State of North Carolina
County of ____________                                        NCHFA Loan Number ______________

I, the undersigned, as part of my application for a Mortgage Credit Certificate (MCC) from the North Carolina Housing Finance Agency (NCHFA), and as a material inducement to NCHFA to issue an MCC to the undersigned, in connection with a mortgage loan from a lender for the purchase of a single-family property (“Residence”), and to verify conformity with state and federal requirements, state the following:

1. I have reviewed my Request for Conditional Commitment that I executed as part of my application for an MCC and declare that there have been no changes in the statements therein and the statements remain true and accurate, except as noted below. (If not noted below, I agree everything remains the same.)

2. I further state that I have not had an interest in a principal residence within three years prior to the date of loan closing. For this purpose, a principal residence includes stock held by a tenant stockholder in a housing corporation; a single-family residence; condominium; or any manufactured home (including a mobile home). Prior ownership interest in a manufactured home which is not permanently fixed to a foundation is acceptable. I am exempt from the first-time homebuyer requirement if my home is located in a Targeted area or I qualify for the one-time veteran’s exception as set forth in Section 416 of the Tax Relief and Health Care Act of 2006.

3. I acknowledge that the seller has certified to me that the price of the residence is no higher than it would be without the use of an MCC.

4. I received today the “Notice to Mortgagors of Potential Recapture of Federal Subsidy.” I understand that if my home is disposed of within the next nine years, the maximum recapture tax payable, if any, is the lesser of 6.25% of the loan amount, or 50% of the gain on the sale.

5. I acknowledge that if I fail to occupy the property described in the mortgage as a principal residence within 60 days after closing, or do not continue to occupy property as a principal residence, without prior written consent of NCHFA, that all sums secured by the Residence may be declared immediately due and payable.

6. I acknowledge and understand that this affidavit is being made under penalties of perjury and will be relied on for purposes of determining my eligibility for an MCC. Fraudulent Statements - Any fraudulent statement will result in (i) the revocation of my MCC, and (ii) a $10,000 penalty under Section 6709 of the Internal Revenue Code. Material Misstatements due to Negligence - Any material misstatement due to negligence on my part will result in a monetary penalty under Section 6709(a) of the Internal Revenue Code. Other Remedies - In addition, any material misstatement due to negligence or misstatement due to fraud that is discovered before the issuance of an MCC will result in denial of my application for an MCC. If a MCC has been issued prior to the discovery of a fraudulent statement, then any MCC issued will automatically become null and void without any need for further action by NCHFA.

7. I acknowledge that I have not relied on NCHFA or the Lender in determining the benefits of the MCC. I understand that the MCC offers no state personal income tax credit and may not always provide a tax benefit to me in any given year.

_________________________________________  _____________________________
Date                                              Signature of Borrower

_________________________________________
Date

_________________________________________
Signature of Co-Borrower / Co-Occupant