



**Minimum Qualifications
Required to Purchase a Home Developed by
Greater Frogtown Community Development Corporation (GFCD)**

The properties which GFCD develop use federal, state, and city funds. These funds have certain restrictions, which include the following. (Depending on the project and funding, there may be additional qualifications that would need to be met by buyer.)

Minimum Qualifications are:

1. Buyer's total household gross income, before taxes, must be at or below 80 % of the area median income (AMI), based on household size.

Household size	Area Median Income (AMI) Guidelines for 2009 80%
1	\$ 44,800
2	\$ 51,200
3	\$ 57,600
4	\$ 64,000
5	\$ 69,100
6	\$ 74,250
7	\$ 79,350
8	\$ 84,500

2. Buyer must be at least 21 years of age
3. Buyer must agree to use the property as their main residence. The property will need to be homesteaded for at least 10 years. (Buyer does have the right to sell the home before the 10 year period is up, but must sell to someone who will meet the 80% income guidelines and homestead the house)
4. Complete a homebuyers education course (certificate good for 1 year)
5. Be a citizen of the United States or a registered alien
6. Have credit history acceptable to a lender.
7. Have enough income to make the monthly payments on the mortgage
8. Be approved by one of the excepted lenders (see sheet supplied by GFCD).

You may also need some funds for down payment and closing costs.

To determine income qualifications, GFCD will need the following items submitted with a purchase agreement:

1. Last 3 years of tax returns for all people in the household (if self-employed attach Schedule E)
2. Last 3 months of pay stubs for all people in the household (and all other household income. i.e. social security)
3. Last 3 months of bank statements for all people in the household

Purchase agreements must contain the following:

1. Approval letter from approved mortgage lender

Forms listed below to be supplied by GFCD or listing agent:

2. Household Demographic/Project Information Consent Form (signed by potential buyer)
3. Affidavit of purchaser – Homestead Agreement (initialed by potential buyer)
4. Copy of the Soft 2nd mortgage document with the City of St. Paul (initialed by potential buyer)
5. Copy of the Promissory Note with the City of St. Paul (initialed by potential buyer)

Once purchase agreement is accepted by both parties, GFCD will also need the following forms filled out (these forms will be provided by GFCD or listing agent and are required because of subsidy used in the project):

1. Minnesota Housing Finance Agency -Household Demographic/Project Information Form
2. Family Housing Fund -Home Ownership Grant Report Form
3. City of St. Paul -Income Affidavit Form

QUESTIONS?

Contact Becky Errigo at 651-789-7484 or becky@greaterfrogtowncdc.org

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