

Kansas First Time Homebuyer (FTHB) Program

Lender Training

Designed for new mortgage lenders interested in participating with the FTHB program and for participating lenders wishing to refresh details of the program.

This training will review program specifics, including how to become a participating lender and how to help eligible first-time homebuyers use FTHB program funds.



Kansas Housing: Overview

Who we are: *A self-supporting, nonprofit public corporation, Kansas Housing Resources Corporation (KHRC) administers housing and community programs across Kansas.*

What we do: *We help Kansans access the safe, affordable housing they need and the dignity they deserve.*

Who we work with: *Local government officials, mortgage lenders, business leaders, developers, builders, property managers, real estate professionals, service providers, homeless / affordable housing advocates, nonprofit organizations, government agencies.*

Community Solutions
Housing Development
Multifamily Compliance
Project Based Contract Administration



Lender Support is Vital

- **Tell** customers about FTHB
- **Provide** assurance and support
 - FTHB is real help!
- **Help** them collect needed documents
- **Provide First Mortgage Loan**
- **Process Second Mortgage Paperwork**
- Conduct Closing
- Funds have not been exhausted years
- More than \$700,000 available each year

No Cost to
Participate

LENDERS
YOUR HELP
DELIVERS
HOPE

No Servicing of
Second
Mortgage

Recent Updates & Changes

KHRC Address (update records/UPS/Fed Ex)

200 SW 6th Ave, Topeka, KS 66603-3704

Lender Origination Agreement (Payable to ?)

Operations & Training Manual (06-26-25)

- Lender Fees – previously 1% - now 1.5% of loan amount or \$3,000
- Fees Not Allowed
- Income Exclusions
- Maximum \$40,000

Inspections – Carbon Monoxide Detectors

Subsidy Layering Maximum – now 40%

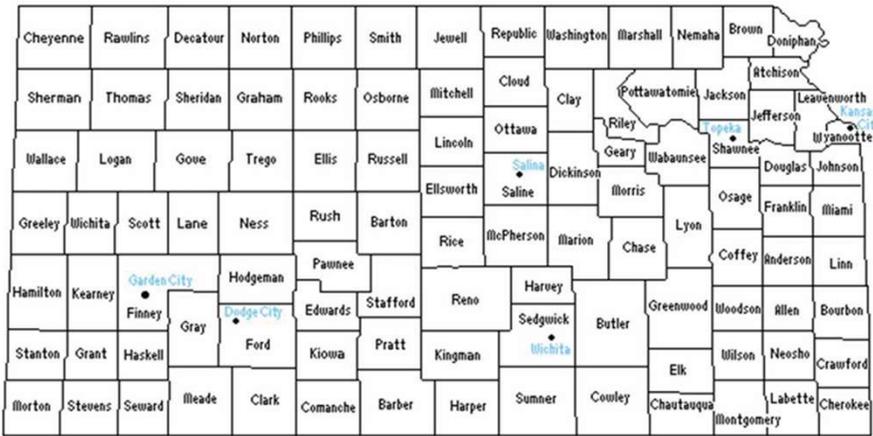
Participating Lender List – Now PDF

HUD Housing Counseling AND Education Changes

All Forms – Homebuyer Assistance



First Time Homebuyer (FTHB) Program



Federally funded HUD HOME Investment Partnerships Program administered by State of Kansas

Homeownership can provide a pathway to upward mobility, as it provides a way for households to build wealth over the long term through the increase of home equity.

Not the Kansas DPA Bond Program
eHousingPlus / US Bank

Available statewide except areas that receive their own HOME funds (Johnson County or the city limits of Kansas City, Topeka, Lawrence or Wichita)



First Time Homebuyer (FTHB) Program



Down Payment Assistance (DPA) and Closing Costs Assistance



0% interest soft second mortgage in the amount of 15 or 20% of the home's purchase price



If the homebuyer remains in the home for 10 years, the loan is forgiven!



Homebuyers must make an investment of 1% but no more than 10% of the sale price from their own funds



This program can be paired/layered with other homebuyer programs up to 40% of sales price.

Eligible Applicant



First Time Homebuyer or



Has not owned a home in 3 years



Income Eligible by County & Household Size



Credit Ready



Must occupy as a principal residence

3 Exceptions to 3-Year Rule

Single Parent

Displaced Homemaker

Owned Manufactured House NOT on Permanent Foundation



Eligible Property Types

Existing Homes

Attached to Foundation

Turnkey Ready (No Escrow for Repairs)

Single-Family property (five (5) acres or less)

Condominium, townhome, or ½ of a duplex

Manufactured home on permanent foundation built after June 15, 1976, titled as real property.

Modular home (always installed on permanent foundation)

New construction - purchase contract dated after certificate of occupancy only



Buyer Participation



Minimum 1% of own funds (maximum 10%)



Gifting is allowed, will NOT reduce grant Still requires at least 1% of own funds



Maximum \$10,000 in Assets (emergency / maintenance funds)



HUD Pre-Purchase Counseling Required, cost can count towards 1%



HUD Homebuyer Education Required, cost can count towards 1%

Household Income & \$40,000 Maximum Assistance

Below

50% of Income Limits
Up to 20% of Sale Price



Between

50% to 80% of Income Limits
Up to 15% of Sale Price

County	HOME Maximum Purchase Price Limits	Very Low Income			
		1 Person 50% AMI	2 Person 50% AMI	3 Person 50% AMI	4 Person 50% AMI
Ford County, KS	\$219,000	\$30,800	\$35,200	\$39,600	\$43,950
Geary County, KS	\$219,000	\$29,450	\$33,650	\$37,950	\$42,050
Lyon County, KS	\$219,000	\$29,450	\$33,650	\$37,850	\$42,050
McPherson County, KS	\$219,000	\$35,200	\$40,200	\$45,250	\$50,250

County	HOME Maximum Purchase Price Limits	Low Income			
		1 Person 80% AMI	2 Person 80% AMI	3 Person 80% AMI	4 Person 80% AMI
Ford County, KS	\$219,000	\$49,250	\$56,250	\$63,300	\$70,300
Geary County, KS	\$219,000	\$47,150	\$53,850	\$60,600	\$67,300
Lyon County, KS	\$219,000	\$47,150	\$53,850	\$60,600	\$67,300
McPherson County, KS	\$219,000	\$56,300	\$64,350	\$72,400	\$80,400

Income Limits Updated 6/1/2025 & Maximum Purchase Price Limits Updated 12/1/2025



If Under \$15,000 Assistance

If assistance is below \$15,000; half is forgiven at 5-years, with the other half forgiven at 10-years.

Example - \$14,999 Assistance

	1/2 Soft Second Amount	1/2 Interest Free Mortgage Amount	TOTAL OWED TO KHRC
Year 1	\$7,500	\$7,500	\$14,999
Year 2	\$6,000	\$7,500	\$13,499
Year 3	\$4,500	\$7,500	\$11,999
Year 4	\$3,000	\$7,500	\$10,499
Year 5	\$1,500	\$7,500	\$8,999
Year 6	\$0	\$7,500	\$7,500
Year 7	\$0	\$7,500	\$7,500
Year 8	\$0	\$7,500	\$7,500
Year 9	\$0	\$7,500	\$7,500
Year 10	\$0	\$7,500	\$7,500
Year 11	\$0	\$0	\$0



If Over \$15,000 Assistance

If assistance is above \$15,000; half is forgiven at 10 years, with the other half reducing by a small portion each month over 10 years.

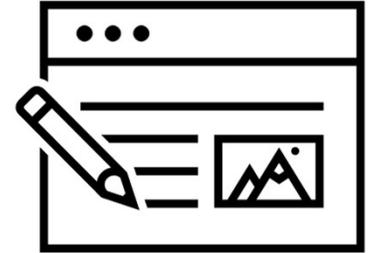
Example is \$20,000 Assistance

	1/2 Soft Second Amount	1/2 Interest Free Mortgage Amount	TOTAL OWED TO KHRC
Year 1	\$10,000	\$10,000	\$20,000
Year 2	\$9,000	\$10,000	\$19,000
Year 3	\$8,000	\$10,000	\$18,000
Year 4	\$7,000	\$10,000	\$17,000
Year 5	\$6,000	\$10,000	\$16,000
Year 6	\$5,000	\$10,000	\$15,000
Year 7	\$4,000	\$10,000	\$14,000
Year 8	\$3,000	\$10,000	\$13,000
Year 9	\$2,000	\$10,000	\$12,000
Year 10	\$1,000	\$10,000	\$11,000
Year 11	\$0	\$0	\$0



High Level Application Process

- Lender informs homebuyer of program or
- Real Estate Agent informs homebuyer of program or
 1. Homebuyer contacts participating lender
 2. Loan Approval
- HUD Homebuyer Counseling (preferably early in process)
- HUD Homebuyer Education
 1. Homebuyer locates property
 2. Obtains purchase contract with FTHB Program Contingency
- Lender with homebuyer, completes FTHB application package
- KHRC reviews and reserves funds
- KHRC requests FTHB Inspection (no cost to homeowner or lender)



HUD Certified & Approved Housing Counseling & Education



Information and resources to make informed decisions that support long-term homeownership sustainability.



Certificates of Completion and Receipts for each:



1. Pre-Purchase Homebuyer Counseling (one-on-one - phone, internet, or in-person)



2. Pre-Purchase Homebuyer Education Course (group or internet)

	Balance Financial Wellness	Credit & Homeownership Empowerment Services, Inc.	Greenpath, Inc.	Habitat for Humanity Kansas City	Money Management International, Inc.
dba	Balance	CHES, Inc.	Greenpath	HHKC	MMI
HUD Agency ID #	80646	80676	80574	90503	82423
Website	https://www.balancepro.org	https://chesinc.org	https://www.greenpath.org	https://www.habitatkc.org	https://www.moneymanagement.org
Email	infohousingeducation@balancepro.org	info@chesinc.org		ownahome@habitatkc.org	
Phone	888-456-2227	816-533-7417	855-799-3593	816-924-1096	866-232-9080
Pre-Purchase One-on-One Counseling					
Video Conference	N/A	Free - After Education is Completed	N/A	\$0 (\$35 per participant if need to pull credit report)	\$179 (single or joint)
Phone	Free - After Education is Completed (called Advising Session)	Free - After Education is Completed	\$150 (single or joint)	\$0 (\$35 per participant if need to pull credit report)	\$179 (single or joint)
Pre-Purchase Group or Internet Homebuyer Education Course					
On Demand Internet	\$75 self-paced workshop via Framework	\$100 self-paced workshop via eHomeAmerica	\$75 self-paced workshop via Framework OR \$75 via eHomeAmerica	N/A	\$45 Essentials for Home Buying Online Course
Group Video Conference	Free option: Two three-hour workshops or webinars. These classes take place on two consecutive Saturdays and must be completed in order. https://www.bebalanced.org/housing-workshops#workshops	N/A	N/A	\$40 per participant	N/A
Group Face to Face Group Session	N/A	N/A	N/A	\$40 per participant	N/A



Check Your Eligibility and Apply	+
Program Guidelines and Documents	+
Housing Counseling and Education Information	+
Lender Resources	+
New Lender Forms	+
Lender Homebuyer Application Forms	+
Lender After Reservation Forms	+
Staff Contact Information	+



[Kansas Legislature Lookup -- To Find Senate and House Representatives](#)

[Lead Paint Visualization](#)

[Freddie Mac Primary Mortgage Rate](#)



Primary Mortgage Market Survey[®]

U.S. weekly mortgage rate averages as of 03/05/2026

30-year Fixed-Rate Mortgage

6.00%



Program Guidelines and Documents

[Program Summary](#)

[2025 HOME Maximum Purchase Limits](#)

[2025 Program Income Limits](#)

[Application and Funding Process](#)

[Training and Operations Manual](#)

[Loan Payoff Request Form](#)

Lender Homebuyer Application Forms

[Inspection Request and Package Cover Form](#)

[Inspection Disclaimer Form](#)

[Inspectable Items](#)

[Sellers Inspection Guidelines Form](#)

[FHA Commitment Letter](#)

[Certification of Zero Income for Adult](#)

[Certification of Zero Income for Children](#)

[Certification of Non-Filing Status Affidavit](#)

Lender After Reservation Forms

[Affidavit of Home Buyer - Ten Year Period](#)

[Second Mortgage Forgiveness Notice 5 Years if under \\$15,000](#)

[Second Mortgage Forgiveness Notice 10 Years if over \\$15,000](#)

[Lead Based Paint Certification](#)

[Affidavit of Home Seller](#)

[Authorization for Drawdown of Funds](#)

[Second Mortgage Promissory Note](#)

[Second Mortgage](#)



Find a FTHB Participating Lender

Financial Institution Name (Including dba or Division of)	Date of Last FTHB	Date of Last Lender Origination Agreement	FTHB Loan Officer Name(s)	FTHB Loan Officer Email(s)	FTHB Loan Officer Phone Number(s)	Financial Institution Website	Kansas Service Area (specific counties or all of Kansas)	Financial Institution NMLS #
American Mortgage Bank, Inc		1/18/2024	Michael Gonzales, Denise Cordell, Sam Rosenberg, Randy Hamilton	mike@mtgfamilymortgage.com; teamdenise@mmofkc.com; teamsam@mmofkc.com; sales@inspiremortgageks.com;	Michael Gonzales 316-262-7766, Denise Cordell 913-469-1999, Sam Rosenberg 913-469-1999, Randy Hamilton 620-664-9384	https://americanmb.com	All of Kansas	1151140
Bank Midwest Mortgage, a division of NBH Bank	2023	3/19/2024	Ashley Zeller	Ashley.Zeller@BankMW.com	785-760-5746	www.TheHomeLoanLender.com	All of Kansas	465954
Bank of the Plains	2025	6/12/2023	Bill Grammer, Amy Hofeling, Allison Nickelson	bill.grammer@bankoftheplains.com; amy.hofeling@bankoftheplains.com; allison.nickelson@bankoftheplains.com;	785-825-4321	www.bankoftheplains.com	All of Kansas	663067 196858
Bayshore Mortgage Funding, LLC		2/13/2024	Tyler Houser	thouser@bsmfunding.com	513-289-4399	www.bsmfunding.com	All of Kansas	
Bell Bank		8/30/2023	Danielle Hugunin, Eddie Miller, Mary Lee Gilchrist, AJ Johns, Mike Pippin, Sam Arango	danielleh@bell.bank; emiller@bell.bank; mgilchr@bell.bank; ajohns@bell.bank; mpippin@bell.bank; sarango@bell.bank;	Danielle Hugunin: 913-804-4081, Eddie Miller: 813-473-7977, Mary Lee Gilchrist: 913-804-4076, AJ Johns: 913-804-4075, Mike Pippin: 913-804-4420, Sam Arango: 813-473-7976	www.bell.bank	All of Kansas	419538
Bennington State Bank	2025	12/16/2023	Andy Adams, Laurie Aufdenberge, Tobin Sawyers, Shannon Bosch, Linda Lilly, Kristy Engle, Kasey Hamilton	aadams@bsbks.com; laufdenberge@bsbks.com; tsawyers@bsbks.com; sbosch@bsbks.com; llilly@bsbks.com; kengle@bsbks.com; khamilton@bsbks.com	785-827-5522	www.bsbks.com	All of Kansas	490978
Capitol Federal Savings Bank	2023	9/7/2022	Teketa Harding - Wichita locations, Jennifer Brothers - Emporia locations, Debra Turner - Topeka, Lawrence, Manhattan, Salina locations, Maria Porta - Kansas City, locations	tharding@capfed.com; jbrothers@capfed.com; dtturner@capfed.com; mporta@capfed.com;	Teketa Harding - 316-689-3205, Jennifer Brothers - 620-487-6025, Debra Turner 785-270-6054, Maria Porta - 913-652-2364	www.capfed.com	Butler, Douglas, Harvey, Jackson, Jefferson, Leavenworth, Lyon, Miami, Osage, Pottawatomie, Riley, Saline, Sedgwick, Shawnee, Sumner, Wabaunsee	401936
Citizens Bank of Kansas	2025	2/27/2025	Brenda Knipfer, Stephanie Schwilling, Leesa Beam, Jake Baird	bknipfer@cbok.com; sschwilling@cbok.com; lbeam@cbok.com; jbaird@cbok.com;	Brenda: 316-788-8600; Stephanie: 620-221-4230; Leesa: 620-532-5162; Jake: 316-684-2265	www.citizensbankofkansas.com	All of Kansas	402895
Community National Bank & Trust	2024	9/18/2023	Pam L Brown	Pam.brown@communitynationalbank.net	620-331-3100	www.mybankcnb.com	All of Kansas	409138
Cornerstone First Mortgage		9/30/2025	David Brown	cmplance-contact@cfmtg.com	858-514-3600	https://cfmtg.com	All of Kansas	173855
Delmar Financial Company dba Delmar Mortgage		4/4/2024	Matt Stein, Shelly Miller, Craig Miller	mstein@delmarmortgage.com; smiller@delmarmortgage.com; cmiller@delmarmortgage.com	Matt Stein: 816-679-5257, Shelly Miller: 913-731-2351, Craig Miller: 816-550-0065	www.delmarmortgage.com	All of Kansas	30998
Ease Mortgage dba Hope Mortgage		5/20/2025	Alyssa Smith	alyssa@hopemtg.com	316-992-5005	https://hope-mortgage.com/alyssa-smith	All of Kansas	2568615
Exchange Bank	2025	1/11/2024	Melinda Foster	mfoster@exchange.bank	785-820-2954	www.eb-us.com	Cloud, Dickinson, McPherson, Ottawa, Saline	1251733
Fairway Home Mortgage	2022	1/12/2024	Shad Buchanan Dottie Burnett	shad.buchanan@fairwaymc.com	913-396-4445	www.fairway.com	All of Kansas	252642

<https://kshousingcorp.org/wp-content/uploads/2023/10/FTHB-Participating-Lenders-1-12-26-1.pdf>





First Time Homebuyer (FTHB) Program
Homeownership Assistance
Soft Second Mortgage – Forgivable After 10 Years
HOME Investment Partnerships Program

Program Summary

To be eligible to participate, the proposed homebuyer must be:

- First Time Homebuyer →Income Eligible Household →Credit Ready

FIRST TIME HOMEBUYER is defined as:

A household that has not owned a home during the three-year period immediately prior to the purchase of a home with FTHB HOME funds. The three types of households that can qualify as first-time homebuyers, even though they have owned a home within the three-year period immediately prior to purchase, are:

1. A displaced homemaker: An adult individual who has not worked full-time in the labor force for several years but has, during such years, worked primarily without remuneration to care for the home and family, is unemployed or underemployed, and is having trouble obtaining or upgrading employment.
2. A single parent: An individual who is divorced, did not receive the house in the settlement, and has one or more minor children for whom the individual has residential or joint custody.
3. The owner of a manufactured home (personal property) that is not installed on a permanent foundation.

INCOME ELIGIBLE HOUSEHOLD is defined as:

The gross annual income does not exceed 80 percent of the HUD HOME area median income for the area at the time the household initially occupies the property or at the time the HOME funds are invested, whichever is later.

PROPERTY TO BE PURCHASED

- Maximum purchase price is updated annually - 92.254(a)(2)(iii) of the HOME Final Rule published 7/24/2013.
- Must be occupied as the qualified buyer's principal residence upon purchase.
- Cannot be within Johnson County or the city limits of Kansas City, Lawrence, Topeka, or Wichita.
- Must pass required inspection in accordance with 92.251 of the HOME Final Rule published 7-24-2013.
- Cannot be rental property in the last three months unless the renter (at application) is the first-time homebuyer.
- Cannot be in Flood Zone A, AE, AH, AO, A99, V, and/or VE.
- Eligible property types include:
 - Single-Family property (five (5) acres or less)
 - Condominium, townhome, or ½ of a duplex
 - Manufactured home on permanent foundation built after June 15, 1976, titled as real property.
 - Modular home (always installed on permanent foundation)
 - New construction - purchase contract dated after certificate of occupancy only
- Fee Simple Title - full ownership of land, and any buildings on that land. (No Contracts for Deed allowed)

FIRST MORTGAGE LOAN

- The loan must be a 30-year fixed rate mortgage loan using FHA, VA, USDA Rural Development, Fannie Mae, Freddie Mac, or Conventional underwriting guidelines.
- The interest rate must not exceed Freddie Mac's Primary Mortgage Market Survey Rate by more than .65%.
- No more than a 1.5% origination fee may be charged, and no pre-payment penalties are allowed.
- The housing ratio must be no less than 15% and no more than 30% and the total debt ratio must be 45% or less.
- Title Insurance required for soft second mortgage required, likely for additional cost.

STATE OF KANSAS PARTICIPATION

- All eligible home buyers may receive up to \$40,000 maximum assistance in the form of a soft second mortgage:
 - Up to 20% of the sales price - if household income is less than 50% of area median income.
 - Up to 15% of the sales price - if household income is between 51% and 80% of area median income.
- Assistance must be used for down payment, closing costs, and/or any costs associated with loan closing.
- Can be layered with other homebuyer programs - 40% (sales price) subsidy maximum.
- Requires all adults on soft second mortgage, no cash back at closing.
- The assistance awarded is interest free with two equal parts, both forgiven after 10 years.
 1. First half of assistance is forgiven proportionately on either a 5-year or 10-year period:
 - If \$14,999 or less, proportionately forgiven over 5 years (60-months)
 - If \$15,000 to \$40,000, proportionately forgiven over 10 years (120 months)
 2. Second half is forgiven after 10-years (120 months), repaid if sold or refinanced during 10 years.
- FTHB second mortgage released at the end of ten (10) years, *if* property is occupied continually by the original buyer(s), and all rules and regulations associated with the Program are complied with.

Therefore, restrictions are as follows:

Subsidy Amount	½ Interest Free Soft Second	and	½ Interest Free Portion
Up to \$14,999	5 years		10 years
\$15,000 to \$40,000	10 years		10 years

HOMEBUYER'S PARTICIPATION

- Each homebuyer must invest 1% of the sale price of their own funds, maximum 10%. Gifts can be received above the buyer's 1% investment, but no more than 9% of sale price.
- HUD Prepurchase Counseling and Homebuyer Education required.
- Homebuyers must maintain homeowners' insurance in at least the amount of the sales price and must show KHRC as secondary payee for the first 10 years following purchase.
- Applicants with non-retirement type assets in the amount of \$10,000, or greater, will be subject to a spend down requirement.

HOW TO APPLY

1. Choose and contact the participating lender at <https://kshousingcorp.org/housing-partners/community-solutions/#first-time-homebuyer>.
2. Apply for a first mortgage loan with a participating lender.
3. Identify a qualified property.
4. Direct participating lender to initiate FTHB application process.

Kansas Housing Resources Corporation (KHRC)

Attn: FTHB
200 SW 6TH AVE
Topeka, KS 66603-3704

FTHB@kshousingcorp.org
785-217-2044

<https://kshousingcorp.org/housing-partners/community-solutions/#first-time-homebuyer>



U.S. DEPARTMENT OF HUD
STATE:KANSAS

----- FY2025 ADJUSTED HOME INCOME LIMITS -----

PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Chase County, KS								
30% LIMITS	17700	20200	22750	25250	27300	29300	31350	33350
VERY LOW INCOME	29450	33650	37850	42050	45450	48800	52150	55550
60% LIMITS	35340	40380	45420	50460	54540	58560	62580	66660
LOW INCOME	47150	53850	60600	67300	72700	78100	83500	88850
Chautauqua County, KS								
30% LIMITS	17700	20200	22750	25250	27300	29300	31350	33350
VERY LOW INCOME	29450	33650	37850	42050	45450	48800	52150	55550
60% LIMITS	35340	40380	45420	50460	54540	58560	62580	66660
LOW INCOME	47150	53850	60600	67300	72700	78100	83500	88850
Cheyenne County, KS								
30% LIMITS	17700	20200	22750	25250	27300	29300	31350	33350
VERY LOW INCOME	29450	33650	37850	42050	45450	48800	52150	55550
60% LIMITS	35340	40380	45420	50460	54540	58560	62580	66660
LOW INCOME	47150	53850	60600	67300	72700	78100	83500	88850
Clark County, KS								
30% LIMITS	17900	20450	23000	25550	27600	29650	31700	33750
VERY LOW INCOME	29800	34050	38300	42550	46000	49400	52800	56200
60% LIMITS	35760	40860	45960	51060	55200	59280	63360	67440
LOW INCOME	47700	54500	61300	68100	73550	79000	84450	89900
Clay County, KS								
30% LIMITS	17700	20200	22750	25250	27300	29300	31350	33350
VERY LOW INCOME	29450	33650	37850	42050	45450	48800	52150	55550
60% LIMITS	35340	40380	45420	50460	54540	58560	62580	66660
LOW INCOME	47150	53850	60600	67300	72700	78100	83500	88850
Cloud County, KS								
30% LIMITS	17700	20200	22750	25250	27300	29300	31350	33350
VERY LOW INCOME	29450	33650	37850	42050	45450	48800	52150	55550
60% LIMITS	35340	40380	45420	50460	54540	58560	62580	66660
LOW INCOME	47150	53850	60600	67300	72700	78100	83500	88850
Coffey County, KS								
30% LIMITS	19500	22250	25050	27800	30050	32250	34500	36700
VERY LOW INCOME	32450	37100	41750	46350	50100	53800	57500	61200
60% LIMITS	38940	44520	50100	55620	60120	64560	69000	73440
LOW INCOME	51950	59350	66750	74150	80100	86050	91950	97900
Comanche County, KS								
30% LIMITS	17950	20500	23050	25600	27650	29700	31750	33800
VERY LOW INCOME	29900	34200	38450	42700	46150	49550	52950	56400
60% LIMITS	35880	41040	46140	51240	55380	59460	63540	67680
LOW INCOME	47850	54650	61500	68300	73800	79250	84700	90200

Effective: June 1, 2025

HOME Maximum Purchase Price Limits

Value Limits Effective September 1, 2024

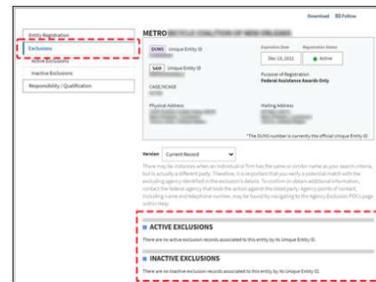
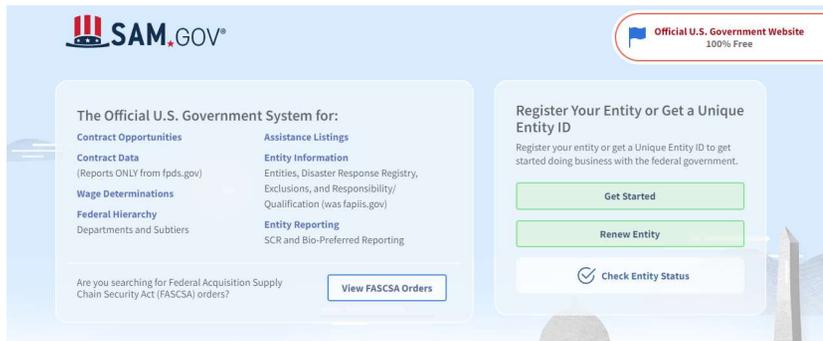
County Name	Purchase Price Limit	County Name	Purchase Price Limit	County Name	Purchase Price Limit
Allen County	\$209,000	Greeley County	\$209,000	Ottawa County	\$209,000
Anderson County	\$209,000	Greenwood County	\$209,000	Pawnee County	\$209,000
Atchison County	\$209,000	Hamilton County	\$209,000	Phillips County	\$209,000
Barber County	\$209,000	Harper County	\$209,000	Pottawatomie County	\$209,000
Barton County	\$209,000	Harvey County	\$209,000	Pratt County	\$209,000
Bourbon County	\$209,000	Haskell County	\$209,000	Rawlins County	\$209,000
Brown County	\$209,000	Hodgeman County	\$209,000	Reno County	\$209,000
Butler County	\$209,000	Jackson County	\$209,000	Republic County	\$209,000
Chase County	\$209,000	Jefferson County	\$209,000	Rice County	\$209,000
Chautauqua County	\$209,000	Jewell County	\$209,000	Riley County	\$209,000
Cherokee County	\$209,000	Kearny County	\$209,000	Rooks County	\$209,000
Cheyenne County	\$209,000	Kingman County	\$209,000	Rush County	\$209,000
Clark County	\$209,000	Kiowa County	\$209,000	Russell County	\$209,000
Clay County	\$209,000	Labette County	\$209,000	Saline County	\$209,000
Cloud County	\$209,000	Lane County	\$209,000	Scott County	\$209,000
Coffey County	\$209,000	Leavenworth County	\$238,000	Sedgwick County	\$209,000
Comanche County	\$209,000	Lincoln County	\$209,000	Seward County	\$209,000
Cowley County	\$209,000	Linn County	\$238,000	Shawnee County	\$209,000
Crawford County	\$209,000	Logan County	\$209,000	Sheridan County	\$209,000
Decatur County	\$209,000	Lyon County	\$209,000	Sherman County	\$209,000
Dickinson County	\$209,000	McPherson County	\$209,000	Smith County	\$209,000
Doniphan County	\$209,000	Marion County	\$209,000	Stafford County	\$209,000
Douglas County	\$273,000	Marshall County	\$209,000	Stanton County	\$209,000
Edwards County	\$209,000	Meade County	\$209,000	Stevens County	\$209,000
Elk County	\$209,000	Miami County	\$261,000	Sumner County	\$209,000
Ellis County	\$209,000	Mitchell County	\$209,000	Thomas County	\$209,000
Ellsworth County	\$209,000	Montgomery County	\$209,000	Trego County	\$209,000
Finney County	\$214,000	Morris County	\$209,000	Wabaunsee County	\$209,000
Ford County	\$209,000	Morton County	\$209,000	Wallace County	\$209,000
Franklin County	\$209,000	Nemaha County	\$209,000	Washington County	\$209,000
Geary County	\$209,000	Neosho County	\$209,000	Wichita County	\$209,000
Gove County	\$209,000	Ness County	\$209,000	Wilson County	\$209,000
Graham County	\$209,000	Norton County	\$209,000	Woodson County	\$209,000
Grant County	\$209,000	Osage County	\$209,000	Wyandotte County	\$238,000
Gray County	\$209,000	Osborne County	\$209,000		

Source: <https://www.hudexchange.info/resource/2312/home-maximum-purchase-price-after-rehab-value>

Johnson County not eligible for FTHB - Maximum Limit \$304,000

New Lender Forms & Payments

1. Lender Origination Agreement (recently updated)
2. Form W-9
3. KHRC Vendor Form (ACH/EFT Preferred – No Wires)
4. **Voided Check or Letter from Bank Account**
5. **Active Sam.gov Unique Entity Identifier (UEI) – No Exclusions**



Q. Do lenders need a physical (brick and mortar) location in Kansas to use FTHB?

A. A bricks and mortar Kansas location is not required; however, the Lender Origination Agreement states the Lender is in good standing and authorized to do business in the State and customarily provides services in the State, including the financing of mortgage loans to qualified homeowners in the State. Lender must be operating in the State with an active Nationwide Multistate License System (NMLS) license.

Updating Lender Listing

Complete new Lender Origination Agreement
<https://kshousingcorp.org/wp-content/uploads/2026/01/Lender-Origination-Agreement-fillable-1.pdf>

OR

Lender Service Area Update Form
<https://kshousingcorp.org/wp-content/uploads/2026/01/Lender-Service-Area-Update-Form-fillable.pdf>



First Time Home Buyer (FTHB) Program
Homeownership Assistance
Soft Second Mortgage - Forgivable After 10 Years
HOME Investment Partnerships Program

Lender Service Area Update Form

All participating lenders must complete the following form to update the participation listing in the Kansas Housing Resources Corporation Lenders Consortium. This information will be provided to potential participants inquiring into available resources for them to obtain a first mortgage loan. Your financial institution information will only be released to those wishing to purchase a home in your stated service area. Therefore, it is very important to be county specific for areas you will provide loans. Please use a separate sheet for each branch location participating. (Please type this form.)

Financial Institution:

Street/City/Zip+4:

Phone Number:

Fax Number:

Tax I.D. # (FEIN):

Sam.gov # (UEI):

Email Address:

NMLS #:

Website:

Contact Person/Persons (Loan Officers):

Service Area (List all counties):



Title/Closing Agent Payments

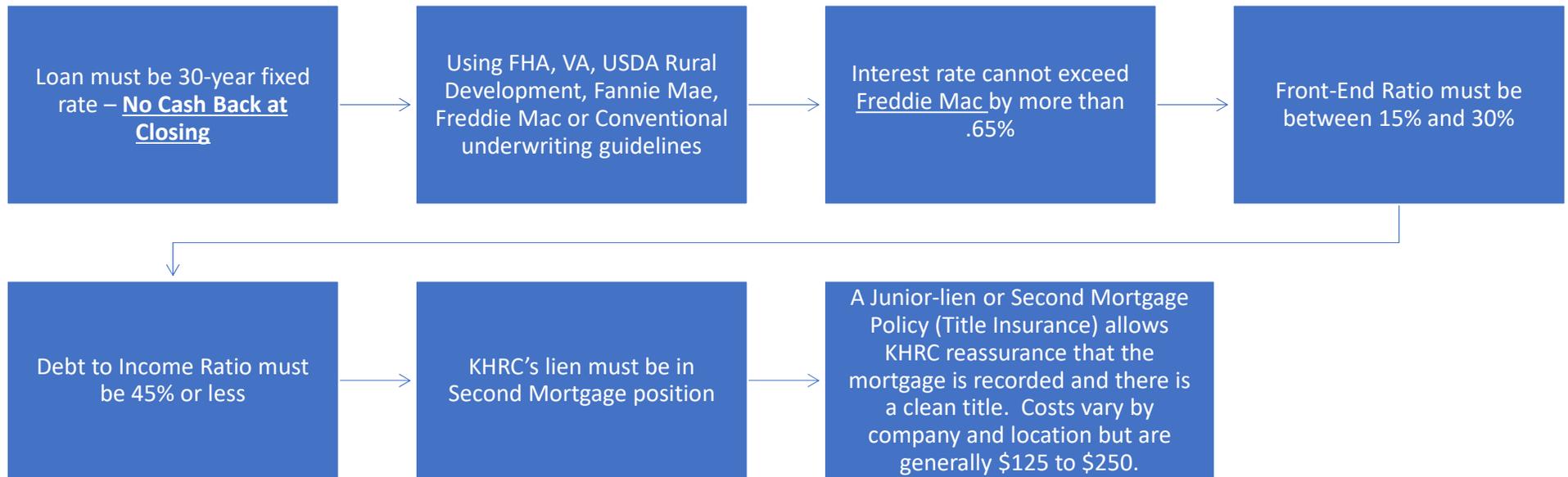
1. Form W-9
2. KHRC Vendor Form (ACH/EFT Preferred – No Wires)
3. **Voided Check or Letter from Bank Account**
4. **Active Sam.gov Unique Entity Identifier (UEI) – No Exclusions**

Confirm with KHRC that title/closing agent is setup for payments.

Confirm if paper check or EFT.

Vendor name
ACISURE TITLE OF KANSAS
AMERICAN TITLE & ABSTRACT SPEC INC
CHARLSON & WILSON BONDED ABSTRACT
CHICAGO TITLE COMPANY, LLC
CLOUD REPUBLIC COUNTY TITLE
FIRST AMERICAN TITLE INSURANCE COMPANY
HASKELL COUNTY ABSTRACT & TITLE COMPANY
KANSAS CAPITAL TITLE INC
KANSAS SECURED TITLE
MERIDIAN TITLE
NCK TITLE LLC
NORTHWEST KANSAS TITLE
PEAR TREE TITLE LLC
PLATINUM TITLE LLC
SECURED TITLE OF KANSAS CITY
SECURITY 1ST TITLE, LLC

First Mortgage Loan



Property Standards

Maximum Purchase Price Limits by
County (updates each July)

Cannot be in flood zone
A, AE, AH, AO, A99, V and/or VE

Must not be a rental within last 3
months (to prevent displacement)
Unless Tenant is purchasing

Fee Simple Title
No Contract for Deed

5 acres of land or less

Must pass FTHB inspection
prior to closing



Program Requirements

Repayment required if:

- Sold or no longer occupy the home
- Refinance with debt consolidation
- Full repayment required if property becomes rental

Payoff Request Form Available, on webpage

Mortgage Subordination Request Available, upon request

Lien Releases are sent to homeowner to file, at the conclusion of 10-years



Home Sale Price	\$150,000.00	
1%	\$1,500.00	Required Down
9%	\$13,500.00	Maximum Gift (if applicable)
10%	\$15,000.00	Maximum Down Payment (include cash to close)
15%	\$22,500.00	Maximum FTHB Assistance
20%	\$30,000.00	Maximum FTHB Assistance if below 50% AMI

Front End Ratio	29.47%	Between 15% and 30%
Monthly Income	\$4,750.00	
Monthly Mortgage	\$1,400.00	

Back End Ratio	37.89%	Maximum 45%
Monthly Debt	\$400.00	
Monthly Mortgage	\$1,400.00	
Total	\$1,800.00	

$$\frac{\text{Monthly Housing Expenses}}{\text{Gross Monthly Income}} \times 100 = \text{Front-end ratio}$$


$$\frac{\text{Monthly Debt}}{\text{Gross Monthly Income}} \times 100 = \text{Back-end ratio}$$


Layering	
Sales Price	\$70,000.00
Maximum Joint Subsidy	\$28,000.00
FTHB	\$10,500.00
FHLBank	\$15,000.00
Total Subsidy	\$25,500.00
Difference	\$2,500.00
FTHB	\$10,500.00
FHLBank	\$15,000.00
Total Subsidy	\$25,500.00

Cannot Exceed 40% of Sales Price

Layering	
Sales Price	\$150,000.00
Maximum Joint Subsidy	\$60,000.00
FTHB	\$22,500.00
FHLBank	\$15,000.00
Total Subsidy	\$37,500.00
Difference	\$22,500.00
FTHB	\$22,500.00
FHLBank	\$15,000.00
Total Subsidy	\$37,500.00

Cannot Exceed 40% of Sales Price

Homebuyer 101 Resources Webpage

+ [USDA Rural Development – Single Family Programs](#)

+ [City of Hutchinson Down Payment Assistance](#)

+ [City of Lawrence CDBG Home Purchase Program](#)

+ [City of Lawrence Home Purchase Program](#)

+ [City of Leavenworth CDBG Home Ownership](#)

+ [City of Liberal First Time Homebuyer Program](#)

+ [City of Topeka Opportunity to Own Homebuyer Program](#)

+ [City of Wichita HOMEownership 80 Program](#)

+ [Johnson County Home Rehabilitation](#)

+ [Wyandotte County](#)

+ [Habitat for Humanity Kansas Affiliates](#)

+ [FHA's Single Family Mortgage Programs](#)

+ [Kansas First Time Homebuyer Savings Accounts](#)

+ [Down Payment Resource](#)

+ [Kansas Housing Cooperative Loan Program](#)

<https://kshousingcorp.org/homebuyer-101-resources>



Definition of Annual Income & Household Size

HOTMA Income Definitions & Calculation — 24 CFR 5.609

Annual income includes all amounts (before deductions) received from all sources by each adult (18 years or older), plus unearned income by or on behalf of each dependent under 18 years, plus income from assets.

FTHB uses current household income to **project or estimate for the upcoming 12-month period.**

Do Count

- All adults living in the household
- All custodial children living in the household
- Any child who is subject to shared-custody

Often different from how a lender calculates income for the mortgage.

Do NOT Count

- Foster children
- Live-in aides and children of live-in aides
- Unborn children
- Children not currently living in the household

All adults must be on the FTHB HOME Second Mortgage and Note, no matter which of those are on the First Mortgage.



Earned Income

Includes gross earnings and income for all household members aged 18 or older (except full-time students – see Income Exclusions) received from:

- Wages
- Tips
- Salaries
- Other employee compensation, such as commission from sales
- Net income from self-employment

Self-Employment Income 24 CFR 5.609(b)(28)

Simple Profit
and Loss
Statement
Required

A family's net income from the operation of a business is included.

- An allowance for depreciation of assets can be deducted.
- Cash withdrawals are considered income unless the cash is used for reimbursement or reinvestment in the business, based on straight line depreciation, as provided in IRS regulations.

The following expenditures cannot be used as deductions:

- Expenditures for business expansion
- Amortization of capital indebtedness

Business Name: _____
Business Creation/Acquisition Date (MM/DD/YY): _____
P&L Start Date (MM/DD/YY): _____ P&L End Date (MM/DD/YY): _____

If the creation/acquisition date is in the CURRENT calendar year, complete the P&L with the current year information. If the creation/acquisition date was in the PREVIOUS calendar year or prior, but the previous year tax return has not been filed, complete the P&L with the previous year tax information. After the tax filing deadline, the tax return from the previous year is required.

<u>Income</u>	
Sales	_____
Services	_____
Other Income (_____)	_____
Total Income	\$ 0.00
<u>Business Expenses</u>	
Depreciation	_____
Insurance	_____
Interest	_____
Rent	_____
Repairs and Maintenance	_____
Salaries, Wages and Other Payroll Expenses	_____
Supplies	_____
Taxes & Licenses	_____
Utilities, Phone & Internet	_____
Advertising	_____
Vehicle Expenses	_____
Other (_____)	_____
Total Expenses	\$ 0.00
Net Profit or (Loss)	\$ 0.00



Unearned Income

Includes amounts received by or on behalf of any adult or minor in the household from:

- Child support and alimony payments
- Pension and annuity payments
- Welfare assistance (public assistance, social assistance, government assistance, economic support, and public benefits)
- Social Security
- Government subsidies for certain benefits
- Any cash or other monetary in-kind benefits that are not specifically excluded

FTHB Does Not “Gross Up” Social Security

Earned Income of Dependent Students – 24 CFR 5.609(b)(14)

The first \$480 of the income earned by dependent fulltime students will be included in the household's calculation of annual income.

The \$480 dependent deduction will be adjusted annually for inflation.

- Full-time students must be dependent household members.
- This does not apply to the head of household, spouse, or co-head.

See HOTMA [Student Aid and Financial Assistance Resource Sheet](#).



Uncommon Income Situations

HOTMA Income Exclusions—24 CFR 5.609(b):

See the Income and [Exclusions Resource Sheet](#) for the list of all excluded amounts.

- Nonrecurring income (Income that will not be repeated)

HOTMA Student Financial Assistance—24 CFR 5.609(b)(9):

See the [Student Financial Assistance Resource Sheet](#) for information on deductions, exclusions, and calculating exclusions.



Income from Assets – Uncommon for FTHB

HOTMA Definition of Assets 24 CFR 5.603(b) “Net Family Assets” Para. (1)

Net family assets: the net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment.

Income from net family assets valued at greater than \$50,000 (adjusted annually for inflation) must be counted. Income from assets is considered income.

- If it is possible to calculate actual returns from an asset, FTHB will use that amount.
- If it is not possible to calculate an actual return on an asset, the Lender & FTHB must impute income from assets based on the current passbook savings rate as determined by HUD when the family has net assets over \$50,000 (adjusted annually by Consumer Price Index (CPI-W)).

See the [Asset Resource Sheet](#) for the list of all excluded amounts.

As of January 1, 2026, HUD has increased the passbook savings rate to

.40%.

Actual asset income, such as rental income, interest income, or income from equity is counted as income when available. Note: Actual income from assets can be equal to \$0.

Actual Income: $\text{Income from Asset} = \text{Dollar amount earned from asset}$
(e.g., interest from a loan or equity)

Calculate the imputed return using the following formula when actual income is not available:

$\$ (\text{Net Asset Values}) \times (\text{HUD passbook savings rate}) = \text{Imputed Return}$



Assets

FTHB Maximum of \$10,000 assets:

- Retirement funds are not counted
- Count liquid assets
- Amount after 1% to 10% considered
- Above \$10,000 will reduce subsidy



FTHB Verifying Income

FTHB Application: List details on how income is determined. FTHB will verify calculations using the below documentation.

- Employer Income Verifications (**2 months** of paystubs, letters, VOEs **to calculate income going forward**)
- Profit and Loss Statement for Sole Proprietor or Self-Employment
- Social Security Benefit Verification or Proof of Income Letter <https://www.ssa.gov/manage-benefits/get-benefitletter>
- Child Support Payment Record (if applicable) <https://www.kspaycenter.com/general-info.aspx>
- Certification of Zero Income, Adult (if applicable)
- Certification of Zero Income, Children (if applicable, such as no child support or Social Security Benefit)
- Recent documentation for all assets (documents ability to pay cash to close)
- Most recent **past three (3) years of federal tax returns** with Schedule A if applicable (state not necessary)
- If tax returns were not filed, include the Certification of Non-Filing Status Affidavit (if applicable)
- Divorce decree or child custodial documents, if applicable to document official household size not on tax return.



Allowable Closing Costs

- KHRC will review the Loan Estimate and Closing Disclosure for unreasonable charges
 - Lender origination fees, not to exceed 1.5% or \$3,000 of loan amount
 - Title insurance
 - Credit report recording fees
 - Appraisal fees
 - Flood Certificate
 - Survey
 - Tax service fee
- **Please include all buyer paid expenses (to document the required 1%) and the requested FTHB DPA funds on CD**



Title Insurance

A Junior-lien or Second Mortgage Policy (Title Insurance) allows KHRC reinsurance that the mortgage is recorded and there is a clean title. Costs vary by company and location but are generally \$125 to \$250.

Transaction Identification Data for reference only:

Issuing Agent: [REDACTED] Buyer: [REDACTED]
Issuing Office: [REDACTED] Title Contact: [REDACTED]
ALTA Universal ID: [REDACTED]
Loan ID Number: [REDACTED]
Commitment No.: [REDACTED]
Property Address: [REDACTED]

SCHEDULE A

- 1. Commitment Date:**
[REDACTED]
- 2. Policy to be issued:**
ALTA Homeowner's Policy [REDACTED] \$ [REDACTED]
Proposed Insured: [REDACTED]
The estate or interest to be insured: Fee Simple

ALTA Loan Policy [REDACTED] \$ [REDACTED]
Proposed Insured: [REDACTED]
ISAOA/ATIMA
The estate or interest to be insured: Fee Simple

ALTA Loan Policy [REDACTED] \$ [REDACTED]
Proposed Insured: Kansas Housing Resource Corporation ISAOA
The estate or interest to be insured: Fee Simple
- 3. The estate or interest in the Land at the Commitment Date is:**
Fee Simple
- 4. The Title is, at the Commitment Date, vested in:**
[REDACTED]
- 5. The Land is described as follows:**
[REDACTED]



FTHB Inspections

All utilities must be on to be inspected or will automatically fail.

- House must be decent, safe, sanitary, and in good repair.
- FTHB program pays for the required inspection.
- FTHB inspection does not take the place of a whole home inspection, which is encouraged.
- At minimum, the housing cannot contain deficiencies based on the HUD-prescribed physical inspection procedures (NSPIRE) issued pursuant to 24 CFR 5.705.
- If the housing does not meet these standards, the housing must be rehabilitated to meet the standards, or it cannot be acquired with HOME funds.
- Disclaimers must be completed by both the seller and buyer.
- **Save a delay in closing** by reviewing the [Inspectable Items](#) list before requesting inspection.
 - **Seller must make repairs** before home can be purchased using FTHB funds.
- Lender must send reinspection request form to FTHB. Please DO NOT request the reinspection until all repairs are complete.
- During 2025, 62% of homes failed first inspection.





First Time Homebuyer (FTHB) Program
 Homeownership Assistance
 Soft Second Mortgage - Forgivable After 10 Years
 HOME Investment Partnerships Program

Inspection Request Form & Package Cover Form

Date Application Emailed or Faxed _____ Date of Reinspection _____

# of Pages:	From
To: Marilyn Stanley	Lender:
Dept: KHRC – FTHB Program	Phone:
FTHB@kshousingcorp.org	Email:
Fax: 785-232-8073 (email preferred)	Fax:

 Name of Homebuyer(s) (last, first, middle initial)

 Street Address of Property to be Purchased

 City

 County

 Zip

 Contact Person for Scheduling Inspection

 Email

 Phone

FOR STATE AGENCY/INSPECTOR USE ONLY

Date sent to Inspector _____ Inspection Agency _____

Email _____ File Number _____

Date Contact Person Contacted _____

Date Inspection Scheduled _____

Inspector _____ Inspection - Pass Fail

Kansas Housing Resources Corporation (KHRC)
 200 SW 6th Ave
 Topeka, KS 66603-3704
FTHB@kshousingcorp.org
 785-217-2044
<https://kshousingcorp.org/housing-partners/community-solutions/#first-time-homebuyer>





First Time Homebuyer (FTHB) Program
 Homeownership Assistance
 Soft Second Mortgage - Forgivable After 10 Years
 HOME Investment Partnerships Program

Seller's Inspection Guidelines
 To be given to the seller at application.

Potential Buyer(s) _____

Property Address _____

City _____, Kansas, Zip Code _____

The State of Kansas HOME First Time Homebuyer Program conducts an inspection on subject properties. FTHB's inspection is **not** intended to be a substitute for mechanical, electrical, plumbing, and structural inspections by qualified inspectors in those fields.

For the down payment and closing cost assistance to be utilized, the existing housing unit is required, to be decent, safe, sanitary, and in good repair. At minimum, the standards must provide that the housing unit meets all applicable State and local housing quality standards and code requirements. The housing unit must not contain deficiencies based on the HUD-prescribed physical inspection procedures (NSPIRE) issued pursuant to 24 CFR 5.705. KHRC must inspect the housing unit and document this compliance based upon an inspection that is conducted no earlier than 90 days before the commitment of HOME/FTHB assistance. If the housing unit does not meet these standards, the seller must rehabilitate the housing to meet the standards of this paragraph (c)(3), or it cannot utilize the HOME/FTHB funds. The minimum conditions to be inspected are listed below. **A detailed NSPIRE Inspectable Items & Results Report is available from your lender or on KHRC's website (<https://kshousingcorp.org/housing-partners/community-solutions/#first-time-homebuyer>). The unit must be ready for occupancy with all operable: utility systems, appliances, smoke detectors, and carbon dioxide detectors.**

1. All exterior walking surfaces must be _____ inches above the adjacent surface must meet _____ requirements as to construction.
2. Building walls, foundations and _____
3. There can be no evidence of peeling or flaking paint on exterior or interior painted surfaces, including interior windowsills. A Lead Based Paint Visual Assessment will also be performed. To learn about the visual assessment, see <https://apps.hud.gov/offices/lead/training/visualassessment/h00101.htm>.
4. The existing building drainage system, gutters and downspouts must be in operating condition.
5. The building site must be free of debris and free from hazards.
6. All windows and doors in the unit must be in operating condition, sound, free from hazards and weather tight. Windows accessible from the ground must be lockable. All exterior doors must be lockable and have a storm door. All windows required by code or NSPIRE must have screens.
7. The heating system for the housing unit must be in good operating condition and capable of providing adequate heat for all living spaces. Gas systems must be properly vented.
8. The hot water heating system for the unit must be in good operating condition and capable of providing adequate hot water for kitchen and bath spaces. Gas systems must be properly vented. Pressure relief valves and 3/4" overflow pipe 3 to 6 inches from the floor are required on hot water heaters.

Share this link with the Real Estate Agents

9. The plumbing system for the unit must be in good operating condition and capable of providing adequate water for kitchen and bath spaces and removing wastewater to a public or private disposal system. Seller may be required to provide proof of acceptability of local sewage systems and water supply systems.
10. The electrical system for the unit must be in good operating condition, adequately sized to provide adequate service and protected by proper connections, coverings, and grounding. A grounding wire is a safety measure to prevent a house fire or an electric shock if there is excess electricity in the wiring system.
11. If a stove or refrigerator is included in the sale of the property, the appliances must be present at the time of the inspection and must be in good operating condition. Kitchen areas must provide food storage and preparation areas.
12. Bathroom spaces must have enclosed toilet space, a bathing space and an operable window or a powered ventilation system.
13. The building must be free from infestation.
14. The building must be free from hazardous materials as defined by Kansas and Federal Standards. A list of such laws is available upon written request.
15. An operable hardwired or 10-year-term tamper proof smoke detector must be in each bedroom and one on each floor of the property including the basement (if applicable). If multiple bedrooms are located near each other this would only require one outside the bedrooms.
16. An operable Carbon Monoxide detector is required if there is a gas fired appliance and/or an attached garage.
17. **Inspections for are non-intrusive, visual inspections only. The KHRC is not, by nature of the inspection process, providing any safety or code compliance assurances to buyer or seller or confirmation of building materials, quality or integrity of construction or confirmation of any warranty issues, express or implied. It is recommended that the buyer obtains inspections from authorities or licensed contractors if such assurances are suggested by the condition or age of the property or equipment being provided by the seller.**

Further, the Inspection is NOT a warranty to the borrower(s), the seller(s), or any other person(s).
18. Any other conditions that would constitute decent, safe, sanitary, and good repair housing.
19. The unit has not been occupied by a tenant (for an agreed upon amount or without charge, regardless of a written agreement) other than the Purchaser during the three (3) month period preceding the date of the purchase contract.

By signing below, the seller indicates that he has received and understood the conditions required and outlined by these guidelines. Further, by signing below, the seller or seller's agent indicates that the residence meets or will meet all the standard requirements stated above prior to closing.

If a home fails inspection, it will cause a delay in closing. The seller has up to 30 days to complete the required repairs, at their own expense. The home purchase will be delayed until all repairs are satisfied. The seller may be charged for a reinspection of the home if any of the above items fail the second inspection.

Blue Ink or e-signature

Seller: _____

Date: _____

Seller: _____

Date: _____



First Time Homebuyer (FTHB) Program
Homeownership Assistance
Soft Second Mortgage - Forgivable After 10 Years
HOME Investment Partnerships Program

Inspection Disclaimer

The Kansas Housing Resources Corporation (KHRC) HOME First Time Homebuyers Program conducts an inspection of subject properties. This inspection is solely intended for the purpose of complying with the U.S. Department of Housing and Urban Development, HOME Investment Partnerships Program requirements.

The inspection is not intended to be a substitute for mechanical, electrical, plumbing, and structural inspections by qualified inspectors in these fields. KHRC strongly encourages homebuyers to hire independent inspectors to conduct these important inspections.

By my/our signature below, I/We understand that it is recommended that an independent inspector be hired to verify the prospective home's mechanical, electrical, plumbing, termite damage, and structural soundness.

I/We understand that the Kansas Housing Resources Corporation is not liable for such defects, identified or unidentified, in the property that I am purchasing with the assistance of the HOME First Time Homebuyer Program.

Blue ink or e-signature:

Homebuyer 	Date 
Homebuyer 	Date 

Kansas Housing Resources Corporation (KHRC)
200 SW 6TH Ave
Topeka, KS 66603-3704
FTHB@kshousingcorp.org
785-217-2044
<https://kshousingcorp.org/first-time-homebuyer>



FTHB Visual Paint Assessment

- The HUD regulation defines deteriorated paint as: "Any interior or exterior paint or other coating that is peeling, chipping, chalking or cracking, or any paint or coating located on an interior or exterior surface or fixture that is otherwise damaged or separated from the substrate.
 - Substrate means the material directly beneath the painted surface out of which the components are constructed, including wood, drywall, plaster, concrete, brick or metal.
- HUD has identified size thresholds for how the repairs must be made, these thresholds are known as de minimis levels. It is important to note that de minimis levels control how a repair must be made, not whether the repair is made. If deteriorated paint is identified, it must be repaired.



FTHB Visual Paint Assessment

- If more than ten percent (10%) of the total surface area of an interior or exterior type of component with a small surface area is deteriorated, the de minimis level has been exceeded. Examples would be windowsills, baseboards, and trim.
- The de minimis level is 20 square feet for exterior surfaces. This means a total of 20 square feet on all the exterior surfaces, this includes outbuildings, fences, and play equipment attached to the land and belonging to the owner, twenty square feet is a square about 4 feet 6 inches on each side.
- The de minimis level is two square feet in any one interior room. This means a total of 2 square feet of deteriorated paint on the floors, walls, and ceiling in the room, two square feet is a square about 17 inches on each side.
- If all of the deteriorated paint on all of the building components is larger than the square, safe work practices and clearance must be performed.

Lead Paint Visualization Training available at
<https://apps.hud.gov/offices/lead/training/visualassessment/h00101.htm>.



**Kansas Housing Resources Corporation (KHRC) - First Time Homebuyer (FTHB) Program
National Standards for the Physical Inspection of Real Estate (NSPIRE) Inspectable Items & Results Report**

Homebuyer(s):	
Property Address:	
Location, Violation and Remedy Summary (if applicable):	Complete Upon Reinspection (if applicable)

Introduction

Existing housing that is acquired for down payment and closing cost assistance must be decent, safe, sanitary, and in good repair. At minimum, the standards must provide that the housing meets all applicable State and local housing quality standards and code requirements and the housing does not contain the specific deficiencies based on the applicable inspectable items and inspected areas in HUD-prescribed physical inspection procedures (NSPIRE) issued pursuant to 24 CFR 5.705. The participating jurisdiction must inspect the housing and document this compliance based upon an inspection that is conducted no earlier than 90 days before the commitment of HOME assistance. If the housing does not meet these standards, the housing must be rehabilitated to meet the standards of this paragraph (c)(3) or it cannot be acquired with HOME funds.

Disclaimer

The State of Kansas HOME First Time Homebuyer Program conducts an inspection on subject properties. FTHB's inspection is not intended to be a substitute for mechanical, electrical, plumbing and structural inspections by qualified inspectors in those fields.

Visual Paint Assessment

The HUD regulation defines deteriorated paint as: "Any interior or exterior paint or other coating that is peeling, chipping, chalking or cracking, or any paint or coating located on an interior or exterior surface or fixture that is otherwise damaged or separated from the substrate. Substrate means the material directly beneath the painted surface out of which the components are constructed, including wood, drywall, plaster, concrete, brick or metal. HUD has identified size thresholds for how the repairs must be made, these thresholds are known as de minimis levels. It is important to note that de minimis levels control how a repair must be made, not whether the repair is made. As always, if deteriorated paint is identified, it must be repaired. If more than ten percent (10%) of the total surface area of an interior or exterior type of component with a small surface area is deteriorated, the de minimis level has been exceeded. Examples would be window sills, baseboards, and trim. The de minimis level is 20 square feet for exterior surfaces. This means a total of 20 square feet on all the exterior surfaces, this includes outbuildings, fences, and play equipment attached to the land and belonging to the owner, twenty square feet is a square about 4 feet 6 inches on each side. The de minimis level is two square feet in any one interior room. This means a total of 2 square feet of deteriorated paint on the floors, walls, and ceiling in the room, two square feet is a square about 17 inches on each side. If all of the deteriorated paint on all of the building components is larger than the square, safe work practices and clearance must be performed. Lead Paint Visualization Training available at <https://apps.hud.gov/offices/lead/training/visualassessment/h00101.htm>.



<i>Visual Paint Assessment</i>	Complete	Comments
Passed Visual Paint Assessment - No deteriorated paint found		
Failed Visual Paint Assessment, deteriorated paint found, but below the De Minimis level. Work can be completed by the home owner using safe work practices.		
Failed Visual Paint Assessment, deteriorated paint found, above the De Minimis level. Lead Abatement must be completed (and documented) by a Licensed Lead Contractor. Since the First Time Homebuyer Program is an acquisition program, Subpart X of 24 CFR 35, 1000 lead paint regulations apply. Whole home lead clearance is required to be eligible for HOME funds.		

Recent Inspection Electrical Issues

- Globes missing on front and rear door exterior light fixtures. Install globes.
- Outlet behind washing machine is not GFCI. Install GFCI outlet.
- Exposed wires on exterior. Enclose wiring or replace with proper wiring.
- Many grounded outlets throughout house have open ground. Repair to operate as designed.
- Knob and tube wiring present in basement with open spaces, missing box covers. Install proper wiring, boxes and covers.
- Globe missing on 2nd floor bathroom closet light fixture. Install globe.
- Federal Pacific Stab-Lok breaker panel: Fire hazard. Remove and replace with breaker panel meeting code.
- Many grounded outlets throughout house have open ground. Test all and repair to operate as designed.
- Furnace does not respond to thermostat. Repair to operate as designed.
- GFCI plug is missing near water sources in kitchen and laundry room. Replace with GFCI rated plugs.
- Bathroom, both GFCI outlets have hot/neutral reverse, ensure proper wiring
- Bathroom, bottom light switch does not appear to operate anything, ensure proper wiring/remove and properly cover



Recent Inspection Interior Issues

- Missing smoke detectors. Install smoke detectors. 1 in each bedroom and outside bedrooms.
- Missing CO detector. Install CO detector in immediate vicinity of bedrooms.
- Bedroom closet has stain on ceiling and peeling paint. Prepare and paint.
- Bathroom door does is misaligned and does not close or latch easily. Adjust door to close and latch.
- Smoke detectors are missing in SW, west middle and NW bedrooms. Floor transition trim loose at doorway of north bathroom. Repair to prevent tripping.
- Door jamb of south entry door, east entry door itself and east entry door sill peeling paint.
- South entry storm door missing closer. Install new closer.
- West window of west middle bedroom has hole in screen. Repair screen.
- Outlet behind washing machine non GFI. Install GFI outlet.
- Water stands in kitchen sink. Repair to drain properly.
- No light fixture in SW, West middle and NW bedrooms.
- Shade missing on ceiling fan light kit in utility room. Install shade.
- Toilet tank does not fill in south bathroom. Repair to operate as designed.
- Water Heater PRV is the wrong material. Replace with correct piping.
- CO Detector missing. Install to living room.



Recent Inspection Exterior Issues

- Front storm door screen has 2 holes. Repair or replace storm door screen.
- Basement window has major rot in part of the trim/framing along with a old service entry hole exposed to the outdoor elements. It is recommended to cut out and repair the framing and seal the old service entry hole closed with silicone caulking rated for exterior use.
- Rear storm door missing glass and screen. Replace glass and screen.
- Bedroom windows on south, west, and north windows are missing screens. Install screens.
- Dryer Vent Hood is missing a louver. Replace dryer vent hood.
- Entry door missing storm door. Install storm door.
- Door to 2nd floor balcony has cracked panes. Replace broken glass
- Front porch and 2nd floor balcony lights missing globes, inoperable. Repair to work as designed.
- West downspouts draining next to foundation, north downspout loose. Secure and install downspout extensions.
- Window screens on east, west and south have damaged screens. Repair screens.
- South deck has deteriorated board and peeling paint, south shed door has peeling paint. Repair, prepare and paint.
- Backyard storage shed: Peeling paint on the trim and walls. Prepare and paint.



FTHB House Inspection

- If inspection passes, closing date is determined
 - Lender with homebuyer completes remaining closing package
- If inspection fails, repairs can be made at seller's expense
 - If seller makes repairs, a reinspection can be requested and completed
- If reinspection fails, KHRC could charge lender fee



Lender Application Forms & Documentation

LENDER pre-approves the buyer based on loan criteria and emails FTHB@kshousingcorp.org the completed:

- a. FTHB Inspection Request Form**
- b. FTHB HOME Application Form**
- c. FTHB Inspection Disclaimer Form**
- d. FTHB Sellers Inspection Guidelines**
- e. Potential BUYER First Mortgage Loan Application**
- f. Uniform Underwriting and Transmittal Summary - Form 1008 (must include ratios and credit score)**
- g. Flood Certification (cannot be in flood zones A, AE, AH, AO, A99, V and/or VE)**
- h. Loan Estimate for 1st Mortgage (include estimated KHRC FTHB HOME soft second amount)**
- i. Social Security cards for all persons in household 18 years and older**
- j. Employer Income Verifications (2 months of paystubs, letters, VOEs to calculate income going forward)
- k. Profit and Loss Statement for Sole Proprietor or Self-Employment
- l. Social Security Benefit Verification or Proof of Income Letter <https://www.ssa.gov/manage-benefits/get-benefit-letter>
- m. Child Support Payment Record (if applicable) <https://www.kspaycenter.com/general-info.aspx>
- n. Certification of Zero Income, Adult (if applicable)
- o. Certification of Zero Income, Children (if applicable, such as no child support or Social Security Benefit)
- p. Recent documentation for all assets (documents ability to pay cash to close)
- q. Most recent past three (3) years of federal tax returns with Schedule A if applicable (state not necessary) <https://www.irs.gov/individuals/get-transcript>. If tax returns were not filed, include the Certification of Non-Filing Status Affidavit (if applicable)
- r. Divorce decree or child custodial documents, if applicable to document official household size not on tax return.

<https://kshousingcorp.org/housing-partners/community-solutions/#first-time-homebuyer>



Lender – In Between Documentation

LENDER submits to FTHB the completed (can be submitted earlier in process):

- a. HUD Homebuyer Counseling Session - Certificate of Completion and receipt (cost can apply to required 1% down)
- b. HUD Homebuyer Education Course - Certificate of Completion and receipt (cost can apply to required 1% down)
- c. FTHB 2nd Mortgage Forgiveness Notice

Lender – In Between Documentation

LENDER sends remaining necessary documents to FTHB for final loan approval:

- a. This step can be completed prior to the house passing FTHB inspection if all documents are ready. However, loan approval cannot be given until the house passes inspection.
- b. FTHB HOME application (original wet signature or validated e-signature)
- c. Certification of Zero Income for Children, if applicable (original wet signature or validated e-signature)
- d. Certification of Zero Income, Adult, if applicable (original wet signature or validated e-signature)
- e. Certification of Non-Filing Status Affidavit, if applicable (original wet signature or validated e-signature)
- f. Lead-Based Paint Certification (only for homes constructed prior to 1978)
- g. Purchase contract and all addendums
- h. Home Appraisal
- i. Affidavit of Seller (original wet signature and confirm 2nd page is marked correctly)
- j. Seller's Inspection Guidelines (original wet signature or validated e-signature)
- k. Affidavit of Buyer (original wet signature)
- l. Inspection Disclaimer form (original wet signature or validated e-signature)
- m. Proof of homeowner's hazard insurance with KHRC listed as second mortgagee
- n. Preliminary Title Insurance with KHRC as a lien holder
- o. FTHB Authorization for Drawdown of Funds form
- p. Preliminary Closing Disclosure for 1st mortgage (include KHRC FTHB HOME soft second amount)



First Time Homebuyer (FTHB) Program
Homeownership Assistance
Soft Second Mortgage - Forgivable After 10 Years
HOME Investment Partnerships Program

Authorization for Drawdown of Funds

This form must be submitted to KHRC to confirm the actual amount of HOME funds needed to close. The amount indicated cannot exceed the amount originally reserved, but it may be less. This must be received by KHRC AT LEAST 10 working days prior to closing.

List all normal fees charged by lender which have been waived for match purposes: _____

Today's Date: _____

Homebuyer(s): _____

KHRC Confirmation/Loan #: _____

HOME Funds Requested: \$ _____

Closing Date: _____ Occupancy Date: _____

Payment should be sent to: Lender or Title/Closing Company circle one

Payment should be sent by: EFT or Paper Check (no wires) circle one

Lender: _____
Company Name Complete Mailing Address

Title/Closing: _____
Company Name Complete Mailing Address

*****Must be setup as KHRC vendor (W-9, Vendor Form, Bank Letter/Voided Check, Sam.gov)**

I certify the amount listed above is the confirmed amount of HOME funds requested for closing for this homebuyer. All of the amount will be used for the downpayment/closing costs.

Loan Officer's Printed Name _____ Loan Officer Signature _____

FOR STATE USE ONLY

Approved By: _____ Date: _____
Project #: _____

HOME Funding (EN): \$ _____ Recaptured (HP): \$ _____
HOME Funding Year & #: _____ / _____ FTHB Program Year: _____
IDIS #: _____ Voucher #: _____

CIRCLE -
Payment to
Lender or
Closing/Title
Company



Closing/Title
Company must
be setup as
KHRC Vendor.

**Payment Expectations
(subject to holidays – prior
communication required)**

1. If all documents are received on a Friday, FTHB can draw funds from HUD on a Monday.
2. HUD then sends funds to KHRC on a Wednesday.
3. KHRC then sends funds by EFT or paper check on a Thursday.
4. EFT funds should arrive to lender or title/closing agent account on that Friday.

Paper Checks can be overnighted if a prepaid shipping label is emailed to FTHB.

AFFIDAVIT OF HOME SELLER

STATE OF KANSAS)
COUNTY OF)
CITY OF)

THE UNDERSIGNED (HEREINAFTER REFERRED TO AS THE "SELLER", WHETHER ONE OR MORE PARTIES), HAVING FIRST BEEN DULY SWORN UPON OATH, DOES HEREBY DEPOSE AND STATE AS FOLLOWS:

SELLER UNDERSTANDS THE FALSIFICATION OF THIS AFFIDAVIT IN ANY WAY MAY RESULT IN ALL AMOUNTS BORROWED FROM KANSAS HOUSING RESOURCES CORPORATION (KHRC) THROUGH THE HOME PROGRAM ADMINISTERED BY THEM, BECOMING IMMEDIATELY DUE AND PAYABLE. SELLER IS AWARE THAT ALL FACTS RECITED IN THIS AFFIDAVIT WILL BE INDEPENDENTLY VERIFIED AND THAT INTENTIONAL FALSIFICATION OF THIS AFFIDAVIT MAY SUBJECT THE UNDERSIGNED TO CRIMINAL PROSECUTION.

FURTHER THAT:

- 1. Seller is selling a residence (the "Residence") located at:
Street:
City and County of:
State of: Kansas
To (Name of Purchaser (s)):
(hereinafter the "Purchaser", whether one or more parties)
2. The First Mortgage Lender (the "Lender") is:
3. Seller understands that KHRC is assisting in the financing of the purchase of the above Residence with a soft second mortgage loan (the KHRC HOME Loan)...
4. Such Residence is a one-family Residence at the time of the execution of this Affidavit, and has not been custom built for the purchaser.
5. Seller understands and has been informed that the appraised value assigned to the Residence is \$... Seller also certifies and declares that it is understood that the selling price may be below this fair market value.
6. CROSS OUT THE TWO STATEMENTS THAT DO NOT APPLY TO YOUR PROPERTY AND INITIAL NEXT TO THE CORRECT STATEMENT IN THE MARGIN:

Initial Below

- (a) Such Residence has not been rented to or occupied by a tenant at any time during the three (3) month period preceding the date the purchase contract.
(b) Such Residence has been occupied by the Purchaser during the three (3) months immediately preceding the date of the purchase contract and to no other tenant other than the Purchaser during said three (3) month period.
(c) Such Residence has been occupied by a tenant (for an agreed upon amount or without charge, regardless of a written agreement) other than the Purchaser during the three (3) month period preceding the date of the purchase contract.

Seller hereby certifies and declares, under penalty of perjury, that all of the foregoing statements are, to the best of Seller's knowledge and belief, true, correct and complete.

USE BLUE INK:

Seller
Notary Public
Subscribed and sworn to before me this ___ day of ___, ___.

My Commission Expires:



First Time Homebuyer (FTHB) Program
Down Payment (DPA) & Closing Cost Assistance
Soft Second Mortgage - Forgivable After 10 Years
HOME Investment Partnerships Program

Affidavit of Homebuyer
Ten Year Period
HOME Written Agreement

STATE OF KANSAS
COUNTY OF
CITY OF

THE UNDERSIGNED (HEREINAFTER REFERRED TO AS THE "MORTGAGOR"), WHETHER ONE OR MORE PARTIES, HAVING FIRST BEEN DULY SWORN UPON OATH, DOES HEREBY DEPOSE AND STATE AS FOLLOWS:

MORTGAGOR UNDERSTANDS THAT RECEIPT OF THIS AFFIDAVIT IN ANY WAY MAY RESULT IN ALL AMOUNTS BORROWED FROM KANSAS HOUSING RESOURCES CORPORATION THROUGH THE HOME PROGRAM ADMINISTERED BY THEM, BECOMING IMMEDIATELY DUE AND PAYABLE. MORTGAGOR IS AWARE THAT ALL FACTS SET FORTH IN THIS AFFIDAVIT WILL BE INDEPENDENTLY VERIFIED AND THAT INTENTIONAL FALSIFICATION OF THIS AFFIDAVIT MAY SUBJECT THE UNDERSIGNED TO CRIMINAL PROSECUTION.

FURTHER THAT:

- 1. Mortgagor is purchasing a residence (the "residence") located at:
Street:
City and County of:
State of:
From (Name of Seller(s)):
(Hereinafter the "seller", whether one or more parties)
2. The First Mortgage Lender ("the Lender") is:
3. Mortgagor understands that Kansas Housing Resources Corporation (KHRC) is assisting in the financing of the purchase of the above Residence with a second mortgage loan (the "KHRC HOME Loan"), made available by Federal Funds (and Federal Funds hereinafter collectively referred to as the "HOME Funds") provided through the provisions of the National Affordable Housing Act of 1980, HOME Investment Partnerships Program, and pursuant to the Federal and KHRC rules and regulations promulgated thereunder herein said act, program, rules and regulations collectively referred to as the "HOME Program", which HOME Program is being administered by the Kansas Housing Resources Corporation. As a Mortgagor, I shall receive benefits from this financing such as down payment assistance and savings in mortgage loan interest costs. As a result, I shall be subject to specific requirements for a period of 10 years following the date of the KHRC HOME Loan, all as more particularly set forth in HOME Second Mortgage (the "Second Mortgage") Mortgagor is required to sign in consideration for receiving such KHRC HOME Loan.

- 4. Such Residence is a one-family Residence at the execution of the Second Mortgage securing the note evidencing the KHRC HOME Loan.
5. Mortgagor intends to occupy such Residence as Mortgagor's principal residence within 60 days after the financing described in paragraph 3 is provided.
6. Mortgagor will occupy the Residence as Mortgagor's principal residence as long as the KHRC HOME Loan providing the financing is outstanding.
7. All of the land being purchased with the Residence, if any is being purchased, or upon which the Residence is located, reasonably maintains the basic livability of the Residence and does not and will not provide, other than incidentally, a source of income to Mortgagor.
8. Mortgagor will not use the Residence primarily in a trade or business or use more than 15% of the total area thereof in a trade or business and will not deduct any portion of the cost of the Residence as a home business expense on Mortgagor's state or federal income tax returns.
9. Mortgagor will not rent the Residence or any part of the Residence, or use the Residence as an investment property or as a recreational or "second" home. Should the Mortgagor enter into an agreement to rent or lease the assisted property, the Mortgagor shall declare all sums of funds secured by the Second Mortgage to be immediately due and payable.
10. The Residence is located within the State of Kansas not within the city limits of Kansas City, Topeka, Lawrence, or Wichita, or Johnson County.
11. Mortgagor acknowledges and understands KHRC's policy regarding refinancing and subordination, if applicable, of the Residence.
12. Mortgagor understands that the following recapture provisions apply:

Federal Recapture (hereinafter "Recapture") provisions require that KHRC recoup all or a portion of the HOME assistance to the homebuyer if the housing subsidized does not continue to be the principal residence of the family for the duration of the period of affordability. The period of affordability is based upon the total amount of HOME funds subject to recapture described in 24 CFR 92.254 (a)(3)(v)(A)(i). For KHRC, this period is ten (10) years for homebuyers assisted by the HOME Program. The HOME investment that is subject to Recapture is based on the amount of HOME assistance that enabled the homebuyer to buy the dwelling unit.
If Mortgagor sells the property during the 10-year period of affordability, KHRC shall calculate the Recapture amount using the Reduction method. Under this method, the terms of forgiveness shall be as follows:
Principal amount of less than fifteen thousand dollars (\$15,000) shall be reduced by a pro-rata monthly reduction of one-half (1/2) of the principal balance over a period of sixty (60) months and the remaining one-half (1/2) of principal shall be forgiven after one hundred twenty (120) months, provided all rules and regulations associated with the Program are complied with.
Principal amount of fifteen thousand dollars (\$15,000) or greater shall be reduced on a pro-rata monthly reduction for one-half (1/2) of the principal balance over a period of one hundred twenty (120) months and the remaining one-half (1/2) of principal shall be forgiven after one hundred twenty (120) months, provided all rules and regulations associated with the Program are complied with.
However, should a property's appraised value be below the amount required for full repayment, or the property has been on the market for over 6 months without a contract, the Shorter Net Proceeds method may be used. The net proceeds are the sales price minus loan repayment (other than HOME funds) and closing costs. The net proceeds may be divided proportionally as set forth in the following mathematical formula:

HOME Investment / (HOME Investment + Homeowner Investment) = HOME Percentage
Homeowner Investment / (HOME Investment + Homeowner Investment) = Homeowner Percentage
If the property goes into foreclosure or Mortgagor deeds the property in lieu of foreclosure, KHRC shall calculate the Recapture amount using the Shorter Net Proceeds method. Under this method, if there are no net proceeds or the net proceeds are insufficient to repay the HOME Investment due, KHRC will only recapture the net proceeds, if any. The net proceeds are the sales price minus superior loan repayment (other than HOME funds) and any closing costs. The net proceeds may be divided proportionally as set forth in the following mathematical formula:

HOME Investment / (HOME Investment + Homeowner Investment) = HOME Percentage
Homeowner Investment / (HOME Investment + Homeowner Investment) = Homeowner Percentage
(PARAGRAPH 12, FOLLOWING, IS NOT APPLICABLE IF THE UNDERSIGNED IS OTHERWISE A QUALIFIED PURCHASER WITHIN THE MEANING OF 24 CFR 92.2, OR UNDER KHRC PUBLISHED RULES AND REGULATIONS PERTAINING THEREIN.)

13. Mortgagor has not had a present ownership interest in a principal Residence which includes a unit in a condominium or cooperative building, and factory-made housing, such as a manufactured house, mobile home or house trailer, that is permanently affixed to real property at any time during the three-year period prior to the date hereof, other than the Residence with respect to which such financing is being provided.

- Present ownership interest means:
(i) a fee simple interest;
(ii) joint tenancy, a tenancy in common, or tenancy by the entirety;
(iii) the interest of a tenant-shareholder in a cooperative;
(iv) a life estate;
(v) a land contract (i.e., a contract pursuant to which possession and the benefits and burdens of ownership are transferred until some time later); and
(vi) an interest held in trust for me (whether or not created by me) that could constitute a present ownership interest if held directly by Mortgagor.
The term present ownership interest excludes:
(i) a remainder interest;
(ii) a reversionary interest;
(iii) a mere equity to inherit interest in a principal residence;
(iv) a lease with or without an option to purchase;
(v) the interest that a purchaser of a residence acquires on the execution of a purchase contract; and
14. Neither Mortgagor, nor any party related to the mortgagor, has entered into any agreement with the seller of the Residence, or any developer, contractor, or any other person pursuant to which Mortgagor has agreed to pay consideration, either in cash or in kind, in excess of the purchase price for the Residence or pursuant to which any portion of the Residence has been left unfinished or any fixtures or other architectural appointments have been omitted or removed from the Residence in order to reduce the purchase price.

- 15. Mortgagor has not been a party to a mortgage, conditional sales contract, pledge, agreement to hold title in escrow, or any other form of owner-financing (whether or not paid off) on the Residence at any time prior to the execution of the Second Mortgage other than the First Mortgage Loan to Lender as shown in Mortgagor's application for a KHRC HOME Loan.
16. Mortgagor will not use any portion of the proceeds of this KHRC HOME Loan to acquire or replace an existing mortgage or deed of trust under which Mortgagor may be obligated.
17. The purchase price of the Residence and any improvements purchased in connection therewith, including any attached items such as carpentry, curtain rods and light fixtures, exclusive of any settlement or financing costs or any amount paid for property which is not real property or a fixture, is \$_____. Mortgagor is not purchasing any unattached items from the seller in connection with the purchase of the Residence, except as stated in EXHIBIT A attached hereto.
18. Apart from any normal real estate agents' commission and the First Mortgage Loan referred to in paragraph 13, above, no money is being paid, no promissory note is being delivered, nor anything else of value is being exchanged for or transferred to the Seller or any other person by the Mortgagor, or to the Mortgagor's knowledge, by any other person in connection with the purchase of the Residence except as indicated in the escrow and settlement documents or in the Seller's Affidavit or Lender's Certificate.
19. Mortgagor's federal income tax returns provided in connection with the acquisition of the Second Mortgage are complete, true and correct. Mortgagor has not been lawfully entitled to claim any deductions for federal income tax purposes for taxes or interest on indebtedness with respect to real property constituting Mortgagor's principal Residence for any portion of the three-year period prior to the date of execution hereof.
20. Mortgagor's Family Income is \$_____, which is not in excess of the Maximum Family Income for a household of _____ persons.
21. I HAVE READ THE NOTE AND THE SECOND MORTGAGE AND UNDERSTAND THAT:
(A) THE LOAN IS BEING FUNDED BY KANSAS HOUSING RESOURCES CORPORATION (KHRC), FROM FEDERAL FUNDS PROVIDED PURSUANT TO THE NATIONAL AFFORDABLE HOUSING ACT OF 1980 THROUGH THE HOME PROGRAM CREATED THEREUNDER AND ADMINISTERED BY KHRC. THE TERMS OF THE LOAN ARE AVAILABLE ONLY TO PERSONS WITH A FAMILY INCOME NOT IN EXCESS OF KHRC'S HUD APPROVED, HOME LOAN PROGRAM GUIDELINES AND MORTGAGOR'S INTEREST IN THE PREMISES DESCRIBED IN THE SECOND MORTGAGE MAY BE ADVERSELY AFFECTED BY THIS AFFIDAVIT AND OTHER AFFIDAVITS AND CERTIFICATES GIVEN IN CONNECTION WITH THE MAKING OF THE KHRC HOME LOAN AND THEREFORE:
(B) A LEASE OR RENTAL OF THE RESIDENCE TO ANOTHER MAY RESULT IN LEGAL PROCEEDINGS TO ENFORCE THE REQUIREMENTS OF THE HOME SECOND MORTGAGE, AND;
(C) ANY TRANSFER OF TITLE TO OR POSSESSION OF THE RESIDENCE OR ANY PORTION THEREOF (EXCEPT AS SET FORTH IN PARAGRAPH 18)(A) WITHOUT THE PRIOR WRITTEN APPROVAL OF KHRC, MAY RESULT IN LEGAL PROCEEDINGS TO ENFORCE THE REQUIREMENTS OF THE HOME SECOND MORTGAGE, AND;
(D) ANY ASSUMPTION OF THE SECOND MORTGAGE WITHOUT PRIOR WRITTEN APPROVAL FROM KHRC MAY RESULT IN FORECLOSURE AND LOSS OF POSSESSION OF THE RESIDENCE.
(E) ANY LIEBTRUF OR INCORRECT STATEMENT IN THIS AFFIDAVIT MAY RESULT IN FORECLOSURE AND LOSS OF POSSESSION OF THE RESIDENCE.

- (F) A SALE OF THE PROPERTY OR A REFINANCING OF THE FIRST AND SECOND MORTGAGES WITH ANOTHER LENDER WITHIN 10 YEAR TERM OF THE SECOND MORTGAGE DOES NOT TERMINATE THE ORIGINAL 10 YEAR TERM.
(G) RECAPTURE PROVISIONS APPLY AS DISCUSSED IN 12. ABOVE.

22. Mortgagor hereby authorizes KHRC to conduct such investigation as they deem necessary to ascertain the truth and correctness of the statements made in this affidavit, and Mortgagor has been informed and understands that perjury is punishable by imprisonment or a fine or both.
Mortgagor hereby certifies and declares, under penalty of perjury, that all of the foregoing statements are, to the best of Mortgagor's knowledge and belief, true, correct and complete.

USE BLUE INK:
Mortgagor:
Mortgagee:

Subscribed and sworn to me this ___ day of ___,
My Commission Expires:
Notary Public

Marlyn Stanley, Single Family Program Manager
Kansas Housing Resources Corporation

Subscribed and sworn to me this ___ day of ___,
My Commission Expires:
Notary Public



Second Mortgage Forgiveness by Year

keep for your records

Kansas Housing Resources Corporation (KHRC) is assisting in the financing of the purchase of your property with a second mortgage loan. Should you sell your home prior to the end of the affordability period, you will owe a portion of the funds back to KHRC. Below is an approximation of how much you may owe at the beginning of each year of your ten year affordability period:

The amount you are receiving is: \$ 14,999.00

	1/2 Soft Second Amount	1/2 Interest Free Mortgage Amount	TOTAL OWED TO KHRC
	\$ 7,499.50	\$ 7,499.50	
Year 1	\$ 7,499.50	\$ 7,499.50	\$ 14,999.00
Year 2	\$ 5,999.60	\$ 7,499.50	\$ 13,499.10
Year 3	\$ 4,499.70	\$ 7,499.50	\$ 11,999.20
Year 4	\$ 2,999.80	\$ 7,499.50	\$ 10,499.30
Year 5	\$ 1,499.90	\$ 7,499.50	\$ 8,999.40
Year 6	\$ -	\$ 7,499.50	\$ 7,499.50
Year 7	\$ -	\$ 7,499.50	\$ 7,499.50
Year 8	\$ -	\$ 7,499.50	\$ 7,499.50
Year 9	\$ -	\$ 7,499.50	\$ 7,499.50
Year 10	\$ -	\$ 7,499.50	\$ 7,499.50
Year 11	\$ -	\$ -	\$ -

By signing, you are confirming that you have received this information.

Use blue ink or e-signature



Please sign and Return

Second Mortgage Forgiveness by Year

Kansas Housing Resources Corporation (KHRC) is assisting in the financing of the purchase of your property with a second mortgage loan. Should you sell your home prior to the end of the affordability period, you will owe a portion of the funds back to KHRC. Below is an approximation of how much you may owe at the beginning of each year of your ten year affordability period:

The amount you are receiving is: \$ 20,000.00

	1/2 Soft Second Amount	1/2 Interest Free Mortgage Amount	TOTAL OWED TO KHRC
	\$ 10,000.00	\$ 10,000.00	
Year 1	\$ 10,000.00	\$ 10,000.00	\$ 20,000.00
Year 2	\$ 9,000.00	\$ 10,000.00	\$ 19,000.00
Year 3	\$ 8,000.00	\$ 10,000.00	\$ 18,000.00
Year 4	\$ 7,000.00	\$ 10,000.00	\$ 17,000.00
Year 5	\$ 6,000.00	\$ 10,000.00	\$ 16,000.00
Year 6	\$ 5,000.00	\$ 10,000.00	\$ 15,000.00
Year 7	\$ 4,000.00	\$ 10,000.00	\$ 14,000.00
Year 8	\$ 3,000.00	\$ 10,000.00	\$ 13,000.00
Year 9	\$ 2,000.00	\$ 10,000.00	\$ 12,000.00
Year 10	\$ 1,000.00	\$ 10,000.00	\$ 11,000.00
Year 11	\$ -	\$ -	\$ -

By signing, you are confirming that you have received this information.

Use blue ink or e-signature

Lender Final Documents

As soon as possible but no later than 30 days after closing, LENDER sends to FTHB:

- a. **Original** wet signature - FTHB HOME Promissory Note
- b. **Original** notarized and recorded - FTHB HOME Second Mortgage
- c. Copy of signed Final Closing Disclosure
- d. Copy of signed First Mortgage Promissory Note

File is complete.

After 10 years of the soft second mortgage closing, FTHB sends a mortgage release to homeowners to file at the county.

Soft second mortgage is forgiven!

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