



## Start Up Notice to Veteran and Consent

**INSTRUCTIONS:** This notice must be reviewed with the Borrower(s) to illustrate changes in standard assumption/debt acceleration guidelines due to additional Minnesota Housing requirements. Borrowers must acknowledge with complete, legal signature. The original, fully executed, form is to be forwarded to Veterans Administration (VA) as part of the credit approval package.

### **NOTICE TO VETERAN AND CONSENT**

Your home purchase is being financed with a mortgage loan made available with the assistance of the Minnesota Housing Finance Agency ("Minnesota Housing"). This mortgage loan is made at an interest rate below what is usually charged and is subject to Minnesota Housing's rules and regulations and to certain Federal requirements.

Because of the special restrictions, you cannot sell your home to a person ineligible for assistance from Minnesota Housing, unless you pay your loan in full. If you sell your home to someone ineligible for Minnesota Housing's assistance and allow the buyer to make your payments for you (assume your loan), Minnesota Housing may refuse to allow the sale and demand immediate full repayment of the loan. This could result in foreclosure and repossession of the property.

In addition, you must occupy your home as your principal residence until your loan is repaid in full. If you rent your home, or use it in any trade or business, Minnesota Housing may demand full repayment of the loan. This also could result in foreclosure and repossession of the property.

If your home is taken through a foreclosure of the mortgage because of a violation of the special program restrictions, VA will not be able to help you. In addition, VA may have to pay a claim to Minnesota Housing for any loss incurred on your loan. You may then be obligated to the VA for any claim paid by the VA to Minnesota Housing.

You may avoid such actions by being careful to comply with the special program restrictions, including paying your loan in full when you sell your home or by making certain that any person who purchases your home and takes over your payments meets the necessary qualifications established by Minnesota Housing. You may contact your lender or Minnesota Housing for information as to these qualifications.

If you use Minnesota Housing down payment and closing cost assistance in conjunction with a VA insured Mortgage, the total amount you owe Minnesota Housing through the first and second mortgages may exceed the value of your home.

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Borrower Signature (Veteran)

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Date

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Borrower Signature

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Print Name of Borrower

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Date

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Print Name of Borrower