back the \$2,000 and the remaining \$8,000 would be forgiven. If you broke even or lost money on the sale all \$10,000 would be forgiven. Twenty percent of the loan is forgiven every year. After 5 years the loan will be fully forgiven. The longer you keep your home, the less you might have to pay back.*
- I understand that IHAF does not prevent me from refinancing my home. I understand that the following limitations apply:
  - *“No Cash Out” Refinance: If you refinance your home ONLY to get better loan terms than your current mortgage offers (such as a lower interest rate or payment) then IHAF will sign an agreement with your lender to have the IHAF loan put back into second place behind your refinanced loan (this is called a Subordination Agreement).*
  - *“Cash Out” or “Line of Credit” Refinance: If you refinance your home in order to receive money (“cash out” some or all of the value of your home), then you must pay back the amount of IHAF assistance received or, if you do not wish to pay back IHAF, IHAF will not sign a Subordination Agreement and the IHAF loan will be placed ahead of the refinanced loan (most lenders will not agree to refinance your loan without a Subordination Agreement).*
- I understand that while a title search might show a lien of \$50,000, I am only responsible for paying back the amount of assistance I receive subject to the forgiveness terms described above. I understand that if a lien in the amount of \$50,000 is preventing me from moving forward with an approved refinance as described above, I can contact IHAF to request a modification of the lien to reflect the specific amount of assistance I received.
- I understand and have closely reviewed my closing documents. I have carefully reviewed the amount of assistance to be received on the first page of the Promissory Note and have no questions or concerns about the amounts reflected agree with the amount of assistance to be received and waive any right to contest the assistance amount or request more assistance later.
- I understand that I can only receive IHAF assistance once and that after receiving this assistance I will not be eligible to apply for a second round of IHAF assistance.

I understand that my electronic signing and submitting of this document in this fashion is the legal equivalent of having placed my handwritten signature on the submitted document. I understand and agree that by electronically signing and submitting this document in this fashion I am affirming to the truth of the information contained therein.

\_\_\_\_\_  
Primary Applicant Signature

\_\_\_\_\_  
Date

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