



Tarrant County Housing Partnership, Inc.

**CITY OF ARLINGTON  
NEIGHBORHOOD STABILIZATION PROGRAM  
HOMEBUYERS ASSISTANCE PROGRAM  
JUNE 1, 2009  
Revised June 22, 2009**

**Tarrant County Housing Partnership, Inc. (TCHP) administers the City of Arlington (COA) Neighborhood Stabilization Program for Homebuyer Assistance (NSP-HBA).**

**PROGRAM OUTLINE FOR THE ARLINGTON NSP-HBA**

The Neighborhood Stabilization Program (NSP) was established by the Housing and Economic Recovery Act of 2008 on July 30, 2008. Congress appropriated federal funding to help states and local governments to stabilize neighborhoods most affected by home foreclosures. The City of Arlington NSP Homebuyer Assistance Program is available through July 30, 2010 to low and middle income homebuyers with a household income below 120% of area median income (AMI). In addition, 25% of all NSP funding must benefit households at or below 50% AMI, therefore the availability of funding for this program may vary by income level during the funding period. Income eligibility is determined using the income definition identified in 24 CFR Part 5. Assistance is available for down payment, principal reduction, closing costs and rehabilitation for foreclosed properties located within the two designated target areas of Arlington (see map at [www.tchp.net](http://www.tchp.net)) in the following amounts and categories:

	<u>51% - 120% AMI</u>	<u>&lt;50% AMI</u>
Downpayment/Principal Reduction	\$10,000	\$20,000
Closing Costs per Guidelines	Paid by COA with NSP	Paid by COA with NSP
Housing Rehabilitation	Up to \$24,500	Up to \$24,500

TCHP will accept applicants from households who desire to purchase a home and are eligible according to the program guidelines. Buyers must be able to acquire a mortgage loan and must complete a HUD Certified Homeownership Training course. A second lien (no-interest, deferred, forgivable, typically 5-15 year term depending on the subsidy amount) will be placed on the property by the City of Arlington. All or a portion of the second lien is due and payable upon sale/transfer of the property unless the entire affordability period has been met. Repayment is also activated if the homeowner fails to occupy the house as their primary residence.

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**FEDERAL REGULATIONS FOR THIS PROGRAM MUST BE MET BY ALL PARTIES PARTICIPATING IN THE COA NSP HBA PROGRAM.**

The City of Arlington and Tarrant County Housing Partnership, Inc. are committed to affirmatively furthering fair housing (AFFH) for all persons. COA and TCHP give all persons of similar income levels the ability to have available the same housing choices regardless of race, color, religion, sex, handicap, familial status, or national origin.

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Tarrant County Housing Partnership, Inc. • 603 West Magnolia Ave., Ste 207 • Fort Worth, Texas 76104  
817.924.5091 office • 817.924.7619 fax • [www.tchp.net](http://www.tchp.net)



**A. BORROWER QUALIFICATIONS FOR THE ARLINGTON NSP-HBA PROGRAM:**

- 1) The borrower(s) annual gross income may not exceed 120% of the area’s median income adjusted for family size. In addition, 25% of all NSP funding must benefit households at or below 50% of area median income. TCHP determines income using the Part 5 income determination listed in 24 CFR Part 5 (ALL household income sources are used for qualification). All household income information must be re-verified after six months.

- 2) The income limits in effect as of April 27, 2009 are:

<u>Family Size</u>	<u>120%</u>	<u>50%</u>
1	\$55,450	\$23,100
2	\$63,350	\$26,400
3	\$71,300	\$29,700
4	\$79,200	\$33,000
5	\$85,550	\$35,650
6	\$91,850	\$38,300
7	\$98,200	\$40,900
8	\$104,550	\$43,550

- 3) Borrower(s) must be able to demonstrate a responsible attitude toward credit and must be credit approved by a NSP-approved lender.
- 4) Borrower(s) must have continuous full-time employment history for the past six months and verifiable employment for a minimum of one (1) year.
- 5) Borrower(s) must successfully complete the HUD approved Homebuyer Education Course conducted by TCHP, a HUD-approved counseling agency at no charge. If borrower(s) have obtained a certificate of completion from another HUD approved Homebuyer Education Course, they will not be required to retake the course, but they will still be required to meet with TCHP counseling staff for an exit review.
- 6) Borrower(s) are required to invest 50% of the lender required down payment. The total borrower(s) investment cannot be less than a minimum of \$1,000 and must be evidenced on the Good Faith Estimate (GFE) and the final HUD-1. Gifts of cash may not exceed 50% of this investment requirement. The borrower(s) *must not* receive money at closing.
- 7) Borrower(s) may not exceed a home mortgage debt service ratio (top ratio) of no greater than 33% with no limitation on the back ratio; or 35% with a back ratio not to exceed 42%. TCHP will review ratios that may exceed these stated guidelines due to extenuating circumstances on a case by case basis. Exceptions to any of these guidelines must be approved in writing by the Executive Director.
- 8) Borrower(s) must occupy the purchased property during the entire affordability period. At no time can the property be leased or rented. Any violation of this regulation will result in the acceleration of the note with the balance payable immediately and may cause other sanctions to be taken against the Borrower(s).
- 9) TCHP shall coordinate the application process DIRECTLY with the borrower(s). The borrower(s) must communicate DIRECTLY with TCHP regarding the assistance.

## **B. PROPERTY QUALIFICATIONS FOR THE ARLINGTON NSP-HBA:**

- 10) Properties must be *foreclosed properties and vacant* or be rented by the homebuyer at the time of purchase. No occupied rental, single family units are eligible unless the existing tenant is purchasing the property.
- 11) Manufactured homes are not eligible.
- 12) Properties must be used as the homebuyer's primary residence during the *entire* affordability period. No investment properties are eligible for assistance.
- 13) Properties must be located within the two designated target areas of Arlington and pass a property inspection performed by or on behalf of the City of Arlington.
- 14) Properties must comply with local code requirements, City of Arlington Minimum Housing Standards and applicable environmental standards. Please see [www.tchp.net](http://www.tchp.net) for the minimum housing standards. Any property deficiencies identified in the property inspection must be included for repair by the rehabilitation subsidy or the borrower's 203k or equivalent loan product.
- 15) A feasibility test will be performed by or on behalf the City of Arlington to determine if required rehabilitation can be completed with available funds. Funds for rehabilitation will be reserved for approved rehabilitation activities.
- 16) Properties located in a 100 year flood plain will require flood insurance and a Flood certification.
- 17) Properties must be appraised within 60 days of final offer. Appraisals performed through and on behalf of the City of Arlington will be paid for by the City of Arlington.
- 18) The purchase price must be a maximum of 99% of the appraised value on a per unit basis and cannot exceed the FHA mortgage limits. Homebuyers are encouraged to seek the maximum discount possible when negotiating price.
- 19) Foreclosed properties must be able to meet FHA insurability standards after rehabilitation.

## **C. LENDER GUIDELINES FOR THE ARLINGTON NSP-HBA:**

- 20) Mortgage Companies/Lenders must attend the NSP Orientation Workshop hosted by TCHP prior to submitting a client application/file requesting NSP assistance. These workshops are provided free of charge on a monthly basis. See [www.tchp.net](http://www.tchp.net) for a list of dates. Lenders must agree to comply with the bank regulators' guidance for non-traditional mortgages. Guidance is available through FDIC: <http://www.fdic.gov/regulations/laws/rules/5000-5160.html>.
- 21) TCHP requires at minimum thirty (30) business days processing time from the date a COMPLETE file is received at the office of TCHP located at 603 West Magnolia Avenue, Ste 207, Fort Worth, Texas 76104.
- 22) Mortgage Loans may be Conventional, FHA or VA. First Mortgage Loan interest rates may not exceed 2% above current Fannie Mae Market 30-year rate at a 15-, 20, or 30-

year fixed rate. No sub-prime lending is permitted. No Adjustable Rate Mortgages (ARM), 2-1 Buy Downs, Seller Financed Transactions or Balloon Mortgages will be accepted.

- 23) First liens shall require property tax and insurance escrow accounts.
- 24) No discount points will be charged to the borrower(s).
- 25) The lender may charge an origination fee of 1%.
- 26) Maximum lender fees cannot exceed \$800 in addition to the origination fee. Combined fees to include third party investor fee cannot exceed a total of \$1,300.
- 27) City of Arlington required inspection and initial appraisal fee will be paid outside of closing by the City of Arlington with NSP funds. Borrower(s) inspection will be paid by the borrower outside of closing and listed on the HUD-1 as a P.O.C. The fee for the lender required appraisal may be included in the closing costs to be paid by the City of Arlington with NSP funds at closing.
- 28) Certification of Insurance (homeowner policy) is required for a minimum of the appraised value of the property prior to the loan closing. The lender must inform the insurance carrier of the City of Arlington's second lien position.
- 29) TCHP requires a forty-eight (48) hours advance notice for closing. TCHP must have a final settlement statement (HUD-1) at least twenty-four (24) hours prior to closing.
- 30) The lender must ensure that the good faith estimate and HUD-1 reflect the following:
  - Minimum \$1,000 investment from the homebuyer.
  - All borrower's P.O.C.
  - (1) Year home warranty (may be included in the closing costs paid by the City of Arlington with NSP funds).
  - The borrower(s) cannot receive money from the closing.
  - The total amount of the second lien subsidy must be listed as payable to the 'City of Arlington', which includes down payment, principal reduction, and closing costs and returned to the following address:  
City of Arlington, P.O. Box 90231, MS 29-0100, Arlington TX 76004-3231
- 31) First lien is held by the lender. The City of Arlington's NSP subsidy is the second lien holder. The NSP subsidy loan is a no-interest, deferred note that is forgivable throughout the affordability period. **THIS IS A NON-ASSUMABLE LOAN.**
- 32) The City of Arlington will accept no less than a second lien position.
- 33) At the end of the affordability period, the second lien is released. The loan will be forgiven at a pre-determined rate per month according the following applicable affordability period based on the TOTAL subsidy loan amount:
  - <\$15,000 = 5 years; rate of 1/60<sup>th</sup> per month
  - \$15,000 - \$40,000 = 10 years; rate of 1/120<sup>th</sup> per month
  - >\$40,000 = 15 years; rate of 1/180<sup>th</sup> per month

#### **D. IMPLEMENTATION PLAN FOR THE ARLINGTON NSP-HBA:**

- 34) Complete the City of Arlington Preliminary Application and submit to the City of Arlington NSP Program Coordinator.
- 35) City of Arlington will complete environmental review, property location/foreclosure verification, feasibility test and work write up to determine the property can meet minimum housing standards. This process will be completed within 5 days, provided there is access and utilities to the property. If engineering reports are necessary to address foundation problems, this process could take additional time. Upon completion of the above, a property appraisal will be ordered and received within 3 business days. Contact the City of Arlington NSP Program Coordinator, John Redmon at 817-26-6701 or John.Redmon@arlingtonhousing.us regarding status of the preliminary application and estimated completion date.
- 36) City of Arlington will approve/decline preliminary application and forward approval to TCHP, applicant, and realtor, if applicable.
- 37) Upon receipt of preliminary approval, complete the COA NSP homebuyer assistance packet available at [www.tchp.net](http://www.tchp.net) (click link for Arlington NSP Homebuyer Assistance Program Guidelines). All documents must be completed and executed.
- 38) Completed packets must be provided by hard copy and delivered to the TCHP office located at 603 West Magnolia Avenue, Ste. 207, Fort Worth, Texas 76104.
- 39) Any incomplete packets must be completed prior to processing. The lender will be notified of the missing required documentation within (3) days of receipt of packet.
- 40) **TCHP requires a 30 day processing time, which will begin only after ALL documents are received.** TCHP will verify borrower(s) eligibility for assistance and confirm the lender documents meet stated program requirements and provide final approval. In addition, the processing period includes completion of all required property inspections/surveys, appraisals, title commitment, document preparation, and etc. to prepare for closing.
- 41) TCHP will correspond with all parties involved in writing via fax/email throughout the entire process.
- 42) TCHP will strive to provide each client with prompt, courteous attention to effectively expedite all contractual closing dates.
- 43) If the borrower(s) do not qualify for the assistance program, the reason of ineligibility will be documented and forwarded to the lender and the borrower(s).
- 44) Borrower(s) receiving the assistance subsidy must attend and complete the Homebuyer Education Course and receive a counseling certificate. The certificate must be provided to TCHP prior to closing. TCHP offers the course free of charge; see [www.tchp.net](http://www.tchp.net) for a list of dates.
- 45) During the applicable affordability period the City of Arlington will verify that the homeowner still resides in the property. An update letter will be mailed annually to the residence, which must be completed and returned to the City of Arlington. If this affordability provision is not met, the City of Arlington will refer it for legal review. This

process will be continued during the affordability period as required by the NSP affordability guidelines.

- 46) TCHP will offer post purchase, delinquency, and default counseling and education opportunities to all clients to ensure foreclosure prevention. These services are provided at no charge.
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**APPLICATION FOR ARLINGTON NSP HOMEBUYER ASSISTANCE**

Applicant Name: \_\_\_\_\_

Current Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Cell Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

Email Address: \_\_\_\_\_

**HOUSEHOLD COMPOSITION:** List the head of household and all other members who will be living in the property. Give the relationship of each family member to head of household.

FULL NAME	RELATIONSHIP	BIRTH DATE	AGE	SEX	SOCIAL SECURITY #

**RACE OF HEAD OF HOUSEHOLD (CHECK ONE)** – This information is being collected to assure compliance with fair housing and equal opportunity rules.

Are you a female head of household? YES \_\_\_ NO \_\_\_

Are you a Hispanic? YES \_\_\_ NO \_\_\_ (In addition, please select one from the categories below.)

White \_\_\_ Black or African American \_\_\_ Asian \_\_\_ American Indian or Alaska Native \_\_\_

Native Hawaiian or Other Pacific Islander \_\_\_ American Indian or Alaska Native & White \_\_\_

Asian & White \_\_\_ Black or African American & White \_\_\_

American Indian or Alaska Native & Black or African American \_\_\_ Other Multi Racial \_\_\_



## APPLICATION FOR ARLINGTON NSP HOMEBUYER ASSISTANCE

**HOUSEHOLD INCOME:** Please report all the income for all household members.

FAMILY MEMBER	TYPE OF INCOME	ANNUAL AMOUNT

**ASSETS:** List all checking, savings, retirement, and certificates of deposit accounts for all household members. Include court awarded child support even if it is not currently being received.

FAMILY MEMBER	BANK	ACCOUNT NUMBER	CURRENT BALANCE

**I/We understand that the above information is being collected to determine if I/We are eligible to receive Homebuyer Assistance. I/We authorize verification on all information provided on this application. I/We also certify that no other governmental assistance is being provided or anticipated. I/We certify that should other governmental assistance be sought in the future, the City of Arlington will be notified immediately.**

**Warning! Title 17, Section 1001 of the United States Code, states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department or agency of the United States. All information shown above is true and correct to the best of my knowledge. We do business in accordance with federal fair housing laws. It is illegal to discriminate against any person because of race, color, religion, sex, disability, familial status, or national origin.**

Signatures of Homebuyers:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## COUNSELING AGREEMENT AND DOCUMENT REQUEST WAIVER

I hereby accept the counseling services of Tarrant County Housing Partnership, Inc. (TCHP). I understand that any inspection of the property which I may buy is intended for the protection of any funds which may be advanced to me by the City of Arlington, including federal funds. I hereby agree to hold harmless and indemnify TCHP, the City of Arlington and its employees, members, officers, directors, agents, and assigns in connection with acts performed by them which would be associated with consultation, technical advice, financial counseling, property inspection, and related activities. I understand and agree that no warranty or guarantee is being extended by TCHP or the City of Arlington to me as a buyer of any real property. I further agree that I will not rely upon TCHP or the City of Arlington to inspect the property which I purchase or approve of its condition. I recognize that I have the right (at my own expense) to have an independent inspector of my choice inspect the property. Any statements of completion or acceptance of lender-required repairs by TCHP or the City of Arlington does **NOT** guarantee the quality of the repairs or the overall condition of the property. I understand that lender-required repairs are not a guarantee of condition of the property, but are only the lender's requirements to meet the minimum standards to obtain a loan on the property.

I agree to provide to TCHP or the City of Arlington any and all information and documentation that it may request, such as credit, rental, employment and income histories, financial information, income tax returns, and other such reports which the staff deem necessary to perform their functions in connection with my purchase of a house. Further, I authorize release of such information to TCHP from third parties.

I agree to complete a homebuyer education (8-hour certified Homebuyer Training class) at least five (5) days before the date of closing. TCHP must be in receipt a copy of this certificate prior to closing. Whenever any singular pronoun, such as "I" or "my" is used in this agreement, it shall also include the plural, such as "we", "our", and "us", if more than one applicant for counseling services is required to take the Homebuyer Training class and signs below.

Applicant signature	Date	Co-applicant signature	Date
Print name		Print name	
Social Security number		Social Security number	
<div style="display: flex; justify-content: space-between;"> <span>Work phone</span> <span>Home phone</span> </div>		<div style="display: flex; justify-content: space-between;"> <span>Work phone</span> <span>Home phone</span> </div>	
Address	City, Zip	Address	City, Zip

### ARLINGTON NSP HOMEBUYER ASSISTANCE INCOME WORKSHEET

Primary Borrower's Monthly Salary (name: \_\_\_\_\_) \_\_\_\_\_ +

Projected Overtime \_\_\_\_\_ +

Projected Bonuses/Raises \_\_\_\_\_ +

Benefits/Pensions \_\_\_\_\_ +

Secondary Borrower's Monthly Salary (name: \_\_\_\_\_) \_\_\_\_\_ +

Projected Overtime \_\_\_\_\_ +

Projected Bonuses/Raises \_\_\_\_\_ +

Benefits/Pensions \_\_\_\_\_ +

Other 18 and over Residents' Monthly Salary (name: \_\_\_\_\_) \_\_\_\_\_ +

Projected Overtime \_\_\_\_\_ +

Projected Bonuses/Raises \_\_\_\_\_ +

Benefits/Pensions \_\_\_\_\_ +

Child Support/Regularly Scheduled Gifts (Monthly) \_\_\_\_\_ = \_\_\_\_\_

**SUB-TOTAL**

**ANNUALIZED TOTAL SALARIED INCOME (SUB -TOTAL)** \_\_\_\_\_ +

**Assets (Annual)**

Annual Interest Actually Earned \_\_\_\_\_ +

If total value of assets exceeds \$5,000 multiply the non-interest bearing assets by 2%  
\_\_\_\_\_ =

**TOTAL ANNUAL HOUSEHOLD INCOME:** \_\_\_\_\_

**SIGNED:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**PHONE:** \_\_\_\_\_

**E-Mail:** \_\_\_\_\_

**Monthly Mortgage Payment (estimated):**

Principal / Interest	\$ _____
Taxes	\$ _____
Insurance	\$ _____
Other	\$ _____
<b>TOTAL</b>	\$ _____

**HOUSING DEBT RATIO:** \_\_\_\_\_

**TOTAL HOUSING DEBT RATIO:** \_\_\_\_\_

**Request submitted by:**

\_\_\_\_\_  
**Lending Institution**

\_\_\_\_\_  
**Loan Officer Signature** **Date**

**\*\*\*Please submit this form to Tarrant County Housing Partnership, along with the Application for Arlington NSP Homebuyer Assistance signed by applicant(s).**

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**Tarrant County Housing Partnership Action:**

**Date Received** \_\_\_\_\_

**Reviewed By** \_\_\_\_\_

**Date** \_\_\_\_\_

**Approved By** \_\_\_\_\_

**Denied** \_\_\_\_\_

**Date response faxed to Lender** \_\_\_\_\_

## HUD PROGRAM INCOME GUIDELINES

The Arlington NSP Homebuyer Assistance Program is for households that are income-eligible (120% or less of the area median income). The income limitations are based on federal formulas and are adjusted for family size.

As of April 27, 2009 maximum income limits for the NSP Homebuyer Assistance Program in Tarrant County are:

<b>Family Size</b>	<b>120 % of AMI</b>	<b>50% of AMI</b>
<b>1</b>	<b>55,450</b>	<b>23,100</b>
<b>2</b>	<b>63,350</b>	<b>26,400</b>
<b>3</b>	<b>71,300</b>	<b>29,700</b>
<b>4</b>	<b>79,200</b>	<b>33,000</b>
<b>5</b>	<b>85,550</b>	<b>35,650</b>
<b>6</b>	<b>91,850</b>	<b>38,300</b>
<b>7</b>	<b>98,200</b>	<b>40,900</b>
<b>8</b>	<b>104,550</b>	<b>43,550</b>

Signatures of Homebuyers:

\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

### LENDER REFERRAL LIST

Borrower Name: \_\_\_\_\_ Date: \_\_\_\_\_

Loan officer: \_\_\_\_\_ Loan Processor: \_\_\_\_\_

E-mail: \_\_\_\_\_ E-mail: \_\_\_\_\_

NEEDED DOCUMENTATION	LENDER	TCHP
COA NSP APPLICATION FOR HOMEBUYER ASSISTANCE		
COA NSP NCOME WORKSHEET		
COA NSP HUD INCOME LIMITS / INITIALED BY HOMEBUYER (S)		
COA RESALE/AFFORDABILITY CERTIFICATION AND BORROWERS ACKNOWLEDGEMENT		
BORROWERS – KNOW YOUR RIGHTS!		
TCHP COUNSELING AGREEMENT AND DOCUMENT REQUEST WAIVER		
LEAD-BASED PAINT ACKNOWLEDGEMENT FORM		
COPY OF SIGNED & EXECUTED RECEIPTED PURCHASE CONTRACT		
SIGNED RESIDENTIAL MORTGAGE LOAN APPLICATION (1003)		
COPY OF APPRAISAL		
COPY OF BUYER'S HOME INSPECTION AND TERMITE REPORT (if applicable)		
COPY OF LENDER'S SIGNED LETTER OF COMMITMENT		
COPY OF FINAL SIGNED GOOD FAITH ESTIMATE		
COPY OF CREDIT REPORT		
COPY OF TRADITIONAL VERIFICATION OF EMPLOYMENT		
COPY OF TRADITIONAL VERIFICATION OF RENTAL		
COPY OF 1 YEAR HISTORY FROM A.G. OFFICE FOR CHILD SUPPORT		
COPY OF RETIREMENT BENEFITS & INVESTMENTS FOR ALL ACCOUNTS		
COPY OF SOCIAL SECURITY INCOME <b>for all household members</b>		
COPY OF LAST (4) CONSECUTIVE PAYCHECK STUBS <b>for all household members</b> (if overtime earned, please provide 3 full months of paycheck stubs)		
COPY OF LAST (3) CONSECUTIVE SAVINGS BANK STATEMENTS <b>on ALL accounts for all household members</b>		
COPY OF LAST (6) CONSECUTIVE CHECKING BANK STATEMENTS <b>on ALL accounts for all household members</b>		
FEMA DOCUMENTATION AND/OR CERTIFICATION		
COPY OF SIGNED LAST (2) CONSECUTIVE INCOME TAX RETURNS (1040, 1099 and W-2) <b>for all household members</b>		
COPY OF DIVORCE DECREE (if applicable) <b>for all household members</b>		



**RESALE/AFFORDABILITY PROVISION CERTIFICATION  
AND BORROWER'S ACKNOWLEDGEMENTS**

I acknowledge that the resale, refinance, repayment provisions associated with the Arlington NSP Homebuyers Assistance Program loan for which I am applying for have been clearly and understandably explained to me, and I fully understand these provisions. I understand that the loan is being made to me based upon my assurance that I will live in the house, as my principal place of residence and that if I should sell, refinance or move from the property within the applicable affordability term (5, 10 or 15 years) after the mortgage loan closing, the loan will become immediately due and payable to the City of Arlington. I further acknowledge that the assistance I receive will be in the form of a no-interest deferred loan, forgiven at the monthly rate of the affordability period commencing on the first month's anniversary of the mortgage loan closing date. I acknowledge that the repayment calculation examples and the circumstances under which they would be initiated, have been clearly explained to me, and that I understand them and the circumstances under which they would be activated.

Signatures of Homebuyers:

\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, D.C. 20410-8000

**BORROWERS - KNOW YOUR RIGHTS!**

**ATTENTION BORROWER:** This may be the largest and most important loan you get during your lifetime. You should be aware of certain rights before you enter into any loan agreement.

- ◆ YOU have the **RIGHT** to shop for the best loan for you and compare the charges of different mortgage brokers and lenders.
- ◆ YOU have the **RIGHT** to be informed about the total cost of your loan including the interest rate, points and other fees.
- ◆ YOU have the **RIGHT** to ask for a Good Faith Estimate of all loan and settlement charges before you agree to the loan and pay any fees.
- ◆ YOU have the **RIGHT** to know what fees are not refundable if you decide to cancel the loan agreement.
- ◆ YOU have the **RIGHT** to ask your mortgage broker to explain exactly what the mortgage broker will do for you.
- ◆ YOU have the **RIGHT** to know how much the mortgage broker is getting paid by you and the lender for your loan.
- ◆ YOU have the **RIGHT** to ask questions about charges and loan terms that you do not understand.
- ◆ YOU have the **RIGHT** to a credit decision that is not based on your race, color, religion, national origin, sex, marital status, age, or whether any income is from public assistance.
- ◆ YOU have the **RIGHT** to know the reason if your loan was turned down.
- ◆ YOU have the **RIGHT** to ask for the HUD settlement costs booklet "Buying Your Home."

Signatures of Homebuyers:

\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

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"Buying Your Home" and other helpful information are available at HUD'S WEB site:

[http://www.hud.gov/fha/res/respa\\_hm.html](http://www.hud.gov/fha/res/respa_hm.html)

For other questions call 1.800.217.6970

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, D.C. 20410-8000

**Prestatarios - Conoscan sus derechos!**

**Atención prestatario:** Este puede ser el préstamo más grande e importante de su vida. Por tanto, usted debe conocer ciertos derechos antes de entrar en un acuerdo de préstamo hipotecario.

- ◆ Usted tiene el **derecho** de adquirir el préstamo hipotecario que más le convenga y de comparar los cargos de diferentes corredores de hipoteca y prestamistas.
- ◆ Usted tiene el **derecho** de estar informado sobre el costo total de su préstamo incluyendo el porcentaje de la tasa de interés, puntos y otros cargos.
- ◆ Usted tiene el **derecho** de preguntar por el Estimado de Buena Fe de todo el préstamo hipotecario y los costos de cierre, antes de estar de acuerdo con el préstamo y pagar algún cargo.
- ◆ Usted tiene el **derecho** de saber cuáles recargos no serán devueltos si usted decide cancelar el contrato de préstamo.
- ◆ Usted tiene el **derecho** de pedir a su corredor de hipoteca que le explique lo que hará por usted.
- ◆ Usted tiene el **derecho** de saber cuáles son los honorarios que el corredor de hipoteca está recibiendo de usted y del prestamista.
- ◆ Usted tiene el **derecho** de hacer preguntas sobre aquello que no entiende relacionado con los cargos y términos del préstamo.
- ◆ Usted tiene el **derecho** a una decisión de crédito que no esté basada en su raza, color de piel, religión, origen nacional, sexo, estado civil, edad, o en caso de que algunos de sus ingresos que vengan de la asistencia pública.
- ◆ Usted tiene el **derecho** de saber la razón por la cual al préstamo no le fue concedido.
- ◆ Usted tiene el **derecho** de solicitar el folleto de HUD sobre gastos de cierre hipotecarios titulado "Comprando Su Casa".

Signatures of Homebuyers:

\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

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"Comprando Su Casa" HUD'S WEB site:

[http://www.hud.gov/fha/res/respa\\_hm.html](http://www.hud.gov/fha/res/respa_hm.html)

Para más información llame a HUD 1.800.217.6970