



## WOOD COUNTY HOME CONSORTIUM HOMEBUYER POLICIES & PROCEDURES FOR THE SINGLE-FAMILY HOUSING OPPORTUNITY PROGRAM (SHOP)

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The City of Parkersburg, WV, on behalf of the Wood County HOME Consortium is a Participating Jurisdiction (PJ) under the U.S. Department of HUD's HOME Investment Partnership Program (HOME). The City of Parkersburg is the Representative Member, and as such, has a cooperation agreement with the member jurisdictions of the Wood County HOME Consortium to administer the HOME funds on behalf of the Consortium. As a result of the new HUD Regulations for the HOME Program found in 24 CFR Part 92, published in the Federal Register on July 24, 2013, local PJs must prepare revised written Homebuyer Policies and Procedures as of January 24, 2014. In accordance with this new requirement, the City of Parkersburg has prepared and will use the following policies and procedures for the Single Family Housing Opportunity Program (SHOP) which provides low interest loans to qualified households for the purchase of new homes.

### A. BASIC ELIGIBILITY REQUIREMENTS:

In order to qualify for a low interest loan under the Single Family Housing Opportunities Program (SHOP), applicants must meet the following basic eligibility requirements:

- Be a "first time" homebuyer [must not have previously owned a home in the last three (3) years].
- The home to be purchased must be located within the corporate limits of Wood County, WV.
- Meet the maximum income requirements based on family size [per HUD Section 8 Income Guidelines].

**1. Income Guidelines for Homebuyers** – funding for SHOP financial assistance is provided through the HOME Investment Partnership Program (HOME). Therefore, the U.S. Department of Housing and Urban Development (HUD) has established maximum income guidelines for households to participate in the program. Each year HUD establishes maximum income guidelines based on family size for each federal entitlement jurisdiction. The latest HUD maximum income guidelines for the Wood County HOME Consortium, for FY 2018 is as follows:

- |                              |           |
|------------------------------|-----------|
| • One (1) person household   | \$ 30,000 |
| • Two (2) person household   | \$ 34,250 |
| • Three (3) person household | \$ 38,550 |
| • Four (4) person household  | \$ 42,800 |
| • Five (5) person household  | \$ 46,250 |
| • Six (6) person household   | \$ 49,650 |
| • Seven (7) person household | \$ 53,100 |
| • Eight (8) person household | \$ 56,500 |

**2. Income Eligibility Determination** – the Wood County HOME Consortium will verify an applicant's total household income to determine if they qualify for the SHOP Program. The applicant must complete a loan application with supporting income documentation. A \$500 application fee is required at the time of submission of the application and supporting documentation. The \$500 application fee is refundable if the SHOP loan is not approved. The following types of financial income supporting documentation are required:

- Last two (2) years of most recent Federal Income Tax Returns and W-2's.
- Pay check stubs for last six (6) months, including overtime or bonus pays.
- Social security statements of annual income for current year.
- Statement of unemployment compensation for the most current period.
- Statement of public welfare payments for the most current period.
- Any other sources of income statements, i.e. disability, alimony, child support, pension, retirements, black lung, etc.

In addition to income, please provide the following documentation on family assets:

- Checking account statements for the last six (6) months.
- Savings account statements for the most recent month.
- Any other investment account statements.

Lastly, the total household debt and expense must be reported, including:

- Credit card statements and monthly payments for last six (6) months.
- Personal loan amounts (secured and unsecured).
- Monthly rent or mortgage payments.
- Car loans (balance owed and monthly payment).
- Installment loans balance and monthly payments.

**3. Maximum Financial Assistance** – the SHOP Program will provide up to \$25,000 as a second mortgage on a house up to a maximum loan term of ten (10) years at a 3% rate of interest. This is a deferred mortgage payable after the period of the first mortgage ends. The first mortgage financing is available for qualified home buyers through the local participating banks for a maximum period of twenty (20) years at a fixed rate of interest. The following four (4) banks are currently participating partners in the SHOP Program:

- Community Bank
- Huntington bank
- United Bank
- Wesbanco

The maximum amount of the SHOP Loan is based on a sliding income scale per household based on Area Median Income (AMI):

- Household income of 60-80% AMI – up to 25% of the overall cost to purchase the home not to exceed maximum of \$25,000.

- Household income of 50-60% AMI – up to 30% of the overall cost to purchase the home, not to exceed maximum of \$25,000.
- Household income of 30-50% AMI – up to 35% of the overall cost to purchase the home, not to exceed maximum of \$25,000.
- Household income of 0-30% AMI – up to 40% of the overall cost to purchase the home, not to exceed maximum of \$25,000.

## **B. UNDERWRITING GUIDELINES FOR HOMEBUYERS:**

The City of Parkersburg's Development Department has prepared these underwriting guidelines to completely and carefully underwrite HOME-assisted financing for homebuyers, prevent predatory lending, and to ensure that homeownership is affordable and sustainable over the term of the loan. The City, on behalf of the Consortium, has determined appropriate thresholds and limits based on the local housing market and the clients served.

- 1. Purchase Price** – The City will determine the reasonableness of the proposed purchase price and all associated project costs in accordance with 24 CFR 92.250 (b) (1). The City will maintain a range of values of properties based on the following:
  - Size of the house, number of bedrooms, number of baths, number of stories, type of construction, date of construction, structural condition, and other factors.
  - The maximum HOME Purchase Price will not exceed the limits established in 24 CFR 92.254 (a) (2) (iii), or 95% of median purchase price of new or rehabilitated housing using the FHA Single Family Mortgage Program data.
- 2. Appropriate Amount of Homeownership Assistance** – The City will determine the appropriate amount of homebuyer assistance (down payment, closing costs, and direct financing of the purchase price) that will be made available to eligible homebuyers in accordance with the regulations found in 24 CFR 92.254 (f) (1).
  - An evaluation will be made of the overall family debt, the appropriateness of the amount of assistance, monthly expenses of the family, assets available to purchase the home, and financial resources to sustain homeownership.
  - To analyze affordability, the City of Parkersburg shall review on a case-by-case basis (with reasonable discretion) the individual, family or household gross monthly income vis-à-vis a thirty-three percent (33%) guideline of monthly housing expenses which include the monthly mortgage payment of Principal and Interest, estimated monthly property Tax and Insurance, otherwise known as PITI. In addition, the City will review all outstanding debt when evaluating the availability of income to pay for the house.
  - The City will perform an underwriting analysis as a responsible lender.

- The City will determine if refinancing of loans to which HOME loans are subordinated is appropriate, and if the new HOME loan is reasonable.
- The City will determine the minimum cash investment from the homebuyer toward the purchase price, including whether the City will apply an “asset limit”, which requires that a homebuyer use any cash assets available above a certain “ceiling” toward the purchase of the home before receiving direct homeownership assistance.
- The City will determine the minimum amount of cash reserves that the homebuyer has after the purchase of the home.
- Based on the underwriting analysis, the City will determine the appropriate amount of HOME assistance it will provide the homebuyer.
- The City will also review the local lending institution underwriting analysis.
- The maximum amount of homebuyer assistance is \$25,000. This amount is a forgivable loan after a five (5) year period and the balance of the SHOP loan is a low-interest loan.

**3. Responsible Lending** – The City will ensure that the homebuyer’s primary mortgage does not contain predatory or risky features that threaten the sustainability of homeownership in accordance with 24 CFR 92.254 (f) (2), including:

- The City will require a fixed rate of interest for all primary mortgages, and will not allow adjustable rate loans.
- The maximum interest rate of a primary mortgage must be in accordance with the rates established by FFIEC or Freddie Mac.
- The City will review and evaluate the minimum and maximum terms of primary loans, with a maximum loan term of 30 years, with the exception of a USDA - Rural Development, Direct Loan Mortgage.
- The City will evaluate if the primary mortgage closing costs are reasonable, as well as the origination fee, points, and other lender charges. This will be based on the City’s past experience for the last 10 years of what are reasonable costs and fees.
- The City will review and evaluate other potentially risky or irresponsible primary loan features such as balloon payments, prepayment penalties, single-premium credit life insurance, loans without tax/insurance escrows, etc. If any potentially risky or irresponsible primary loan features are discovered, the City will not participate in the loan to a homebuyer.
- The City will determine if the purchase and any required rehabilitation work is economically feasible so that the amount of financial assistance does not exceed the value of the property post-rehabilitation.

**4. Treatment of Subordinated Requests** – The City will treat requests for subordination in accordance with 24 CFR 92.254 (f) (3).

- The City will review and evaluate all requests for subordination of its loan to allow for refinancing of the existing primary loan, only for a change in

the interest rate and term of refinancing, and/or additional funds for capital improvements to the property.

- The City will not consider the cash out of a primary loan which will incur additional debt within the period of affordability of the HOME financial assistance.
- The City will ensure that there are responsible lending standards in place for the new loan.

**5. Underwriting Notification** – The City will notify each applicant for homebuyer financial assistance of the results of the underwriting analysis performed for their application.

- A written letter will be provided to each applicant for homebuyer assistance.
- The letter will outline the terms and conditions of the HOME financial assistance that the homebuyer applicant may be eligible to receive.
- The preliminary underwriting analysis is outlined based on the home that they propose to purchase.
- If the potential homebuyer agrees to the terms and conditions of the HOME financial assistance, the homebuyer signs the acceptance letter and returns a copy back to the City.

**6. Standards for Pre-Purchase and Post-Purchase Counseling** – The City will require that all potential loan applicants for homebuyer assistance must attend an approved pre-purchase homebuyer counseling program and complete a post-purchase homebuyer counseling after closing on the property.

- The City will maintain a list of approved housing counseling agencies and annually review the qualifications and certification of the housing counseling program.
- The City will review the housing counseling curriculum, the delivery mechanisms, and the duration of the program.
- All of the housing counseling agencies must meet the HUD standards. The counseling program must consist of a minimum of 10 hours of training for all homebuyers.
- The City will require the issuance of a certificate of completion of a housing counseling program for each potential homebuyer.
- The certificate of completion will be valid for a period of twenty-four (24) months from the date of completion of the course.
- The potential homebuyer must pay for the housing counseling program, and if the City closes on a loan with the homebuyer, the homebuyer may be reimbursed the cost of the program at the time of closing, or it could be included in the HOME financing.
- The homebuyer must attend a post-purchase housing counseling program within the first three (3) months after closing on the purchase of the home. If the homebuyer does not attend, they are considered in default of the loan.

### **C. RESALE/RECAPTURE POLICY:**

The City of Parkersburg has prepared the following policy which addresses the issues of sale or transfer of ownership of property financed with HOME assisted funding. This policy is in accordance with the HUD Regulations found in 24 CFR Part 92. The issue of resale/recapture arises when a homeowner that received homebuyer assistance under the HOME Program decides to sell the property. If the property is sold after the period of affordability has expired, there are no restrictions in terms of resale or recapture of HOME funds that apply to such a transaction. However, if the sale occurs before the period of affordability has expired, certain regulatory limitations apply.

The regulations at 24 CFR 92.254(a)(5) give the participating jurisdiction two (2) broad options relative to the treatment of properties that are sold before the period of affordability has expired:

- The owner that received HOME assistance must sell the home to a low-income family that will use the property as their principal residence; or
- The participating jurisdiction must recapture some or all of the HOME investment that was initially extended to the homebuyer.

#### **1. Resale of Property Before the End of the Period of Affordability – The Wood County HOME Consortium guidelines for resale of property are:**

- When Grantee or any successor in title to Grantee shall desire to sell, dispose of or otherwise convey the Property, or any portion thereof, prior to the end of the Affordability Requirement Period, the Grantee shall notify the Grantor in writing of Grantee's intention to so convey the Property (the "Conveyance Notice"). Upon receipt of the Conveyance Notice, the Grantor shall promptly inform Grantee of the its options.
  - The Grantee must sell the home to a low-income family that will use the property as their principal residence; or
  - The Grantor will recapture some or all of the HOME investment that was initially extended to the Grantee.
- Grantee shall devote diligent marketing efforts to locate an eligible low income family which is ready, willing and able to purchase the Property.
- If an Eligible Purchaser is selected to purchase the Property, or if the Grantor elects to utilize its reversionary right to the Property, the Property shall be conveyed by Grantee to such Eligible Purchaser or to the Grantor, as the case may be, by a good and sufficient warranty deed conveying a good and clear record and marketable title to the Property free from all encumbrances except:
  - such taxes for the then current year as are not due and payable on the date of delivery of the deed;
  - any lien for municipal betterments assessed after the date of the delivery of the Deed;
  - provisions of local building and zoning laws;

- all easements, restrictions, covenants and agreements of record specified in the deed from Grantor to Grantee;
- such additional easements, restrictions, covenants and agreements of record as the Eligible Purchaser, the Grantor, as applicable, consents to, such consent not to be unreasonably withheld or delayed; and
- the new purchaser must comply with all the rules and requirements for the program.

The deed shall be conveyed together with a "Certificate of Compliance" satisfactory in form and substance to the Grantor which shall be recorded simultaneously with said deed.

**2. Sale of Property Before the End of the Period of Affordability - The Wood County HOME Consortium guidelines for resale and recapture are:**

- The Consortium will place a mortgage on the property in its favor for the full amount of the HOME investment.
- Upon sale of the home by the HOME assisted household before the period of affordability expires, the Consortium will recapture its pro rata share of the HOME investment from the net proceeds of the sale.
- The Consortium will determine the net proceeds by subtracting loan repayments and closing costs from the gross sale price of the home.
- The Consortium will enable the homeowner to recover the amount of the homeowner's down payment, principal payments, and any capital improvement investment from the net proceeds.
- After calculating the amounts above, if the net proceeds are not sufficient to recapture the full HOME investment, the HOME investment amount may be reduced and prorated based on the time the homeowner has owned and occupied the unit, measured against the required affordability period of up to ten (10) years.
- If the net proceeds are not sufficient to recapture the full HOME investment, the homeowner may not recover more than the amount of the homeowner's down payment, principal payments, and any capital improvement investment.
- The Consortium will use HOME funds that are recaptured to assist other income eligible homebuyers.

In the event the mortgaged property is sold or otherwise transferred prior to the expiration period of affordability as established by the amount of HOME assistance received, from the date of the initial sale, then the pro rata share of the net proceeds from the sale or transfer shall be paid to the City of Parkersburg. The City and Consortium will market the property and work with the bank so that another family moves into the home within sixty (60) days of it being vacant.

The HOME Consortium may reduce the amount of the direct HOME subsidy on a pro rata basis for the time the homebuyer has owned and

occupied the house, measured against the required affordability period. The resulting ratio would be used to determine how much of the direct HOME subsidy the consortium would recapture. The pro rata amount recaptured by the Consortium cannot exceed what is available from net proceeds.

$$\frac{\text{Number of Years Homebuyer Occupied the Home}}{\text{Number of Years Period of Affordability}} \times \text{Total Direct HOME Subsidy} = \text{Recapture Amount}$$

The total amount payable by borrower under the preceding paragraphs shall never exceed the face amount of the note.

To the extent that the net proceeds are less than the outstanding principal balance of the note, the remainder shall be forgiven.

If the net proceeds are not sufficient to recapture the full HOME investment [or a reduced amount as provided for in 24 CFR Sub-Part 92.254 (a)(5)(ii)(A)(2)] and enable the homeowner to recover the amount of his/her down payment and any capital improvement investment made by the owner since the purchase, the Consortium may share the net proceeds. 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 formulas:

$$\frac{\text{Direct HOME Subsidy Amount}}{\text{HOME Subsidy} + \text{Homeowner Investment}} \times \text{Net Proceeds} = \text{HOME Recapture Amount}$$

$$\frac{\text{Homeowner's Amount of Investment}}{\text{HOME Subsidy} + \text{Homeowner Investment}} \times \text{Net Proceeds} = \text{Amount to Homeowner}$$

**D. PROCEDURES:**

The City of Parkersburg has established uniform procedures throughout the HOME Consortium Area in order to provide financial assistance to eligible homebuyers.

1. **Application** – The City of Parkersburg has prepared an application form for financial assistance for its homebuyer programs.
  - Attached is the “Uniform Residential Loan Application” (Fannie Mae Form 1003), which is marked **EXHIBIT “A”**.
2. **Underwriting Home Buyer Deferred Loans** – As part of the City’s commitment to providing quality and affordable homeownership opportunities in the HOME Consortium Area, the City utilizes the following procedures:



- Any interested person, family, or household (interested party) may request from the City's Development Department a copy of the SHOP guidelines.
- The interested party submits a completed application for a **SHOP** Certificate of Eligibility. The Certificate is valid for six months from the date issued. Applicants who are determined to not be eligible will be notified via certified mail and their \$500 application fee will be returned.
- The City provides the applicant with a Certificate of Eligibility which is a reservation of funds, which is valid for six (6) months.
- The interested party obtains a mortgage loan pre-qualification letter and a Good Faith Estimate from a lender. City will confer with the interested party and the lender to determine the estimated amount of HOME funding needed.
- The interested party takes responsibility to select an eligible dwelling unit as set forth under Dwelling Requirements, and requests an application packet.
- The applicant executes a contract of sale including a contingency of mortgage financing and SHOP loan approvals.
- The City secures an inspection of the subject property for SHOP compliance: (i.e., Housing Quality Standards and International Property Maintenance Code (currently adopted code). Notification of the dwelling unit's compliance or non-compliance will be communicated to the applicant, the lending institution, and the real estate company.
- In the event that the dwelling does not pass the code inspection, the applicant may select another eligible dwelling or negotiate with the property owner to correct the code deficiencies.
- The interested party completes an approved Homebuyer Education Program.
- The applicant's mortgage lender and/or realtor contact the City to determine the agreed upon purchase price of the dwelling, the down payment amount required, and the loan closing cost.
- The City will prepare and update a list of comparable properties to determine if the proposed purchase price is within the price range of comparable sales of homes.
- The City reviews the financial information submitted on the application, and determines the actual amount of funds it will provide to the homebuyer, and issues a final letter of commitment.
- The City and lender establish a mutually agreed loan closing date. Several business days will be needed to have SHOP funds available for the loan closing.
- The City prepares lien documents for signing at the loan closing. Prior to the loan closing a City representative will provide a check payable to the closing attorney for the benefit of the SHOP borrower in an amount approved by the City.

**E. PROGRAM GUIDELINES:**

The City Parkersburg has prepared guidelines for the Single Family Housing Opportunity Program (SHOP). These guidelines are provided in the following pages.



## WOOD COUNTY HOME CONSORTIUM

### PARKERSBURG CITY OF WOOD COUNTY SINGLE FAMILY HOUSING OPPORTUNITY PROGRAM (SHOP)

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The Wood County HOME Consortium Single Family Housing Opportunity Program (SHOP) continues to provide low interest loans to qualified households for the purchase of new homes. However, the program has been updated in an effort to assist more low-income buyers.

Who is eligible for the program? These requirements have not changed.

To be eligible for the program, you must:

- Be a first-time homebuyer (have not owned a home in the last 3 years)
- Be searching for a home in Wood County
- Submit a \$500 application fee (refundable if not approved)
- Meet and verify income eligibility requirements.

What are income guidelines? These income levels are updated annually by the Housing and Urban Development Office.

Households cannot exceed the following income levels to be eligible:

1 Person	\$30,000	4 Person	\$42,800
2 Person	\$34,250	5 Person	\$46,250
3 Person	\$38,550	6 Person	\$49,650

How does the program work? This part of the program has been updated to assist more homebuyers. The financing continues to be a combination of two loans as follows:

1. The Parkersburg/Wood County HOME Consortium will provide up to \$25,000 as a second mortgage for a period of 10 years at 3% interest rate to be paid AFTER the primary mortgage period ends.
2. The remainder of the mortgage will be financed through participating banks for 20 years at a fixed rate.

Homebuyers will be assisted by the SHOP program based on a need-based scale.

Households:

- 60-80% home cost median income: Eligible for 25% of the overall or \$25,000 max
- 50-60% home cost median income: Eligible for 30% of the overall or \$25,000 max
- 30-50% home cost median income: Eligible for 35% of the overall or \$25,000 max
- 0-30% home cost median income: Eligible for 40% of the overall or \$25,000 max



# WOOD COUNTY HOME CONSORTIUM SINGLE FAMILY HOUSING OPPORTUNITY PROGRAM (SHOP)

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## Participating Partners

Community Bank Randy Brooks  
631 Juliana Street, Parkersburg, WV 26101  
304.485.7991

Huntington Bank Thomas Moat  
429 Market Street  
Parkersburg, WV 26101  
304.424.7570

United Bank Gala Miller  
514 Market Street  
Parkersburg, WV 26101  
304.424.8648

Wesbanco Pam Bayer  
410 Grand Central Avenue  
Vienna, WV 26105  
304-905-7266



## WOOD COUNTY HOME CONSORTIUM

### PARKERSBURG SINGLE FAMILY HOUSING OPPORTUNITY PROGRAM (SHOP)

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#### SHOP LOAN CHECKLIST

- Pick up and complete a Loan Application and submit copies of the following documents to Lisa Cullum, 5th Floor Development Office of the City, 1 Government Square, Parkersburg, WV. There is a \$500 application fee required at the time you return your application and supporting documents.

#### Income

- \_\_\_\_\_ 2 Years of Most Recent Income Tax Return and W-2's
- \_\_\_\_\_ Pay Stubs (Last Six Months) Including bonus & overtime
- \_\_\_\_\_ Social Security Statement
- \_\_\_\_\_ Unemployment Compensation Payment Statement
- \_\_\_\_\_ Welfare Payment Statement
- \_\_\_\_\_ Other Sources of Income (Disability, Alimony, Child Support, Pension, Etc.)

#### Debt

- \_\_\_\_\_ Minimum Monthly Credit Card Payment Amount
- \_\_\_\_\_ Other Loan Obligations Minimum Monthly Payment Amount (Car Payments, Installment Loans, Notes Payable, etc.)
- \_\_\_\_\_ Monthly Mortgage or Rent Amount
- \_\_\_\_\_ Checking Account Statements (Last Six Months)
- \_\_\_\_\_ Savings Account Statement (Most Recent)

++Applications are processed on a first come, first served bases, Information should be provided as soon as possible to avoid delays.

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Maximum 33% Ratio Debt/Income \_\_\_\_\_

Overall Total Maximum 38% Ratio Debt/Income \_\_\_\_\_

Applicant Approved Yes \_\_\_\_\_ Date \_\_\_\_\_

No \_\_\_\_\_ Date \_\_\_\_\_

## **NOTES AND DOCUMENTS**

After qualification with the SHOP program, you must pre-qualify for a loan at one of the partnering local banks. Please see the attached list.

Once pre-approved for loan, fax Loan Approval letter on Loaning Institutions letterhead to Attn: Lisa Cullum, Financial Compliance Officer @ 304-424-8595.



**WOOD COUNTY HOME CONSORTIUM  
SINGLE FAMILY HOUSING OPPORTUNITY PROGRAM (SHOP)**

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**STATEMENT REQUIRED BY THE PRIVACY ACT**

The City of Parkersburg is authorized by the Title V of the Housing Act of 1949, as amended, (42 U.S.C. 1471 et. Seq.) to solicit the information requested on Development Department loan application forms.

Disclosure of information requested is voluntary. However, failure to disclose certain items of information may result in a delay in the processing of an application or its rejection, except that it is unlawful for the City to deny any individual any right, benefit, or privilege provided by law because of such individual's refusal to disclose his Social Security Account Number.

The principal purposes for collecting the requested information are to determine eligibility for City credit or other financial assistance. Information provided may be used outside of the Development Department for the following purposes:

1. Release to interested parties who submit requests under the Freedom of Information Act.
2. Referral to the appropriate law enforcement agency as set forth in 40 FR 38924. (1975).
3. Referral to employers, businesses, landlords, creditors and others to determine repayment ability for lending programs.

Every effort will be made to protect the privacy of applicants and borrowers.

**FEDERAL EQUAL CREDIT OPPORTUNITY ACT STATEMENT**

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicants' income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act.

This is to acknowledge my receipt of the above, and accept the conditions stated.

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_



**WOOD COUNTY HOME CONSORTIUM**  
**SINGLE FAMILY HOUSING OPPORTUNITY PROGRAM (SHOP)**

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**SIGNATURE AUTHORIZATION FORM**

I hereby authorize THE CITY OF PARKERSBURG to verify my past and present employment earnings records, bank accounts, stock holdings, and other asset balances that are needed to process my mortgage loan application. I further authorize THE CITY OF PARKERSBURG to order a consumer credit report and verify other credit information, including past and present mortgages and landlord references. It is understood that a photocopy of this form will also serve as authorization for completing any attached forms. The information the lender obtains is to be used in the processing of my application for a mortgage loan.

I also acknowledge by my signature below the following Privacy Act Notice Statement.

This information is to be used by the agency collecting it in determining whether you qualify as a prospective mortgagor for mortgage insurance or guaranty or as a borrower for a rehabilitation loan under the agency's program. It will not be disclosed outside the agency without your consent except to financial institutions for verification of your deposits and as required and permitted by law. You do not have to give this information, but if you do not, your application for approval as a prospective mortgagor for mortgage insurance or guaranty or as a borrower for a rehabilitation loan may be delayed or rejected. This information is authorized by Title 38, U.S.C., Chapter 37 (if VA); by 12 U.S.C., Section 1701et. Seq., (if HUD/FHA); and by 42 U.S.C., Section 1452b (if HUD/CPD).

**NOTICE TO BORROWERS:** This is notice to you as required by the Right to Financial Privacy Act of 1978 that HUD/FHA has a right of access to financial records held by financial institutions in connection with the consideration or administration of assistance to you. Financial records involving your transaction will be available to HUD/FHA without further notice or authorization but will not be disclosed or released by this institution to another Government Agency or Department without your consent except as required or permitted by law.

BORROWER \_\_\_\_\_ DATE \_\_\_\_\_

CO-BORROWER \_\_\_\_\_ DATE \_\_\_\_\_