



Low-Income Assisted Mortgage Program (LAMP)

PROCEDURAL GUIDE



NMLS 198038

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Low-Income Assisted Mortgage Program (LAMP)

Introduction

The Low-Income Assisted Mortgage Program (“LAMP”) was developed as a pilot program in conjunction with Habitat for Humanity affiliates (the “Affiliates”), to enable low-income persons and families to become homeowners. Through LAMP, the Fund provides a form of accelerated asset recovery for Affiliates to allow for the construction of additional single-family housing.

The Procedural Guide (“Guide”) provides information concerning LAMP standards and operating procedures. The terms included in this Guide are made part of various written agreements and become contractually binding on the participants in LAMP. Affiliates are responsible for processing LAMP loans in accordance with this Guide.

Becoming a LAMP Originator

Application to Participate

Interested Affiliates must complete and submit a LAMP Participation Agreement.

The Fund will review the Affiliate Application package and approve or decline, usually within 30 days. After approval, the Fund will send the executed LAMP Participation Agreement to the Affiliate.

LAMP Participation Agreements shall remain valid until terminated. The Affiliate should carefully note the warranties in the LAMP Participation Agreement. The Fund expressly relies on each Affiliate to fully satisfy each warranty requirement at all times.

LAMP Program Standards

Affiliates Rights after Assignment

The Fund has agreed to purchase an asset from the Affiliate at a fixed price, and the Affiliate forfeits the right to further financial gain at assignment of the loan. Once purchased, the Note is an asset of the Fund to be managed and serviced at the Fund's sole discretion.

Servicing

All loans will be serviced by the Fund. Insurance (flood and hazard) and taxes must be escrowed by the Fund. Maintenance account payments will not be escrowed by the Fund.

Inspection

The Fund does not require a pre-purchase LAMP inspection. However, the Fund may conduct inspections for quality control purposes.

General Administrative Process

The Affiliate will forward a copy of the complete LAMP package to the Fund for conditional commitment review. The Fund will calculate the purchase amount and review the file for documentation and compliance, will lock the loan in the reservation system and issue the loan status. The Fund will review and underwrite seasoned loans with documentation from the original Habitat loan based on the original application.

The Fund will order and review the flood certification after approval of the loan. The Fund will forward the loan funds to the Affiliate after final approval along with the assignment prepared by the Fund to be recorded. The Affiliate will send the completed documents within seven (7) business days after the loan approval. These documents include:

- Original, endorsed Note
- Recorded Assignment prepared by the Fund

- Current hazard and/or flood insurance policies listing the Fund as loss payee/lien holder
- Escrow deposit check (if applicable)
- Any additional mortgage payment that may have been received in the interim
- Consent executed by Borrower authorizing the Fund to contact Affiliate if loan goes into foreclosure.

Unseasoned Loans

Unseasoned loans are loans with less than 12 months' payment history. Each Affiliate may request purchase of one unseasoned loan per each twelve-month period beginning July 1. Unseasoned loans will require both a current credit review and employment verification. A satisfactory payment history (no unexplained late payments of any kind in the prior 12 months) will apply to unseasoned loans. The underwriter will issue an approval with an underwriter's memo to file.

Security

The Deed of Trust securing the Note assigned to the Fund under LAMP must be in first lien position. Any subordinate lien note must amortize on a pro rata basis throughout the term of the subordinate Note.

In the event an eligible borrower(s) holds only a life estate interest in the property securing a loan, the Note will be signed by the borrower(s); however, the Deed of Trust must be signed by the Borrower(s) and all remaindermen.

Foreclosure

In the event the Fund approves a LAMP loan for foreclosure, the Fund will notify any Affiliate holding a subordinate lien against the property of the possibility of foreclosure and allow the Affiliate sixty (60) days to repurchase the loan. The repurchase price will equal the payoff balance and all taxes, fees and expenses incurred by the Fund through the date of repurchase. The Fund will continue the foreclosure process during the sixty (60) day notice period to the Affiliate and such notice will not delay the date of the foreclosure sale.

If any Affiliate holding the subordinate lien has the right of first refusal and fails to exercise its right to repurchase during the sixty (60) day period, the Affiliate may only exercise its right to repurchase the property at the foreclosure sale.

Loan Processing

The documents listed below shall constitute a LAMP loan submission package that is to be submitted to the Fund for purchase consideration.

Lender Checklist

Copy of original Habitat First Note and payment history

Copies of all other Notes

Payment History

Tax Information

Homeowners Insurance (Maximum \$1000 deductible)

Habitat Loan Application

Appraisal or Realtors Opinion of Value

Verification of Income

Credit Report/References

Home Buyer Education Certification

Loan Estimate (formerly Good Faith Estimate)

Habitat recorded First Deed of Trust

Copies of all other recorded Deeds of Trust against property

Purchase Agreement

Closing Disclosure (formerly HUD-1 Settlement Statement)

Copy of Recorded Deed

Final Title Report (All existing liens must be listed by closing attorney)

Declaration and Restrictive Covenants, if any

Underwriter's Memo (prepared by W VHDF)

The underwriter may require additional documents.

Recorded Assignment (prepared by W VHDF)

Rate and Term

The Fund purchases LAMP loans at a below market yield which is set annually on July 1. The discount percentage provides the Fund limited cost recovery on the loan portfolio. The borrower is obligated to the original terms of the Note and the Deed of Trust.

Underwriting

All loans shall be underwritten to LAMP standards.

Household income must exceed expenses and indicate a reasonable prospect for success as a homeowner.

Household income must be at or below 80% (low income) of the area median household income. Originators are required to determine and document the family's income and eligibility.

LAMP loans must be made to borrowers (assuming they are otherwise eligible) whose income does not exceed the LAMP income limitations. The guidelines governing LAMP income limits are to determine eligibility and borrower income for the twelve-month period from the date of application. For income calculation purposes, the income of all persons residing in the household must be considered.

Annualized gross income is determined by multiplying gross monthly income by 12. Gross monthly income is the sum of monthly gross pay plus any additional income from overtime, part-time employment, bonuses, dividends, interest, royalties, pensions, VA compensation, net rental income, etc., and other income (such as alimony, child support, public assistance, sick pay, social security benefits, unemployment compensation, income received from trusts, and income received from business activities or investments, workers' compensation, and disability insurance).

Affiliates shall perform appropriate due diligence to determine ability to repay and credit worthiness of homebuyers. Such due diligence may include income verification and credit analysis.

Program Loan Terms

Standard loans shall be at a fixed interest rate for a term of not more than 360 months. Payments shall be required monthly, beginning on the first day of the second month after the loan closing, and subsequently the first day of the following months until the obligation is met.

Restricted Use

An eligible property must be a single family, detached dwelling occupied by the owner.

LAMP funds cannot be used to purchase loans secured by structures located in the 100-year floodplain, OR structures previously damaged by flood, unless the owner can document (by a copy of the policy, letter from his agent, binder, etc.) an active flood insurance policy (the family must maintain flood insurance for the life of the loan or until determined otherwise). If a previous flood policy does not exist, the borrower must obtain flood insurance prior to the loan purchase. The Fund must be listed as an additional loss payee. Flood insurance premiums must be escrowed.

LAMP funds may not be used to purchase loans subject to restrictions of other lenders or subordinate deeds of trust that restrict the Fund's rights, in the Fund's sole discretion, under the first Note and Deed of Trust

Forms

All LAMP loans must be executed on Habitat forms or forms found to be acceptable to the Fund. The LAMP File Checklist provides the submission order and the forms required to process a LAMP loan.

Post-Closing

The Affiliate is required to deliver the completed LAMP loan documents and assist Fund staff in obtaining the recorded and final documents. All recorded and final documents must be delivered, in correct form, to the Fund within 90 days after

closing. If an Affiliate fails to deliver all necessary documents within 90 days, the Affiliate will not be eligible to sell any additional loans under its Participation Agreement until all documents are delivered and determined to be acceptable by the Fund.

Amendments to the Procedural Guide

The Fund reserves the right to amend this Guide from time to time as necessary and will provide notification of any modification to all Affiliates. The obligation of an Affiliate to abide by any such modification is included in its LAMP Participation Agreement.

Amendments to this Guide will be made by means of LAMP bulletins and by the transmittal of amended or additional pages for insertion into this Guide.

Other Matters

- Funds are limited, and the LAMP may be suspended subject to available funds and/or at the discretion of the Executive Director or the Board of Directors at any time. The Fund will honor all commitments outstanding if the LAMP is suspended.
- LAMP loan purchase requests will be reviewed and funded on a first-come, first-served basis. Funding will not be reserved for any Affiliate. LAMP may be used in connection with other Fund programs at the sole discretion of the Fund.
- The Fund, in its sole discretion, with or without cause, and without incurring liability of any kind to any Affiliate, reserves the right to accept or reject any and/or all LAMP loans and take any action that is in the best interest of the people expected to be served as a result of LAMP funding and in the best interest of the Fund.

Low-Income Assisted Mortgage Program Forms

- Loan Purchase Agreement
- LAMP File Checklist
- Habitat Loan Application
- Loan Estimate (formerly Good Faith Estimate)
- Primary Note
- Subordinate Forgivable Note
- Purchase Money Deed of Trust (first lien)
- Deed of Trust (subordinate in favor of the Affiliate)
- Purchase Agreement
- Closing Disclosure (formerly HUD I Settlement Statement)



LOW-INCOME ASSISTED MORTGAGE PROGRAM

LOAN PURCHASE AGREEMENT

THIS AGREEMENT, dated this _____ day of _____, 20____, between the **WEST VIRGINIA HOUSING DEVELOPMENT FUND**, a public body corporate and governmental instrumentality of the State of West Virginia (the “**Fund**”), and _____ (the “**Affiliate**”).

WHEREAS, the Fund is authorized to purchase loans made to finance the purchase of residential housing (each a “**Loan**” and collectively, the “**Loans**”); and

WHEREAS, the Fund anticipates that the Affiliate, from time to time, will offer Loans for purchase by the Fund; and

WHEREAS, the Fund is willing to purchase from the Affiliate, from time to time, Loans that are offered for purchase by the Affiliate in amounts determined by the Fund and that meet the terms and conditions set forth in the Fund’s Low-Income Assisted Mortgage Program Procedural Guide (the “**Procedural Guide**”), the provisions of which are incorporated herein by reference.

NOW, THEREFORE, in consideration of the agreements and covenants hereinafter contained and the mutual benefits to be derived therefrom, it is hereby agreed as follows:

Section 1. GENERAL REPRESENTATIONS OF AFFILIATE. The Affiliate hereby represents and warrants to the Fund as follows that:

1. Affiliate is a nonprofit corporation duly organized and validly existing under the laws of the State of West Virginia.
2. This Agreement is the valid and binding agreement of the Affiliate, enforceable in accordance with its terms, the making and performance of which have been duly authorized by all necessary corporate and other actions and will not constitute a violation of any law or judicial or administrative requirement, or of the charter or bylaws of the Affiliate, or a default under any agreement or instrument to which it is currently a party by which it is bound or affected.
3. All consents, licenses and approvals required for the making or performance of this Agreement by the Affiliate have been obtained and are in effect.
4. The Affiliate shall comply with all applicable local, state and federal laws and regulations to which it is subject, and it is understood and agreed by the Affiliate that it will meet and comply with all mandates and requirements as they become effective through various state and federal regulatory agencies.

Section 2. LOAN WARRANTIES. The Affiliate hereby represents and warrants as to each and every Loan purchased by the Fund pursuant to this Agreement that:

1. The Loan has been made to an eligible borrower (“Eligible Borrower”) in accordance with the Procedural Guide;
2. The Loan has been originated, processed and closed in accordance with the Procedural Guide;
3. The Affiliate has no knowledge of any material misstatement or omission in the documents and information provided by or on behalf of the Eligible Borrower or the Affiliate in connection with the Loan;
4. All signatures on such documents are genuine, and that the promissory note and deed of trust and all contracts are agreements entered into in connection with the Loan are valid and binding upon the parties thereto and enforceable against each party;
5. The unpaid principal balance of and interest rate on the Loan and all other information provided by the Affiliate to the Fund have been accurately stated, and the amount of the principal balance and interest thereon is justly due and owing without defense or offset;
6. All documents required to be recorded or filed in a public office to perfect the lien securing the Loan have been duly and timely filed or recorded in the proper public office in order to give constructive notice thereof to all subsequent purchasers or encumbrances;
7. The lien securing the Loan has not been satisfied, subordinated or impaired, in whole or in part, except for the payment of principal and interest as disclosed to the Fund, that no part of the mortgaged property has been released therefrom, and no interest or participation in the Loan has been assigned, and that the Affiliate has not executed any instrument of release, cancellation, subordination or satisfaction with respect to the Loan;
8. The terms, covenants and conditions of the Loan have not been changed in any respect which would materially affect the value, validity, enforceability, prompt payment of the Loan or the security of the lien of the Affiliate;
9. The Loan is not subject to any existing security interest, assignment, or pledge, and the Affiliate has good title thereto and full right and authority to assign and transfer the same and to endorse and deliver all required documents, free and clear of encumbrances;
10. The Affiliate has met all eligibility requirements provided in the Procedural Guide; and
11. No payment required by the Loan is delinquent, no event of default is continuing, and no event has occurred or is continuing which would with the passage of time or giving of notice thereof constitute an event of default.

Section 3. PURCHASE PRICE. The purchase price of each Loan shall be determined by the Fund.

Section 4. PROGRAM LOAN TERMS. The maximum interest rate and term for the Loan shall be specified from time to time by the Fund.

Section 5. TRANSFER OF SERVICING. The Loans shall be sold to the Fund with all servicing rights released to the Fund.

Section 6. COMPENSATION. Upon acceptance by the Fund and the execution of an Assignment and a Loan Purchase Agreement, if applicable, the Affiliate shall receive payment for each Loan purchased by the Fund.

Section 7. EFFECT OF COVENANTS; FURTHER ACTIONS. All the Affiliate's covenants, representations and warranties contained in this Agreement will be continuing and will be deemed renewed and restated upon the delivery of each Loan and will remain operative and in full force and effect regardless of (i) any investigations made by or on behalf of the Fund; (ii) the purchase, or payment made in respect to the purchase, of any Loan; or (iii) the termination of this Agreement. The Affiliate agrees that it will, at its own expense, execute all other documents and take all other steps necessary or required from time to time by the Fund to confirm or give effect to the covenants, representations and warranties contained in this Agreement. The Affiliate further agrees to be bound by all amendments to the Procedural Guide upon written notice thereof.

Section 8. REMEDIES.

1. In the event that (1) a Loan does not comply with the requirements of all applicable state, local, or federal law or regulation, or (2) any representation made in this Agreement proves to have been untrue when made or at the time of delivery of a Loan to the Fund, or (3) the Affiliate defaults in the observance or performance of any covenants or conditions in this Agreement or any requirements contained in the Procedural Guide, the Fund may, at its option, rescind the purchase of the Loan, whereupon the Affiliate shall repurchase such Loan from the Fund and pay, within ninety days from the date of tender, the current balance due on the Loan (based upon the payoff amount of the promissory note). Upon rescission, the Fund shall reassign its interest in all appropriate documents relating to or evidencing the Loan (collective, the "**Loan Documents**") to the Affiliate.

2. If after the delivery thereof to the Fund and during the entire term of a Loan, the Fund or its counsel find any material error, omission, title objection, or other defect in any Loan Document submitted to the Fund by the Affiliate which could invalidate or jeopardize the enforceability of the lien securing a Loan, render the title to the mortgaged premises unmarketable or which could cause financial loss or other damage to the Fund, the Affiliate shall, within ninety days of notice of such error, omission, title objection or other defect, either cause the same to be corrected at the expense of the Affiliate or repurchase Loan upon the same basis as set forth in subsection 1 above. The examination of said Loan Documents by the Fund and its counsel shall not constitute an acceptance of the validity, legality, and efficacy of any of said required documents or the lien securing such Loan. The Affiliate waives its right to assert laches, estoppel, waiver or any statute of limitations that could otherwise be raised in defense to any claim by the Fund.

3. In addition to the remedies set forth above, the Fund retains all remedies available at law or in equity including, but not limited to, mandatory or prohibitory injunction. Upon termination of this Agreement by the Fund, the Affiliate shall have no further rights hereunder; but no such termination shall affect the rights of the Fund pursuant to paragraphs 1, 2, 4, or 5 of this section.

4. In addition to the remedies set forth above, the Affiliate shall indemnify the Fund against and hold it harmless from any losses, damages, penalties, fines, forfeitures, or legal fees and related costs that the Fund may sustain or incur as a result of any violation of federal or state law or regulation

by the Affiliate or any failure on the part of the Affiliate to properly perform its services, duties or obligations in a timely manner under this Agreement.

5. All remedies shall be cumulative, and the exercise by the Fund of any one or more of them shall not in any way alter or diminish the rights of the Fund to any other remedy provided in this Agreement or by law. In the event of any such default or breach by the Affiliate of this Agreement, the Fund shall be entitled to reimbursement from the Affiliate of all its costs in enforcing any of such terms.

Section 9. APPLICABLE LAW. This Agreement is made and entered into in the State of West Virginia and all questions relating to the validity, construction, performance, and enforcement hereof shall be governed by the laws of the State of West Virginia. The Affiliate hereby consents to the exclusive jurisdiction of and venue in the Circuit Court of Kanawha County, West Virginia, for any proceeding in connection with this Agreement.

Section 10. ASSIGNMENT. This Agreement may not be assigned by the Affiliate without the prior written consent of the Fund, and in the event of any attempted assignment thereof without such written consent, Fund may, at its option, terminate this Agreement, but such termination shall not relieve the Affiliate of its obligation hereunder.

Section 11. SUCCESSORS AND ASSIGNS. This Agreement all obligations and rights arising hereunder shall bind and inure to the benefit of the Fund and the Affiliate and its respective successors and permitted assigns.

Section 12. TERMINATION. Except as otherwise provided herein, this Agreement may be terminated by either party upon written notice, effective upon receipt. However, any such termination shall not affect Affiliate's obligation to repurchase a Loan pursuant to Section 8.

Section 13. AGREEMENT CONDITIONED UPON APPROVAL. This Agreement shall be a binding obligation of the Fund only upon its execution and delivery of a copy of the same to the Affiliate.

IN WITNESS WHEREOF, the parties hereto have set their hands as of this date and year first set forth above.

**WEST VIRGINIA HOUSING DEVELOPMENT
FUND**

By: Erica L. Boggess, CPA
Its: Executive Director

(Type Name of Affiliate)

By: _____

(type name of Signatory)

Its: (type title of Signatory)

LAMP FILE CHECKLIST

Submitted by:

Contact Person:

Borrower(s):

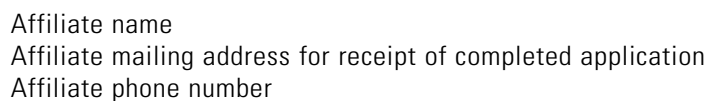
Phone:

All of the following items need to be included in the file (where applicable).

Please initial on the line by each item as you confirm that each item is in the file.

- Copy of original Habitat First Note _____
- Copies of all other Notes _____
- Payment History _____
- Tax Information (current tax ticket) _____
- Homeowners Insurance (maximum deductible \$1,000) _____
- Habitat Loan Application _____
- Certification of Homebuyer Education _____
- Appraisal/Realtors Value of Opinion _____
- Verification of Income (or SSI Estimates) _____
- Habitat Loan Estimate (formerly GFE) _____
- Credit Report/References _____
- Closing Disclosure (formerly HUD-1) _____
- Final Evidence of Title _____
- Habitat recorded First Deed of Trust _____
- Copies of all other recorded Deeds of Trust _____
- Purchase Agreement _____
- Copy of Recorded Deed _____
- Declaration and Restrictive Covenants, (if any) _____
- Recorded Assignment (prepared by WVHDF) _____
- Underwriter's Memo (prepared by WVHDF) _____
- Flood Determination (WVHDF to supply) _____

Copies of some of the above forms have been included in your LAMP Procedural Guide.



EQUAL HOUSING
OPPORTUNITY

We are pledged to the letter and spirit of U.S. policy for the achievement of equal housing opportunity throughout the nation. We encourage and support an affirmative advertising and marketing program in which there are no barriers to obtaining housing because of race, color, religion, sex, handicap, familial status, or national origin.

1. APPLICANT INFORMATION

Applicant				Co-applicant			
Applicant's Name				Co-applicant's Name			
Social Security Number	Home Phone	Age		Social Security Number	Home Phone	Age	
☐ Married ☐ Separated ☐ Unmarried (Incl. single, divorced, widowed)				☐ Married ☐ Separated ☐ Unmarried (Incl. single, divorced, widowed)			
Dependents and others who will live with you (not listed by co-applicant)				Dependents and others who will live with you (not listed by applicant)			
Name	Age	Male	Female	Name	Age	Male	Female
_____	_____	☐	☐	_____	_____	☐	☐
_____	_____	☐	☐	_____	_____	☐	☐
_____	_____	☐	☐	_____	_____	☐	☐
_____	_____	☐	☐	_____	_____	☐	☐
_____	_____	☐	☐	_____	_____	☐	☐
Present Address (street, city, state, ZIP code) ☐ Own ☐ Rent				Present Address (street, city, state, ZIP code) ☐ Own ☐ Rent			
Number of Years _____				Number of Years _____			
If Living at Present Address for Less Than Two Years, Complete the Following							
Last Address (street, city, state, ZIP code) ☐ Own ☐ Rent				Last Address (street, city, state, ZIP code) ☐ Own ☐ Rent			
Number of Years _____				Number of Years _____			

2. FOR OFFICE USE ONLY – DO NOT WRITE IN THIS SPACE

Date Received: _____

More Information Requested? ☐ Yes ☐ No

Date Application Completed: _____

☐ Accepted ☐ Denied

Date Letter Sent: _____

Date of Home Visit: _____

Date Letter Sent: _____

3. WILLINGNESS TO PARTNER

To be considered for a Habitat home, you and your family must be willing to complete a certain number of "sweat-equity" hours. Your help in building your home and the homes of others is called "sweat equity," and may include clearing the lot, painting, helping with construction, working in the Habitat office, attending homeownership classes or other approved activities.

I AM WILLING TO COMPLETE THE REQUIRED SWEAT-EQUITY HOURS:

	Yes	No
Applicant:	☐	☐
Co-applicant:	☐	☐

4. PRESENT HOUSING CONDITIONS

Number of bedrooms (please circle) 1 2 3 4 5

Other rooms in the place where you are currently living:

☐ Kitchen ☐ Bathroom ☐ Living Room ☐ Dining Room ☐ Other (please describe) _____

If you rent your residence, what is your monthly rent payment? \$ _____ /month

(Please supply a copy of your lease or a copy of a money order receipt or canceled rent check.)

Name, address and phone number of current landlord: _____

In the space below, describe the condition of the house or apartment where you live. Why do you need a Habitat home?

5. PROPERTY INFORMATION

If you own your residence, what is your monthly mortgage payment? \$ _____ /month Unpaid Balance \$ _____

Do you own land? ☐ No ☐ Yes (If yes, please describe, including location) _____

Is there a mortgage on the land? ☐ No ☐ Yes If yes: Monthly Payment \$ _____ Unpaid Balance \$ _____

If you are approved for a Habitat home, how should your name(s) appear on the legal documents?

6. EMPLOYMENT INFORMATION

Applicant		Co-applicant	
Name and Address of Current Employer	Years on This Job	Name and Address of Current Employer	Years on This Job
	Monthly (Gross) Wages \$		Monthly (Gross) Wages \$
Type of Business	Business Phone	Type of Business	Business Phone
If Working at Current Job Less Than One Year, Complete the Following Information			
Name and Address of Last Employer	Years on This Job	Name and Address of Last Employer	Years on This Job
	Monthly (Gross) Wages \$		Monthly (Gross) Wages \$
Type of Business	Business Phone	Type of Business	Business Phone

7. MONTHLY INCOME AND COMBINED MONTHLY BILLS					
Gross Monthly Income	Applicant	Co-Applicant	² Others in Household	³ Monthly Bills	Monthly Amount
¹ Base Employment Income	\$	\$	\$	Rent	\$
TANF				Utilities	
Food Stamps				Car Payments	
Social Security				Insurance	
SSI				Child Care	
Disability				School Lunch	
Alimony				Average Credit Card Payment	
Child Support				Student Loans	
Other				Alimony/Child Support	
Total	\$	\$	\$	Total	\$

¹Self-employed applicant(s) may be required to provide additional documentation such as tax returns and financial statements.

³Please attach copies of last month's bills.

²List additional household members over 18 who receive income:

Name	Age	Monthly Income
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

8. SOURCE OF DOWN PAYMENT AND CLOSING COSTS

Where will you get the money to make the down payment (for example, savings or parents)? If you borrow the money, who will you borrow it from, and how will you pay it back?

9. ASSETS

List Checking and Savings Accounts Below	
Name and Address of Bank, Savings & Loan, or Credit Union:	Name and Address of Bank, Savings & Loan, or Credit Union:
Account Number: _____ Balance \$ _____	Account Number: _____ Balance \$ _____
Name and Address of Bank, Savings & Loan, or Credit Union:	Name and Address of Bank, Savings & Loan, or Credit Union:
Account Number: _____ Balance \$ _____	Account Number: _____ Balance \$ _____
Name and Address of Bank, Savings & Loan, or Credit Union:	Name and Address of Bank, Savings & Loan, or Credit Union:
Account Number: _____ Balance \$ _____	Account Number: _____ Balance \$ _____

Do you own a:	Yes	No	Do you own a:	Yes	No
Boat	☐	☐	Car (#1)	☐	☐
Mobile Home	☐	☐	Make and Year _____		
Washer	☐	☐	Car (#2)	☐	☐
Dryer	☐	☐	Make and Year _____		

10. DEBT					
To Whom Do You and the Co-applicant Owe Money?					
COLUMN 1			COLUMN 2		
Car	Monthly Payment	Unpaid Balance	Cell Phone Contracts	Monthly Payment	Unpaid Balance
	\$	\$		\$	\$
	Mos. left to pay:			Mos. left to pay:	
Furniture, Appliances and Televisions	Monthly Payment	Unpaid Balance	Other Money You Owe		
	\$	\$	Name and Address of Company	Monthly Payment	Unpaid Balance
	Mos. left to pay:			\$	\$
		Mos. left to pay:			
Credit Card	Monthly Payment	Unpaid Balance	Alimony/Child Support		
	\$	\$	\$ /month		
	Mos. left to pay:		Job-related Expenses		
Medical	Monthly Payment	Unpaid Balance	(Child Care, Union Dues, etc.)		
	\$	\$	\$ /month		
	Mos. left to pay:		Column 2: Subtotal of Payments		
Column 1: Subtotal of Payments			Column 1: Subtotal of Payments		
\$ /month			\$ /month		
Total Monthly Expenses			\$ /month		

11. DECLARATIONS				
Please Check the Box That Best Answers the Following Questions for You and the Co-applicant.				
	Applicant		Co-applicant	
a. Do you have any debt because of a court decision against you?	☐ Yes	☐ No	☐ Yes	☐ No
b. Have you been declared bankrupt within the past seven years?	☐ Yes	☐ No	☐ Yes	☐ No
c. Have you had property foreclosed on in the past seven years?	☐ Yes	☐ No	☐ Yes	☐ No
d. Are you currently involved in a lawsuit?	☐ Yes	☐ No	☐ Yes	☐ No
e. Are you paying alimony or child support?	☐ Yes	☐ No	☐ Yes	☐ No
f. Are you a U.S. citizen or permanent resident?	☐ Yes	☐ No	☐ Yes	☐ No
If you answered "yes" to any question a through e , or "no" to question f , please explain on a separate piece of paper.				

12. AUTHORIZATION AND RELEASE			
I understand that by filing this application, I am authorizing Habitat for Humanity to evaluate my actual need for a Habitat home, my ability to repay the no-interest loan and other expenses of homeownership and my willingness to be a partner family. I understand that the evaluation will include personal visits, a credit check, and employment verification. I have answered all the questions on this application truthfully. I understand that if I have not answered the questions truthfully, my application may be denied, and that even if I have already been selected to receive a Habitat home, I may be disqualified from the program. The original or a copy of this application will be retained by Habitat for Humanity even if the application is not approved. I also understand that Habitat for Humanity screens all potential staff (whether paid or unpaid), board members and applicant families on the sex offender registry, and that by completing this application, I am submitting myself and all persons listed on the first page of the application to such an inquiry. I further understand that by completing this application, I am submitting myself and all persons listed on the first page of the application to a criminal background check.			
Applicant Signature	Date	Co-applicant Signature	Date
X		X	

PLEASE NOTE: If more space is needed to complete any part of this application, please use a separate sheet of paper and attach it to this application. Please mark your additional comments with "A" for Applicant or "C" for Co-applicant.

Applicant's name _____

Co-applicant's name _____

13. INFORMATION FOR GOVERNMENT MONITORING PURPOSES

Please Read This Statement Before Completing the Box Below: The following information is requested by the federal government for loans related to the purchase of homes, in order to monitor the lender's compliance with equal credit opportunity and fair housing laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may neither discriminate on the basis of this information, nor on whether you choose to furnish it or not. However, if you choose not to furnish it, under federal regulations this lender is required to note race and sex on the basis of visual observation or surname. If you do not wish to furnish the information below, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the loan applied for.)

Applicant	Co-applicant
☐ I do not wish to furnish this information Race/National Origin: ☐ American Indian or Alaskan Native ☐ Native Hawaiian or Other Pacific Islander ☐ Black/African American ☐ Caucasian ☐ Asian ☐ American Indian or Alaskan Native AND Caucasian ☐ Asian AND Caucasian ☐ Black/African American AND Caucasian ☐ American Indian or Alaskan Native AND Black/African American ☐ Other (specify) _____	☐ I do not wish to furnish this information Race/National Origin: ☐ American Indian or Alaskan Native ☐ Native Hawaiian or Other Pacific Islander ☐ Black/African American ☐ Caucasian ☐ Asian ☐ American Indian or Alaskan Native AND Caucasian ☐ Asian AND Caucasian ☐ Black/African American AND Caucasian ☐ American Indian or Alaskan Native AND Black/African American ☐ Other (specify) _____
Ethnicity: ☐ Hispanic ☐ Non-Hispanic	Ethnicity: ☐ Hispanic ☐ Non-Hispanic
Sex: ☐ Female ☐ Male	Sex: ☐ Female ☐ Male
Birthdate: ____ / ____ / ____	Birthdate: ____ / ____ / ____
Marital Status: ☐ Married ☐ Separated ☐ Unmarried (Incl. single, divorced, widowed)	Marital Status: ☐ Married ☐ Separated ☐ Unmarried (Incl. single, divorced, widowed)

To Be Completed Only By the Person Conducting the Interview

This application was taken by: ☐ Face-to-face Interview ☐ By Mail ☐ By Telephone	Interviewer's Name (print or type)
	Interviewer's Signature _____ Date _____
	Interviewer's Phone Number _____

WV Housing Development Fund

5710 MacCorkle Avenue SE • Charleston, WV 25304

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED
APPLICANTS

LOAN TERM

PURPOSE

Purchase

PRODUCT

Fixed Rate

LOAN TYPE

☒ Conventional ☐ FHA ☐ VA ☐

LOAN ID #

Direct Origination

RATE LOCK

☒ NO ☐ YES, until

Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on

PROPERTY

SALE PRICE

Loan Terms	Can this amount increase after closing?
Loan Amount	NO
Interest Rate	0% NO
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	NO
Prepayment Penalty	Does the loan have these features? NO
Balloon Payment	NO

Projected Payments

Payment Calculation

Principal & Interest	
Mortgage Insurance	+ 0
Estimated Escrow <i>Amount can increase over time</i>	+
Estimated Total Monthly Payment	

Estimated Taxes, Insurance & Assessments <i>Amount can increase over time</i>	a month	This estimate includes ☐ Property Taxes ☐ Homeowner's Insurance ☐ Other: <i>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</i>	In escrow?
--	---------	---	------------

Costs at Closing

Estimated Closing Costs	\$1,395	Includes \$1,309 in Loan Costs + \$86 in Other Costs - \$0 in Lender Credits. <i>See page 2 for details.</i>
Estimated Cash to Close	\$1,395	Includes Closing Costs. <i>See Calculating Cash to Close on page 2 for details.</i>

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.

Closing Cost Details

Loan Costs

A. Origination Charges	\$450
% of Loan Amount (Points)	
Loan Administration Fee	\$100
Processing Fee	\$350

B. Services You Cannot Shop For	\$734
Appraisal Fee	\$575
Credit Report	\$61
Employment Verification	\$80
Flood Certification	\$18

C. Services You Can Shop For	\$125
Pest Inspection	\$125

D. TOTAL LOAN COSTS (A + B + C) \$1,309

Other Costs

E. Taxes and Other Government Fees	\$86
Recording Fees and Other Taxes	\$86
Transfer Taxes	

F. Prepaids

Homeowner's Insurance Premium (months)	
Mortgage Insurance Premium (months)	
Prepaid Interest (per day for days @ %)	
Property Taxes (months)	

G. Initial Escrow Payment at Closing

Homeowner's Insurance	per month for	mo.
Mortgage Insurance	per month for	mo.
Property Taxes	per month for	mo.

H. Other

I. TOTAL OTHER COSTS (E + F + G + H) \$86

J. TOTAL CLOSING COSTS \$1,395

D + I \$1,395
Lender Credits

Calculating Cash to Close

Total Closing Costs (J)	\$1,395
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$0
Deposit	\$0
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
Estimated Cash to Close	\$1,395

Additional Information About This Loan

LENDER WV Housing Development Fund
NMLS / ____ LICENSE ID 198038/MBEX-30034
LOAN OFFICER
NMLS / ____ LICENSE ID
EMAIL
PHONE 800-933-9843

MORTGAGE BROKER
NMLS / ____ LICENSE ID
LOAN OFFICER
NMLS / ____ LICENSE ID
EMAIL
PHONE

Comparisons		Use these measures to compare this loan with other loans.
In 5 Years	\$1,309	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$0	Principal you will have paid off.
Annual Percentage Rate (APR)	0.000%	Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	0 %	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Other Considerations	
Appraisal	We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
Assumption	If you sell or transfer this property to another person, we ☐ will allow, under certain conditions, this person to assume this loan on the original terms. ☒ will not allow assumption of this loan on the original terms.
Homeowner's Insurance	This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
Late Payment	If your payment is more than 15 days late, we will charge a late fee of 5% of the payment, not to exceed \$30.
Refinance	Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.
Servicing	We intend ☒ to service your loan. If so, you will make your payments to us. ☐ to transfer servicing of your loan.

Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature _____ Date _____

Co-Applicant Signature _____ Date _____

PROMISSORY NOTE

(Primary note for use by Habitat for Humanity affiliates in West Virginia)

\$_____.00

_____, West Virginia
_____, 20

FOR VALUE RECEIVED, the undersigned, _____
(herein, whether one or more, called "Borrower"), promises to pay to the order of
_____ **HABITAT FOR HUMANITY, INC.**, a West Virginia nonprofit corporation
("Habitat"), at _____, West Virginia_____, or such
other place as may be designated by the holder hereof, its successors and assigns, the principal
sum of _____ Dollars (\$_____.00), without
interest.

Terms of Repayment: Borrower shall repay the principal balance on this Note in 240
equal monthly installments in the amount of _____ Dollars
(\$_____) each, commencing on the _____ day of _____, 20_____, and
continuing thereafter on the _____ day of each succeeding month until the indebtedness
evidenced hereby is fully paid.

Prepayment: Borrower shall have the right to prepay all or any part of the principal of this
Note without penalty at any time during the term of this Note. Prepayments shall be applied to
installments in inverse order of maturity.

Default: In the event that Borrower shall fail to pay when due any installment payment on
this Note, the entire unpaid balance of principal on this Note shall, at the option of the holder of
this Note, at once become due and payable upon written notice to Borrower and the expiration of
the cure period prescribed by applicable law. Failure to exercise this option shall not constitute a
waiver of the right to exercise the same in the event of any extension hereof and subsequent
default hereunder.

Waiver: Each maker, endorser or guarantor of this Note waives presentment, notice of
protest, demand for payment, notice of dishonor, and notice of non-payment, except that the
undersigned shall have the right to cure defaults prescribed by applicable law.

Secured Note: This Note is secured by a Purchase Money Deed of Trust of even date
herewith, which said Purchase Money Deed of Trust is to be recorded in the office of the Clerk of
the County Commission of _____ County, West Virginia, made and executed by the
undersigned to _____, a resident of _____ County, West Virginia,
as Trustee, granting a first lien upon real property located at the _____ following address:
_____.

Assignment: This Note is assignable at the option of the holder, without first obtaining the consent of the undersigned.

DGH:309061

PROMISSORY NOTE

(Subordinate forgivable note for use by Habitat for Humanity affiliates in West Virginia)

\$_____.00 _____, West Virginia
_____, 20____

FOR VALUE RECEIVED, the undersigned, _____ (herein, whether one or more, called "Borrower"), promises to pay to the order of _____ **HABITAT FOR HUMANITY, INC.**, a West Virginia nonprofit corporation ("Habitat"), at _____, West Virginia, or such other place as may be designated by the holder hereof, its successors and assigns, the principal sum of _____ Dollars (\$____.00), without interest.

Terms of Repayment: Borrower shall not be required to make any payment of the principal balance due on this Note for so long as the Borrower complies with the following conditions:

- (i) Borrower shall continue to occupy as his/her/their principal residence the home located at the following address: _____, West Virginia _____ (the "Property");
- (ii) Borrower shall retain all interest, right, title and ownership in and to the Property in the same manner and form as the same is held by Borrower on the date of this Note; and
- (III) Borrower shall not be in default in the repayment as and when due of that certain first priority promissory note made by Borrower and payable to Habitat of even date herewith in the original principal amount of _____ Dollars (\$____.00)

Repayment Schedule: Provided that Borrower complies with the conditions set forth above under "Terms of Repayment," the principal balance on this Note shall be forgiven in 240 equal monthly increments in the amount of \$_____ each, with the first such monthly increment to be forgiven on the 1st day of _____, 20____, and with a like monthly increment to be forgiven on the 1st day of each month thereafter through and including the 1st day of _____, 20____ (the "Maturity Date").

Default: In the event that Borrower shall fail to comply with any one (1) or more of the conditions set forth above under "Terms of Repayment," the entire remaining unforgiven balance of principal on this Note shall, at the option of the holder of this Note, at once become due and payable upon written notice to Borrower and the expiration of the cure period prescribed by applicable law. Failure to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any extension hereof and subsequent default hereunder.

Waiver: Each maker, endorser or guarantor of this Note waives presentment, notice of protest, demand for payment, notice of dishonor, and notice of non-payment, except that the undersigned shall have the right to cure defaults prescribed by applicable law.

Secured Note: This Note is secured by a Deed of Trust of even date herewith made and executed by the undersigned to _____, a resident of _____ County, West Virginia, as Trustee, granting a second lien upon the Property, which said Deed of Trust is to be recorded in the office of the Clerk of the County Commission of _____ County, West Virginia.

Assignment: This Note is assignable at the option of the holder, without first obtaining the consent of the undersigned.

DGH:308877

PURCHASE MONEY DEED OF TRUST

(First priority deed of trust for use by Habitat for Humanity affiliates in West Virginia)

THIS PURCHASE MONEY DEED OF TRUST, made as of the _____ day of _____, 20____, by and between _____, whose address is _____ West Virginia _____ (hereinafter, whether one or more, called "Grantors"), parties of the first part, _____, a resident of _____ County, West Virginia, as Trustee (hereinafter called "Trustee"), party of the second part, and _____ **HABITAT FOR HUMANITY, INC.**, a West Virginia nonprofit corporation, which has the principal address of _____ (which together with any other holder of the promissory note secured by this Deed of Trust is hereinafter sometimes called "Lender"), party of the third part;

WITNESSETH: That for and in consideration of the indebtedness and trusts hereinafter set forth and of the sum of \$10.00, cash in hand paid, the receipt and sufficiency of which are hereby acknowledged, Grantors do hereby **GRANT** and **CONVEY** unto Trustee all that (those) certain lot(s), tract(s), or parcel(s) of land, together with the improvements thereon and all appurtenances thereunto belonging, or in anywise appertaining, situate in _____ District, _____ County, West Virginia, and being more particularly described as follows:

SEE ATTACHED EXHIBIT A LEGAL DESCRIPTION

AND BEING the same property conveyed to Grantors by Deed dated _____, and recorded in the office of the Clerk of the County Commission of _____ County, West Virginia, in Deed Book _____, at page _____.

TOGETHER WITH any and all buildings, improvements and fixtures of every kind, and all machinery, equipment and property which are or shall be attached to, or be deemed to be fixtures and a part of the real property herein conveyed; all of which, together with the real property described above, shall secure the indebtedness herein described and covered by this Deed of Trust and is sometimes herein referred to as the "Property."

And for the consideration aforesaid, Grantors do hereby assign, transfer and set over to Trustee all rentals, income, issues and profits that may accrue from the Property or any part thereof; provided, however, that so long as Grantors shall not be in default hereunder, Grantors shall be entitled to collect and receive all rents, income, issues and profits of the Property.

TO HAVE AND TO HOLD the Property unto Trustee and Trustee's successors in the trust forever; and Grantors do hereby covenant to and with Trustee and Lender that Grantors will **WARRANT GENERALLY** the title to the Property; that Grantors have the right to convey the Property to Trustee; that the same is free from any and all liens and encumbrances other than real estate taxes assessed but not yet due and payable, that Trustee shall have quiet possession thereof and that Grantors will execute such further assurances of the Property as may be requisite, including, but not limited to, the execution and delivery of financing statements and such other instruments as Lender may require to impose the lien hereof more specifically upon any item or items of property, or rights or interests therein, covered by this Deed of Trust.

IN TRUST, NEVERTHELESS, to secure the payment of that certain promissory note of even date herewith (the "Note") in the principal sum of _____ Dollars (\$_____), executed by Grantors and payable to the order of Lender, the beneficial owner of the Note, at _____, West Virginia _____, the Note being payable in 240 monthly installments of principal and interest at the rate of 0% per annum maturing on

_____, and to secure also any and all extensions, modifications and renewals of the Note, or any part thereof, however changed in form, manner, or amount, and all other indebtedness of Grantors to Lender or Trustee, at any time and from time to time arising hereunder (all of which indebtedness, together with the interest thereon, is sometimes hereinafter collectively referred to as the "Secured Debt").

IN TRUST, FURTHER, to secure unto Lender the performance of those certain covenants and obligations set forth and contained in that certain Purchase Agreement dated _____, by and between _____ Habitat for Humanity, Inc., a West Virginia nonprofit corporation, and the Grantors herein, which said Purchase Agreement is recorded in the Clerk's office in Deed Book _____, at page _____.

THIS IS A PURCHASE MONEY DEED OF TRUST and the Grantors herein covenant and represent that one hundred percent (100%) of the proceeds of the obligation secured hereby were used to purchase the property hereby conveyed.

Grantors, jointly and severally, covenant, warrant and agree to and with Trustee and Lender as follows:

1. That they shall, so long as the Secured Debt, or any part thereof, remains unpaid:
 - (a) Occupy the Property as their principal residence and retain all interest, right, title and ownership in and to the Property in the same manner and form as the same is held by Grantors on the date of this Deed of Trust;
 - (b) Pay as and when due and payable all taxes, assessments and other governmental charges and fees that may be levied or assessed against the Property, including the buildings and improvements now situate on the Property, or that may hereafter be erected thereon, and any improvements and additions made therein or thereto from time to time and will furnish annually to Lender receipts showing the payment of such taxes, assessments, charges and fees;
 - (c) Have and keep the building and improvements now situate on the Property or that may hereafter be erected thereon, and all other insurable property covered by this Deed of Trust constantly insured against loss or damage by fire and such other casualties, contingencies and hazards as Lender may require, in one or more responsible and solvent insurance companies authorized to transact business in the State of West Virginia approved by Lender, and in an amount satisfactory to Lender, with a standard mortgagee clause, non-contributory, providing that loss or damage shall be payable to Lender as Lender's interest may appear, and will pay the premiums for such insurance as the same become due and payable and deliver the policy or policies of such insurance and all renewals thereof, to Lender and if the Property shall be damaged by fire or other casualty insured against, Lender shall be entitled to receive the proceeds of such insurance to the extent of the unpaid balance of the Secured Debt and shall either apply such proceeds to the Secured Debt or to restore the Property;
 - (d) Keep and maintain the Property in good condition and repair and not abandon the same, or any part thereof, nor commit or permit the commission of waste on or in the Property, or any part thereof, nor permit any building or improvement to be removed, destroyed, demolished or structurally altered in whole or in part;
 - (e) Comply, and cause all occupants of the Property or those in possession thereof to comply, with all laws, ordinances, rules and regulations relating to the use or maintenance of the Property, including covenants, rules and regulations of any applicable property owners association, and shall promptly remedy any violations thereof that are the subject of any notices of violations or orders issued by any governmental agency, body or officer or by any such property owners association;
 - (f) Permit Trustee or Lender, or any of them, or their agents, to enter and inspect the Property at all reasonable times; and

(g) Pay to Trustee, or to Lender, upon demand, any and all sums of money, including all costs and expenses which Trustee or Lender, or any of them, may incur or expend in any action or proceeding that may concern the Property, or any part thereof or interest therein, including without limitation any eminent domain proceeding, or any action or proceeding to sustain the lien of this Deed of Trust or its priority or in defending any party thereto, or any party secured hereby, against the liens, demands or claims of title of any person, firm or corporation, asserting priority over this Deed of Trust, or asserting title adverse to the title under which Trustee holds, or in the discharge of any such liens, demands or claims, or in connection with any action to foreclose this Deed of Trust, or to recover any indebtedness secured hereby.

2. That together with and in addition to the periodic payments due and payable under the terms of the Note, Grantors will pay to Lender a sum equal to all taxes, assessments and other governmental charges and fees that may be levied against the Property and the premiums that will next become due and payable to renew the policies of insurance against loss or damage by fire or other hazards with respect to the Property, less all sums already paid therefor, divided by the number of months to elapse before one month prior to the date when such taxes, assessments and other governmental charges and fees and insurance premiums become due and payable. If the total of the payments made by Grantors in accordance with the provisions of this paragraph 2 shall exceed the amount of payments actually made by Lender for such taxes, assessments and other governmental charges and fees and insurance premiums, as the case may be, such excess, at the option of Lender, shall be credited on subsequent payments to be made by Grantors under this paragraph 2, or refunded to Grantors. If, however, the total of the payments made by Grantors under the provisions of this paragraph 2 shall not be sufficient to pay such taxes, assessments and other governmental fees and charges and insurance premiums, as the case may be, when the same shall become due and payable, then Grantors shall pay to Lender all amounts necessary to make up such deficiency, on or before the date when the payments of such taxes, assessments and other governmental charges and fees and insurance premiums shall become due and payable. Upon payment in full of the Secured Debt, Lender shall, in computing the amounts of the Secured Debt, credit to the account of Grantors any balance remaining in the funds accumulated under the provisions of this paragraph 2. If there shall be a default under any of the provisions of this Deed of Trust resulting in a foreclosure, or if the Property is otherwise acquired after default, Lender shall apply, at the time of the commencement of foreclosure proceedings hereunder, or at the time the Property is otherwise acquired, the balance then remaining in the funds accumulated pursuant to the provisions of this paragraph 2, as a credit against the Secured Debt. All funds received by Lender pursuant to the provisions of this paragraph 2 shall be deposited and held in trust for the benefit of Lender and Grantors in an account in a bank or savings and loan association (acceptable to Lender) and insured to the fullest extent legally possible by the Federal Deposit Insurance Corporation.

3. In the event Grantors fail to make any payment required by, or fail to comply with, perform or carry out any of the provisions of, paragraphs 1 or 2 hereof, then, in any such event, Lender or Trustee, or any of them, shall have the right, without notice to or demand upon Grantors or any other person, to make any such payment, take any such action or do any such thing as, in the exercise of Lender's or their discretion, may be determined to be reasonably necessary to protect the lien and security hereof as fully and completely as if Grantors made each and every such payment when due, and kept, complied with, performed and carried out the provisions of said paragraphs 1 and 2 in every respect. Without limiting the generality of the foregoing, Lender or Trustee or any of them, may, in any such event:

(a) Obtain the required insurance covering the Property and pay the premiums thereon or pay any unpaid premiums on any insurance procured by Grantors;

(b) Pay said taxes, assessments and other governmental charges and fees together with any penalties and interest accrued thereon, and redeem the Property from a tax sale if it has been sold, and shall be subrogated to the lien of the governmental body to which such payment was made;

(c) Make and pay for any and all repairs that they or any of them deem necessary to place or keep the Property in good condition and repair;

- (d) Stop or mitigate waste on or in the Property or any part thereof;
- (e) Stop or prevent the removal, destruction, demolition or structural alteration of any building or improvement on the Property;
- (f) Stop or prevent the violation of any law, ordinance, rule or regulation relating to the use or maintenance of the Property or of any requirement, direction, order or notice of violation thereof issued by any governmental agency, body or officer or by any property owners association; and
- (g) Pay all or part of any sum or sums of money that may be due or payable under the provisions of paragraph 1 hereof;

and Grantors hereby promise to pay to Lender, or to Trustee, as the case may be, upon demand, any and all sums of money paid out or expended by them, or any of them, for any of the purposes set out in this paragraph 3, together with interest thereon from the date of payment at the rate applicable to the Secured Debt, and agree that any sum or sums of money so paid by Lender or by Trustee, or any of them, shall thereupon be and become a part of the Secured Debt, and shall be collectible as such, all without waiver of any right arising from the breach of or default in the performance of any warranty, covenant, condition, provision or agreement herein contained or contained in the Note, including the right to enter and take possession of the Property, and rent and manage the same, and the right to foreclose this Deed of Trust; but nothing herein contained shall be construed as imposing any duty or obligation upon Lender, or upon Trustee, to pay such sum or sums of money herein authorized to be paid or to take any other action authorized hereunder.

4. The occurrence of any of the following events shall constitute an event of default hereunder (hereinafter called an "Event of Default"), and upon the occurrence of any Event of Default, the Secured Debt shall at the option of Lender immediately become due and payable without notice to or demand on any of Grantors, or any other person:

- (a) If default shall be made in the payment as and when due of the Note, or any installment or part thereof, or the interest thereon, or of any sum due under the provisions of this Deed of Trust or the interest thereon;
- (b) If default shall be made in the payments, as and when due and payable, of any tax, assessment or other governmental charge or fee of any insurance premium or if the required insurance is not effected by Grantors or the policies delivered to Lender as herein required;
- (c) If there shall be a breach of or default in the performance of any covenant, condition, agreement, warranty or provision contained in this Deed of Trust or in the Purchase Agreement between Grantors and Lender, which is incorporated herein by reference;
- (d) If Grantors or any of them or any party to or guarantor of the Note, shall become insolvent or make an assignment for the benefit of creditors, or if any petition for bankruptcy or arrangement pursuant to the Federal Bankruptcy Code, or any similar federal or state law, shall be filed by or against any of Grantors or any party to or guarantor of the Note;
- (e) If any representation or warranty made or furnished to Lender by any of Grantors or parties to the Note in the application for the loan evidenced by the Note or to induce Lender to make the said loan proves to have been incorrect or untrue;
- (f) If there shall now or hereafter exist upon the Property, or any part hereof, any claim, or encumbrance other than real estate taxes assessed but not yet due and payable or other liens and encumbrances, if any, mentioned above, which is or might be superior to the lien of this Deed of Trust;

(g) If the Property or any part thereof or interest therein shall be conveyed, transferred or leased without the prior written consent of the holder of said note, except a transfer by devise, descent or operation of law upon the death of a joint tenant; or

(h) If Grantors shall do or suffer to be done any act or thing which would impair the security for the Secured Debt.

5. If any one or more Events of Default shall occur and be continuing, any one (1) or more of the following rights and remedies shall exist, any two (2) or more of which may be exercised concurrently:

(a) Without notice to or demand on any of Grantors or any other person, Trustee or Lender may forthwith, separately or jointly:

(i) Enter into and upon all of the Property, either in person or by agent, and take possession of the Property without process of law, without liability to Grantors or other owner or owners of the Property, and manage and rent the same, or any part thereof, collect and receive the rents, issues and profits thereof (past due, due or to become due) and apply the same to the payment of the Secured Debt, after first deducting the costs and expenses incurred in managing the Property and in collecting said rents, issues and profits (including a commission of 10% of the total amount collected, which shall be paid to Lender or to Trustee, as the case may be for managing the same and collecting and disbursing said rents, issues and profits accruing therefrom), and after deducting such further amount or amounts as may be necessary to pay or reimburse said holder and Trustee for any sum or sums of money paid by them, or any of them, under the provisions hereof, together with interest thereon at the rate applicable to the Secured Debt, to the date of payment;

(ii) Have a receiver appointed by any court having jurisdiction to take charge of the Property and collect, receive and apply the rents, issues and profits thereof.

In either case under paragraph 5(a)(i) or 5(a)(ii), any person or persons in possession of the Property, or any part thereof, shall be deemed a tenant at will and shall at once surrender such possession on demand of Lender or Trustee or a receiver. It is understood and agreed by and between the parties hereto that nothing herein contained shall be construed as a substitute for, or in derogation of, the right to foreclose this Deed of Trust or as imposing any duty or obligation upon Lender or upon Trustee, or any of them, to take charge of the Property or to collect said rents, issues or profits or to have a receiver appointed for such purposes;

(b) Subject to the right of Grantors to receive notice of default and right to cure default under West Virginia law but without other notice to or demand on any of Grantors or any other person, Lender may at its option declare the Secured Debt to be immediately due and payable and upon the exercise of said option the Secured Debt may be collected by proper action, foreclosure of this Deed of Trust, or any other legal or equitable proceeding;

(c) At any time after the exercise by Lender of the option to declare the Secured Debt to be immediately due and payable, Trustee, upon the written request of Lender, shall foreclose upon and sell the Property to satisfy the Secured Debt at public auction at the front door of the courthouse of the county in which the Property is situate, for cash in hand on the day of sale, after first giving notice of such sale by publishing such notice in some newspaper of general circulation published in the county wherein the Property is located, or if there be no such newspaper, in a qualified newspaper of general circulation in said county, once a week for two successive weeks preceding the day of sale and such further notice as required in paragraph 6 or by applicable law. Out of the proceeds of such sale, Trustee shall pay, **first**, the costs and expenses of executing this trust, but in no event shall Trustee be entitled to a commission of greater than One Thousand Dollars (\$1,000.00) plus an amount equal to the cost of publication and all fees and expenses incurred by Trustee, including legal fees, without prior express written consent of Lender, notwithstanding any other provision of this Deed of Trust or of law to the contrary; **second**, to Lender all moneys which it may have paid for taxes, assessments or other

governmental charges or fees, insurance, repairs, court costs, and all other costs and expenses incurred or paid under the provision of this Deed of Trust, together with interest thereon at the rate applicable to the Secured Debt, from the date of payment; **third**, to Lender the full amount due and unpaid on the Secured Debt, together with all interest accrued thereon to date of payment; and **fourth**, the balance, if any, to Grantors, their successors and assigns, upon delivery of and surrender to the purchasers of possession of the Property, less the expense, if any, of obtaining such possession. If the aforesaid Purchase Agreement provides for some other allocation of foreclosure sale proceeds, the provisions of the Purchase Agreement shall control. In the event of the occurrence of any Event of Default, in addition to the rights, remedies and powers hereinabove set forth, Lender and Trustee shall have, as to any and all fixtures and personal property covered by this Deed of Trust, all rights, remedies and powers of a secured party under the Uniform Commercial Code of West Virginia.

6. A copy of any notice of foreclosure sale under paragraph 5(c) above shall be served upon Grantors by certified mail, return receipt requested at the following address:

or at such other address as may be given to Lender in writing by Grantors subsequent to the execution and delivery of this Deed of Trust.

7. In the event that foreclosure proceedings are instituted hereunder but are not completed, Trustee shall be entitled to no commission but shall be reimbursed for all costs and expenses incurred by Trustee in commencing such proceedings, but in no event shall Trustee be entitled to a total payment of greater than Five Hundred Dollars (\$500.00), plus an amount equal to the cost of publication and all fees and expenses incurred by Trustee, including legal fees, without the prior express written consent of Lender, notwithstanding any other provision of this Deed of Trust or of law to the contrary; and all costs and expenses so incurred by Trustee shall be payable by Grantors on demand, and shall be and become a part of the Secured Debt and shall be collectible as such.

8. In the event more than one Trustee is named herein, then both said Trustees together, or either of them separately, or the survivor thereof, may act in the execution of this trust, and in the event either of said Trustees shall act alone, the authority and power of the Trustee so acting shall be as full and complete as if the powers and authority granted to said Trustees herein jointly had been granted to such Trustee alone; and either or both of said Trustees are hereby authorized to act by agent or attorney in the execution of this trust. It shall not be necessary for any Trustee acting hereunder to be personally present at any foreclosure sale.

9. It is hereby expressly covenanted and agreed by all parties hereto that Lender may, at any time and from time to time hereafter, without notice, appoint and substitute another Trustee or Trustees, corporations or persons, in place of any Trustee herein named to execute the trust herein created. Upon such appointment, either with or without a conveyance to said substitute Trustee or Trustees by the Trustee herein named, or by any substituted Trustee in case the said right of appointment is exercised more than once, the new and substituted Trustee or Trustees in each instance shall be vested with all the rights, title, interests, powers, duties and trusts in the premises which are vested in and conferred upon the Trustee herein named; and such new and substituted Trustee or Trustees shall be considered the successors and assigns of the Trustee who is named herein within the meaning of this instrument, and substituted in the place and stead of the Trustee. Each such appointment and substitution shall be evidenced by an instrument in writing that shall recite the parties to, and the book and page of record of, this Deed of Trust, and the description of the Property, which instrument, executed and acknowledged by Lender and recorded in the office of the Clerk of the County Commission of the county wherein the Property is situate, shall be conclusive proof of the proper substitution and appointment of such successor Trustee or Trustees, and notice of such proper substitution and appointment to all parties in interest.

10. No failure of Lender or Trustee to exercise any option herein contained shall constitute a waiver of any right or privilege herein given or granted to Lender or Trustee, and a waiver by Lender or Trustee of the right to exercise any option as to any breach of default shall not constitute a waiver of the

right to exercise the same option, or any other option herein contained, as to another or any continuing or subsequent breach or default.

11. It is further understood and agreed between the parties hereto that if any term or provision of this Deed of Trust or of the Note shall contravene or be in conflict with any law of the State of West Virginia or any other applicable law or regulation, such term or provision is amended and modified to conform with such law.

12. It is further understood and agreed by and between the parties hereto that all covenants, agreements, representations and warranties are made and given jointly and severally by all Grantors and that all of the covenants, conditions, agreements, warranties and provisions of said parties herein contained, shall extend to and bind their heirs, devisees, personal representatives, successors and assigns, and shall inure to the benefit of Lender and Trustee and their successors and assigns.

WITNESS the following signatures:

Print Name: _____

Print Name: _____

STATE OF WEST VIRGINIA,
COUNTY OF _____ TO-WIT:

The foregoing instrument was acknowledged before me this _____ day of _____,
200_ , by _____.

My commission expires: _____.

Notary Public

[Notary seal required]

The form of this Deed of Trust was prepared by David G. Hammond, Attorney at Law, Spilman Thomas & Battle, PLLC, P. O. Box 273, Charleston, West Virginia 25321-0273.

DGH:274970

DEED OF TRUST

(Subordinate deed of trust for use by Habitat for Humanity affiliates in West Virginia)

THIS DEED OF TRUST, made as of this _____ day of _____, 20____, by and between _____, whose address is _____, West Virginia _____ (hereinafter, whether one or more, called "Grantors"), parties of the first part, _____ a resident of _____ County, West Virginia, as Trustee (hereinafter called "Trustee"), party of the second part, and _____ **HABITAT FOR HUMANITY, INC.**, a West Virginia nonprofit corporation, which has the principal address of _____, West Virginia _____ (which together with any other holder of the promissory note secured by this Deed of Trust is hereinafter sometimes called "Lender"), party of the third part;

WITNESSETH: That for and in consideration of the indebtedness and trusts hereinafter set forth and of the sum of \$10.00, cash in hand paid, the receipt and sufficiency of which are hereby acknowledged, Grantors do hereby **GRANT** and **CONVEY** unto the Trustee all that (those) certain lot(s), tract(s), or parcel(s) of land, together with the improvements thereon and all appurtenances thereunto belonging, or in anywise appertaining, situate in _____ District, _____ County, West Virginia, and being more particularly described as follows:

SEE ATTACHED EXHIBIT A LEGAL DESCRIPTION

AND BEING the same property conveyed to Grantors by Deed dated _____, and recorded in the office of the Clerk of the County Commission of _____ County, West Virginia, in Deed Book _____, at page _____.

TOGETHER WITH any and all buildings, improvements and fixtures of every kind, and all machinery, equipment and property which are or shall be attached to, or be deemed to be fixtures and a part of the real property herein conveyed; all of which, together with the real property described above, shall secure the indebtedness herein described and covered by this Deed of Trust and is sometimes herein referred to as the "Property."

And for the consideration aforesaid, Grantors do hereby assign, transfer and set over to Trustee all rentals, income, issues and profits that may accrue from the Property or any part thereof; provided, however, that so long as Grantors shall not be in default hereunder, Grantors shall be entitled to collect and receive all rents, income, issues and profits of the Property.

TO HAVE AND TO HOLD the Property unto Trustee and the Trustee's successors in the trust forever; and Grantors do hereby covenant to and with Trustee and Lender that Grantors will **WARRANT GENERALLY** the title to the Property; that Grantors have the right to convey the Property to Trustee; that the same is free from any and all liens and encumbrances other than (i) real estate taxes assessed but not yet due and payable; and (ii) the lien of that certain Purchase Money Deed of Trust of even date herewith from Grantors to _____, as Trustee, securing Lender in the payment of a promissory note in the original principal amount of \$ _____ (the "Senior Debt"); that Trustee shall have quiet possession thereof and that Grantors will execute such further assurances of the Property as may be requisite, including, but not limited to, the execution and delivery of such other instruments as Lender may require to impose the lien hereof more specifically upon any item or items of property, or rights or interests therein, covered by this Deed of Trust.

IN TRUST, NEVERTHELESS, to secure the payment of that certain promissory note of even date herewith (the "Note") in the principal sum of _____ Dollars (\$ _____), executed by Grantors and payable to the order of Lender, the beneficial owner of the Note, at

_____, West Virginia, the Note maturing on _____, and to secure also any and all extensions, modifications and renewals of the Note, or any part thereof, however changed in form, manner, or amount, and all other indebtedness of Grantors to Lender or Trustees, at any time and from time to time arising hereunder (all of which indebtedness, together with the interest thereon, is sometimes hereinafter collectively referred to as the "Secured Debt").

Grantors, jointly and severally, covenant, warrant and agree to and with Trustee and Lender as follows:

1. That they shall, so long as the Secured Debt, or any part thereof, remains unpaid:

(a) Occupy the Property as their principal residence and retain all interest, right, title and ownership in and to the Property in the same manner and form as the same is held by Grantors on the date of this Deed of Trust;

(b) Pay as and when due and payable all taxes, assessments and other governmental charges and fees that may be levied or assessed against the Property, including the buildings and improvements now situate on the Property, or that may hereafter be erected thereon, and any improvements and additions made therein or thereto from time to time and will furnish annually to Lender receipts showing the payment of such taxes, assessments, charges and fees;

(c) Have and keep the building and improvements now situate on the Property or that may hereafter be erected thereon, and all other insurable property covered by this Deed of Trust constantly insured against loss or damage by fire and such other casualties, contingencies and hazards as Lender may require, in one or more responsible and solvent insurance companies authorized to transact business in the State of West Virginia approved by Lender, and in an amount satisfactory to Lender, with a standard mortgagee clause, non-contributory, providing that loss or damage shall be payable to Lender as Lender's interest may appear, and will pay the premiums for such insurance as the same become due and payable and deliver the policy or policies of such insurance and all renewals thereof, to Lender and if the Property shall be damaged by fire or other casualty insured against, Lender shall be entitled to receive the proceeds of such insurance to the extent of the unpaid balance of the Secured Debt and shall either apply such proceeds to the Secured Debt or to restore the Property;

(d) Keep and maintain the Property in good condition and repair and not abandon the same, or any part thereof, nor commit or permit the commission of waste on or in the Property, or any part thereof, or permit any building or improvement to be removed, destroyed, demolished or structurally altered in whole or in part;

(e) Comply, and cause all occupants of the Property or those in possession thereof to comply, with all laws, ordinances, rules and regulations relating to the use or maintenance of the Property, including covenants, rules and regulations of any applicable property owners association, and shall promptly remedy any violations thereof that are the subject of any notices of violations or orders issued by any governmental agency, body or officer or by any such property owners association;

(f) Permit Trustee or Lender, or any of them, or their agents, to enter and inspect the Property at all reasonable times;

(g) Pay to Trustee, or to Lender, upon demand, any and all sums of money, including all costs and expenses which Trustee or Lender, or any of them, may incur or expend in any action or proceeding that may concern the Property, or any part thereof or interest therein, including without limitation any eminent domain proceeding, or any action or proceeding to sustain the lien of this Deed of Trust or its priority or in defending any party thereto, or any party secured hereby, against the liens, demands or claims of title of any person, firm or corporation, asserting priority over this Deed of Trust, or asserting title adverse to the title under which Trustee holds, or in the discharge of any such liens, demands or claims, or in connection with any action to foreclose this Deed of Trust, or to recover any indebtedness secured hereby; and

(h) Pay as and when due each and every payment of principal and other sums due on the Senior Debt.

2. That together with and in addition to the periodic payments due and payable under the terms of the Note, Grantors will pay to Lender a sum equal to all taxes, assessments and other governmental charges and fees that may be levied against the Property and the premiums that will next become due and payable to renew the policies of insurance against loss or damage by fire or other hazards with respect to the Property, less all sums already paid therefor, divided by the number of months to elapse before one month prior to the date when such taxes, assessments and other governmental charges and fees and insurance premiums become due and payable. If the total of the payments made by Grantors in accordance with the provisions of this paragraph 2 shall exceed the amount of payments actually made by Lender for such taxes, assessments and other governmental charges and fees and insurance premiums, as the case may be, such excess, at the option of Lender, shall be credited on subsequent payments to be made by Grantors under this paragraph 2, or refunded to Grantors. If, however, the total of the payments made by Grantors under the provisions of this paragraph 2 shall not be sufficient to pay such taxes, assessments and other governmental fees and charges and insurance premiums, as the case may be, when the same shall become due and payable, then Grantors shall pay to Lender all amounts necessary to make up such deficiency, on or before the date when the payments of such taxes, assessments and other governmental charges and fees and insurance premiums shall become due and payable. Upon payment in full of the Secured Debt, Lender shall, in computing the amounts of the Secured Debt, credit to the account of Grantors any balance remaining in the funds accumulated under the provisions of this paragraph 2. If there shall be a default under any of the provisions of this Deed of Trust resulting in a foreclosure, or if the Property is otherwise acquired after default, Lender shall apply, at the time of the commencement of foreclosure proceedings hereunder, or at the time the Property is otherwise acquired, the balance then remaining in the funds accumulated pursuant to the provisions of this paragraph 2, as a credit against the Secured Debt. All funds received by Lender pursuant to the provisions of this paragraph 2 shall be deposited and held in trust for the benefit of Lender and Grantors in an account in a bank or savings and loan association (acceptable to Lender) and insured to the fullest extent legally possible by the Federal Deposit Insurance Corporation.

3. In the event Grantors fail to make any payment required by, or fail to comply with, perform or carry out any of the provisions of, paragraphs 1 or 2 hereof, then, in any such event, Lender or Trustee, or any of them, shall have the right, without notice to or demand upon Grantors or any other person, to make any such payment, take any such action or do any such thing as, in the exercise of Lender's or their discretion, may be determined to be reasonably necessary to protect the lien and security hereof as fully and completely as if Grantors made each and every such payment when due, and kept, complied with, performed and carried out the provisions of said paragraphs 1 and 2 in every respect. Without limiting the generality of the foregoing, Lender or Trustee or any of them, may, in any such event:

(a) Obtain the required insurance covering the Property and pay the premiums thereon or pay any unpaid premiums on any insurance procured by Grantors;

(b) Pay said taxes, assessments and other governmental charges and fees together with any penalties and interest accrued thereon, and redeem the Property from a tax sale if it has been sold, and shall be subrogated to the lien of the governmental body to which such payment was made;

(c) Make and pay for any and all repairs that they or any of them deem necessary to place or keep the Property in good condition and repair;

(d) Stop or mitigate waste on or in the Property or any part thereof;

(e) Stop or prevent the removal, destruction, demolition or structural alteration of any building or improvement on the Property;

(f) Stop or prevent the violation of any law, ordinance, rule or regulation relating to the use or maintenance of the Property or of any requirement, direction, order or notice of violation thereof issued by any governmental agency, body or officer or by any property owners association; and

(g) Pay all or part of any sum or sums of money that may be due or payable under the provisions of paragraph 1 hereof;

and Grantors hereby promise to pay to Lender, or to Trustee, as the case may be, upon demand, any and all sums of money paid out or expended by them, or any of them, for any of the purposes set out in this paragraph 3, together with interest thereon from the date of payment at the rate applicable to the Secured Debt, and agree that any sum or sums of money so paid by Lender or by Trustee, or any of them, shall thereupon be and become a part of the Secured Debt, and shall be collectible as such, all without waiver of any right arising from the breach of or default in the performance of any warranty, covenant, condition, provision or agreement herein contained or contained in the Note, including the right to enter and take possession of the Property, and rent and manage the same, and the right to foreclose this Deed of Trust; but nothing herein contained shall be construed as imposing any duty or obligation upon Lender, or upon Trustee, to pay such sum or sums of money herein authorized to be paid or to take any other action authorized hereunder.

4. The occurrence of any of the following events shall constitute an event of default hereunder (hereinafter called an "Event of Default"), and upon the occurrence of any Event of Default, the Secured Debt shall at the option of Lender immediately become due and payable without notice to or demand on any of Grantors, or any other person:

(a) If default shall be made in the payment as and when due of the Note, or any installment or part thereof, or the interest thereon, or of any sum due under the provisions of this Deed of Trust or the interest thereon;

(b) If default shall be made in the payments, as and when due and payable, of any tax, assessment or other governmental charge or fee of any insurance premium or if the required insurance is not effected by Grantors or the policies delivered to Lender as herein required;

(c) If there shall be a breach of or default in the performance of any covenant, condition, agreement, warranty or provision contained in this Deed of Trust or in the Purchase Agreement between Grantors and Lender, which is incorporated herein by reference;

(d) If Grantors or any of them or any party to or guarantor of the Note, shall become insolvent or make an assignment for the benefit of creditors, or if any petition for bankruptcy or arrangement pursuant to the Federal Bankruptcy Code, or any similar federal or state law, shall be filed by or against any of Grantors or any party to or guarantor of the Note;

(e) If any representation or warranty made or furnished to Lender by any of Grantors or parties to the Note in the application for the loan evidenced by the Note or to induce Lender to make the said loan proves to have been incorrect or untrue;

(f) If there shall now or hereafter exist upon the Property, or any part hereof, any claim, or encumbrance other than real estate taxes assessed but not yet due and payable or other liens and encumbrances, if any, mentioned above, which is or might be superior to the lien of this Deed of Trust;

(g) If the Property or any part thereof or interest therein shall be conveyed, transferred or leased without the prior written consent of the holder of said note, except a transfer by devise, descent or operation of law upon the death of a joint tenant; or

(h) If Grantors shall do or suffer to be done any act or thing which would impair the security for the Secured Debt.

5. If any one or more Events of Default shall occur and be continuing, any one (1) or more of the following rights and remedies shall exist, any two (2) or more of which may be exercised concurrently:

(a) Without notice to or demand on any of Grantors or any other person, Trustee or Lender may forthwith, separately or jointly:

(i) Enter into and upon all of the Property, either in person or by agent, and take possession of the Property without process of law, without liability to Grantors or other owner or owners of the Property, and manage and rent the same, or any part thereof, collect and receive the rents, issues and profits thereof (past due, due or to become due) and apply the same to the payment of the Secured Debt, after first deducting the costs and expenses incurred in managing the Property and in collecting said rents, issues and profits (including a commission of 10% of the total amount collected, which shall be paid to Lender or to Trustee, as the case may be for managing the same and collecting and disbursing said rents, issues and profits accruing therefrom), and after deducting such further amount or amounts as may be necessary to pay or reimburse said holder and Trustee for any sum or sums of money paid by them, or any of them, under the provisions hereof, together with interest thereon at the rate applicable to the Secured Debt, to the date of payment;

(ii) Have a receiver appointed by any court having jurisdiction to take charge of the Property and collect, receive and apply the rents, issues and profits thereof.

In either case under paragraph 5(a)(i) or 5(a)(ii), any person or persons in possession of the Property, or any part thereof, shall be deemed a tenant at will and shall at once surrender such possession on demand of Lender or Trustee or a receiver. It is understood and agreed by and between the parties hereto that nothing herein contained shall be construed as a substitute for, or in derogation of, the right to foreclose this Deed of Trust or as imposing any duty or obligation upon Lender or upon Trustee, or any of them, to take charge of the Property or to collect said rents, issues or profits or to have a receiver appointed for such purposes;

(b) Subject to the right of Grantors to receive notice of default and right to cure default under West Virginia law but without other notice to or demand on any of Grantors or any other person, Lender may at its option declare the Secured Debt to be immediately due and payable and upon the exercise of said option the Secured Debt may be collected by proper action, foreclosure of this Deed of Trust, or any other legal or equitable proceeding;

(c) At any time after the exercise by Lender of the option to declare the Secured Debt to be immediately due and payable, Trustee, upon the written request of Lender, shall foreclose upon and sell the Property to satisfy the Secured Debt at public auction at the front door of the courthouse of the county in which the Property is situate, for cash in hand on the day of sale, after first giving notice of such sale by publishing such notice in some newspaper of general circulation published in the county wherein the Property is located, or if there be no such newspaper, in a qualified newspaper of general circulation in said county, once a week for two successive weeks preceding the day of sale and such further notice as required in paragraph 6 or by applicable law. Out of the proceeds of such sale, Trustee shall pay, **first**, the costs and expenses of executing this trust, but in no event shall Trustee be entitled to a commission of greater than One Thousand Dollars (\$1,000.00) plus an amount equal to the cost of publication and all fees and expenses incurred by Trustee, including legal fees, without prior express written consent of Lender, notwithstanding any other provision of this Deed of Trust or of law to the contrary; **second**, to Lender all moneys which it may have paid for taxes, assessments or other governmental charges or fees, insurance, repairs, court costs, and all other costs and expenses incurred or paid under the provision of this Deed of Trust, together with interest thereon at the rate applicable to the Secured Debt, from the date of payment; **third**, to Lender the full amount due and unpaid on the Secured Debt, together with all interest accrued thereon to date of payment; and **fourth**, the balance, if any, to Grantors, their successors and assigns, upon delivery of and surrender to the purchasers of possession of the Property, less the expense, if any, of obtaining such possession. If the aforesaid

Purchase Agreement provides for some other allocation of foreclosure sale proceeds, the provisions of the Purchase Agreement shall control. In the event of the occurrence of any Event of Default, in addition to the rights, remedies and powers hereinabove set forth, Lender and Trustee shall have, as to any and all fixtures and personal property covered by this Deed of Trust, all rights, remedies and powers of a secured party under the Uniform Commercial Code of West Virginia.

6. A copy of any notice of foreclosure sale under paragraph 5(c) above shall be served upon Grantors by certified mail, return receipt requested at the following address:

or at such other address as may be given to Lender in writing by Grantors subsequent to the execution and delivery of this Deed of Trust.

7. In the event that foreclosure proceedings are instituted hereunder but are not completed, Trustee shall be entitled to no commission but shall be reimbursed for all costs and expenses incurred by Trustee in commencing such proceedings, but in no event shall Trustee be entitled to a total payment of greater than Five Hundred Dollars (\$500.00), plus an amount equal to the cost of publication and all fees and expenses incurred by Trustee, including legal fees, without the prior express written consent of Lender, notwithstanding any other provision of this Deed of Trust or of law to the contrary; and all costs and expenses so incurred by Trustee shall be payable by Grantors on demand, and shall be and become a part of the Secured Debt and shall be collectible as such.

8. In the event more than one Trustee is named herein, then both said Trustees together, or either of them separately, or the survivor thereof, may act in the execution of this trust, and in the event either of said Trustees shall act alone, the authority and power of the Trustee so acting shall be as full and complete as if the powers and authority granted to said Trustees herein jointly had been granted to such Trustee alone; and either or both of said Trustees are hereby authorized to act by agent or attorney in the execution of this trust. It shall not be necessary for any Trustee acting hereunder to be personally present at any foreclosure sale.

9. It is hereby expressly covenanted and agreed by all parties hereto that Lender may, at any time and from time to time hereafter, without notice, appoint and substitute another Trustee or Trustees, corporations or persons, in place of any Trustee herein named to execute the trust herein created. Upon such appointment, either with or without a conveyance to said substitute Trustee or Trustees by the Trustees herein named, or by any substituted Trustees in case the said right of appointment is exercised more than once, the new and substituted Trustee or Trustees in each instance shall be vested with all the rights, title, interests, powers, duties and trusts in the premises which are vested in and conferred upon the Trustee herein named; and such new and substituted Trustee or Trustees shall be considered the successors and assigns of the Trustee who is named herein within the meaning of this instrument, and substituted in their place and stead. Each such appointment and substitution shall be evidenced by an instrument in writing that shall recite the parties to, and the book and page of record of, this Deed of Trust, and the description of the Property, which instrument, executed and acknowledged by Lender and recorded in the office of the Clerk of the County Commission of the county wherein the Property is situate, shall be conclusive proof of the proper substitution and appointment of such successor Trustee or Trustees, and notice of such proper substitution and appointment to all parties in interest.

10. No failure of Lender or Trustee to exercise any option herein contained shall constitute a waiver of any right or privilege herein given or granted to Lender or Trustee, and a waiver by Lender or Trustee of the right to exercise any option as to any breach of default shall not constitute a waiver of the right to exercise the same option, or any other option herein contained, as to another or any continuing or subsequent breach or default.

11. It is further understood and agreed between the parties hereto that if any term or provision of this Deed of Trust or of the Note shall contravene or be in conflict with any law of the State of West Virginia or any other applicable law or regulation, such term or provision is amended and modified to conform with such law.

12. It is further understood and agreed by and between the parties hereto that all covenants, agreements, representations and warranties are made and given jointly and severally by all Grantors and that all of the covenants, conditions, agreements, warranties and provisions of said parties herein contained, shall extend to and bind their heirs, devisees, personal representatives, successors and assigns, and shall inure to the benefit of Lender and Trustee and their successors and assigns.

WITNESS the following signatures:

Print Name: _____

Print Name: _____

STATE OF WEST VIRGINIA,
COUNTY OF _____ TO-WIT:

The foregoing instrument was acknowledged before me this _____ day of _____,
20____, by _____.

My commission expires: _____.

Notary Public

[Notary seal required]

The form of this Deed of Trust was prepared by David G. Hammond, Attorney at Law, Spilman Thomas & Battle, PLLC, P. O. Box 273, Charleston, West Virginia 25321-0273.

DGH:274971

PURCHASE AGREEMENT

(For use by Habitat for Humanity affiliates in West Virginia when home has been constructed on property owned by the affiliate; twenty year repayment period; payment terms include second priority forgivable note)

THIS PURCHASE AGREEMENT, made as of the _____ day of _____, 20____, by and between _____, a West Virginia nonprofit corporation (hereinafter called "Habitat"), and _____, (hereinafter, whether one or more, called the "Purchasers");

Recitals:

- A.** Habitat is the owner of the tract of real property described below (hereinafter called the "Property").
- B.** Habitat has constructed a residence and related improvements on the Property.
- C.** Purchasers desire to purchase the Property and the improvements thereon, and Habitat desires to sell the Property and improvements to Purchasers.

NOW, THEREFORE, WITNESSETH: that for and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid and other good and valuable considerations, the receipt of all of which is hereby acknowledged, as well as other good and valuable considerations to be paid on the conditions hereinafter set forth, Habitat and Purchasers hereby agree as follows:

1. Habitat hereby agrees to sell, transfer, grant and convey unto Purchasers, and Purchasers hereby agree to purchase, upon the terms and conditions hereinafter contained, all of the Property, together with the improvements thereon and the appurtenances thereunto belonging, the Property being situate in _____ District, _____ County, West Virginia, and a complete legal description of the Property being set out in **EXHIBIT A** that is attached to and made a part of this Agreement. The physical address of the Property is _____, West Virginia _____.

2. The purchase price of the Property and the improvements and appurtenances thereon shall be \$_____, payable as follows:

a. The sum of \$_____, cash in hand paid by the Purchasers, the receipt of which is hereby acknowledged by Habitat; plus

b. The sum of \$_____, to be evidenced by a first promissory note in such amount (hereinafter called the "First Note") made by Purchasers and payable to the order of Habitat, without interest. The First Note shall be payable by Purchasers in 240 equal consecutive monthly installments of \$_____ each commencing on the 1st day of _____, 20____, and continuing thereafter on the 1st day of each succeeding month until the principal balance of the First Note has been fully paid.

c. The sum of \$_____, to be evidenced by a second promissory note in such amount (hereinafter called the "Second Note") made by Purchasers and payable to the order of Habitat, without interest. The Second Note shall be forgiven in 240 equal consecutive monthly increments of \$_____ each commencing on the 1st day of _____, 20____, and continuing thereafter on the 1st day of each succeeding month until the principal balance of the Second Note has been fully forgiven; provided, however, that Habitat shall continue to forgive the monthly increments on the Second Note in such manner only so long as Purchasers meet the following conditions as set forth in the Second Note:

(i) Purchasers shall continuously occupy the Property as their principal residence;

(ii) Purchasers shall retain all interest, right, title and ownership in and to the Property in the same manner and form as the same is held by Purchaser on the date of the Second Note; and

(iii) Purchasers shall not be in default in the repayment as and when due of any installment payment on the First Note referenced in paragraph 2(b) above.

d. The payment by Purchasers of the First Note shall be secured by a first lien deed of trust on the Property executed by the Purchasers. The performance by Purchasers of the requirements of the Second Note shall be secured by a second lien deed of trust on the Property executed by the Purchasers.

3. The Purchasers agree to complete an investment of at least _ hours of "sweat equity" in the construction and development of the improvements on the Property, or some other Habitat project, within six (6) months after the date of this Agreement.

4. The Purchasers, at their own cost, shall maintain the Property in a good state of repair and shall maintain, repair and replace any and all fixtures and improvements on the Property so long as the Purchasers own the Property. Purchasers shall be responsible for all personal property placed in or on the Property at their own cost and risk.

5. a. Subject to applicable law or to a written waiver by Habitat, Purchasers covenant and agree to pay to Habitat on the same day monthly payments are due under the First Note, until the First Note is paid in full, an additional sum equal to one-twelfth (1/12) of the annual cost of the following items (hereinafter called the "Escrow Items"):

(i) Annual real estate taxes and any other taxes or assessments assessed upon the Property that may attain priority over the lien of the deeds of trust securing the First Note and the Second Note; and

(ii) Annual hazard insurance premiums on the Property.

b. Habitat may estimate the amount due for the Escrow Items on the basis of current data and reasonable estimates of future obligations, it being clearly understood and agreed by Purchasers that Purchasers shall pay the first annual premium for hazard insurance on the Property upon the execution of this Agreement.

c. The funds collected by Habitat for the Escrow Items (hereinafter called the "Escrow Funds") shall be held by Habitat and deposited in a financial institution, the deposits or accounts of which are insured by a federal agency. Habitat shall apply the Escrow Funds to pay the Escrow Items as the Escrow Items become due. Habitat shall not be required to pay the interest or earnings on the Escrow Funds to Purchasers unless applicable law shall otherwise require. Habitat shall provide to the Purchasers, without charge, an annual accounting of the Escrow Funds showing deposits to and payments from the Escrow Funds and the purpose for which each payment was made.

6. Habitat has the right to re-purchase the Property from Purchasers, or from the heirs or personal representatives of Purchasers, upon the following terms and conditions:

a. If Purchasers receive a bona fide offer to purchase the Property, including a deposit of at least \$250.00, the Purchasers shall give written notice to Habitat of such offer within seven (7) days of the date of the offer. Habitat shall have a period of seven (7) days following receipt of such written notice to notify Purchasers in writing whether Habitat chooses to re-purchase the Property from Purchasers upon the same terms and conditions of the offer. If Habitat chooses to re-purchase the

Property, Habitat shall have a period of thirty (30) days after the date of its written notice to Purchasers to close the transaction. Regardless of the terms of the offer, if Habitat chooses to re-purchase the Property, Purchasers shall convey the Property to Habitat or its designee by general warranty deed.

b. If all the Purchasers die before First Note is completely repaid, Habitat shall have the option to re-purchase the Property from the heirs or personal representatives of Purchasers upon the same terms and conditions of any bona fide offer received by such heirs or personal representatives within six (6) months of the date of death of the last to die of the Purchasers. All the provisions of subparagraph 6.a. above shall apply to such offer, option and purchase.

7. Purchasers have been informed and understand that Habitat participates in one or more accelerated asset recovery programs whereby Habitat may sell and assign its interest in the First Note and the Second Note in accordance with the requirements of such programs. Purchasers hereby agree that Habitat may assign its interest in the First Note, the Second Note, the deeds of trust securing said notes, the Escrow Funds and all other documents or interests relating to the purchase of the Property by Purchasers from Habitat to the appropriate party or parties in accordance with the rules of the applicable accelerated asset recovery program; provided, however, that any such assignment by Habitat shall not alter the purchase price to be paid by Purchasers for the Property or the terms of repayment.

8. For so long as any amount remains unpaid or unforgiven on either the First Note or the Second Note, Purchasers shall:

a. Continuously occupy the residence located on the Property as their principal residence; and

b. Not lease, sublease, pledge, mortgage, encumber, assign or transfer the Property or any portion thereof without the prior written consent of Habitat for so long as any amount remains unpaid or unforgiven on either the First Note or the Second Note.

9. In the event the improvements on the Property are damaged by fire or other casualty in whole or in part, so that the Property is determined by Habitat to be uninhabitable, and in the event the Purchasers do not use the hazard insurance proceeds to repair or replace said improvements, Purchasers shall upon demand by Habitat pay Habitat the remaining balances of principal due on the First Note and the Second Note.

10. Purchasers shall be in default under the terms of this Agreement if Purchasers fail to perform or comply with any of Purchasers' obligations hereunder or under the First Note, the Second Note or any of the other documents relating to the purchase of the Property by Purchasers. Upon the occurrence of a default, Habitat may provide written notice of such default to Purchasers. If Purchasers fail to remedy such default following the expiration of any applicable statutory cure period, Habitat shall be entitled to all of the rights and remedies afforded by law and, in addition, may proceed to exercise the remedies available under the deeds of trust securing the First Note and the Second Note. Any failure by Habitat to enforce its remedies upon the occurrence of any default under this Agreement shall not be considered a waiver of any of Habitat's rights upon the occurrence of any subsequent default hereunder.

11. This Agreement may be recorded by Habitat in the office of the clerk of the county commission of the county in which the Property is located.

12. This Agreement shall inure to the benefit of and be binding upon the heirs, distributees, personal representatives, successors and assigns of the parties hereto.

[Signatures on following page]

WITNESS the following signatures:

By:

Executive Director

STATE OF WEST VIRGINIA,
COUNTY OF _____, to-wit:

The foregoing Agreement was acknowledged before me this _____ day of _____,
20 __, by _____, the Executive Director of _____,
a West Virginia nonprofit corporation, for and on behalf of the corporation.

My commission expires: _____.

Notary Public

[Notarial Seal]

STATE OF WEST VIRGINIA,
COUNTY OF _____, to-wit:

The foregoing Agreement was acknowledged before me this _____ day of _____,
20 __, by _____ and _____.

My commission expires: _____.

Notary Public

[Notarial Seal]

This form of this Agreement was prepared by David G. Hammond, Attorney at Law, of the Law Firm of Spilman Thomas & Battle, PLLC, 300 Kanawha Boulevard, East, Spilman Center, Charleston, West Virginia 25301.

EXHIBIT A

Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information

Date Issued

Closing Date

Disbursement Date

Settlement Agent

File #

Property

Sale Price

Transaction Information

Borrower

Seller

Lender

WV Housing Development Fund

Loan Information

Loan Term

Purpose

Purchase

Product

Fixed Rate

Loan Type

☒ Conventional ☐ FHA

☐ VA ☐

Loan ID #

Direct Origination

MIC #

Loan Terms

Loan Amount

Can this amount increase after closing?

NO

Interest Rate

0%

NO

Monthly Principal & Interest

See Projected Payments below for your
Estimated Total Monthly Payment

NO

Prepayment Penalty

Does the loan have these features?

NO

Balloon Payment

NO

Projected Payments

Payment Calculation

Principal & Interest

Mortgage Insurance

Estimated Escrow

Amount can increase over time

Estimated Total
Monthly Payment

Estimated Taxes, Insurance
& Assessments

Amount can increase over time
See page 4 for details

This estimate includes

☐ Property Taxes

☐ Homeowner's Insurance

☐ Other:

See Escrow Account on page 4 for details. You must pay for other property costs separately.

In escrow?

Costs at Closing

Closing Costs

\$0

Includes

\$0 in Loan Costs +

\$0 in Other Costs - \$0

in Lender Credits. See page 2 for details.

Cash to Close

\$0

Includes Closing Costs.

See Calculating Cash to Close on page 3 for details.

Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges					
% of Loan Amount (Points)					
B. Services Borrower Did Not Shop For					
C. Services Borrower Did Shop For					
D. TOTAL LOAN COSTS (Borrower-Paid)					
Loan Costs Subtotals (A + B + C)					

Other Costs

E. Taxes and Other Government Fees					
Recording Fees	Deed: \$0 Mortgage: \$0				
F. Prepays					
Homeowners Insurance Premium (mo.)					
Mortgage Insurance Premium (mo.)					
Prepaid Interest (per day from to)			\$0		
Property Taxes					
G. Initial Escrow Payment at Closing					
Homeowner's Insurance	per month for mo.				
Mortgage Insurance	per month for mo.				
Property Tax	per month for mo.				
Aggregate Adjustment					
H. Other					
I. TOTAL OTHER COSTS (Borrower-Paid)					
Other Costs Subtotals (E + F + G + H)					
J. TOTAL CLOSING COSTS (Borrower-Paid)					
Closing Costs Subtotals (D + I)		\$0	\$0	\$0	\$0
Lender Credits					\$0

Calculating Cash to Close

Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (J)	\$1,395.00	\$0	YES
Closing Costs Paid Before Closing	\$0	\$0	NO
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0	NO
Down Payment/Funds from Borrower	\$0	\$0	NO
Deposit	\$0	\$0	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	\$0	NO
Adjustments and Other Credits	\$0	\$0	NO
Cash to Close	\$1,395.00	\$0	

Summaries of Transactions

Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION**K. Due from Borrower at Closing**

- 01 Sale Price of Property
- 02 Sale Price of Any Personal Property Included in Sale
- 03 Closing Costs Paid at Closing (J)

Adjustments**Adjustments for Items Paid by Seller in Advance**

- 04 City/Town Taxes to
- 05 County Taxes to
- 06 Assessments to

L. Paid Already by or on Behalf of Borrower at Closing

- 07 Deposit
- 08 Loan Amount
- 09 Existing Loan(s) Assumed or Taken Subject to
- 10 Seller Credit

Other Credits**Adjustments****Adjustments for Items Unpaid by Seller**

- 11 City/Town Taxes to
- 12 County Taxes to
- 13 Assessments to

CALCULATION

Total Due from Borrower at Closing (K)

Total Paid Already by or on Behalf of Borrower at Closing (L)

Cash to Close ☐ From ☐ To Borrower**SELLER'S TRANSACTION****M. Due to Seller at Closing**

- 01 Sale Price of Property
- 02 Sale Price of Any Personal Property Included in Sale

Adjustments for Items Paid by Seller in Advance

- 03 City/Town Taxes to
- 04 County Taxes to
- 05 Assessments to

N. Due from Seller at Closing

- 06 Excess Deposit
- 07 Closing Costs Paid at Closing (J)
- 08 Existing Loan(s) Assumed or Taken Subject to
- 09 Payoff of First Mortgage Loan
- 10 Payoff of Second Mortgage Loan

Seller Credit

Adjustments for Items Unpaid by Seller

- 11 City/Town Taxes to
- 12 County Taxes to
- 13 Assessments to

CALCULATION

Total Due to Seller at Closing (M)

Total Due from Seller at Closing (N)

Cash ☐ From ☐ To Seller

Additional Information About This Loan

Loan Disclosures

Assumption

If you sell or transfer this property to another person, your lender

- ☐ will allow, under certain conditions, this person to assume this loan on the original terms.
- ☒ will not allow assumption of this loan on the original terms.

Demand Feature

Your loan

- ☐ has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
- ☒ does not have a demand feature.

Late Payment

If your payment is more than 15 days late, your lender will charge a late fee of 5% of the payment, not to exceed \$30.

Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

- ☐ are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- ☐ may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- ☒ do not have a negative amortization feature.

Partial Payments

Your lender

- ☐ may accept payments that are less than the full amount due (partial payments) and apply them to your loan.
- ☐ may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.
- ☐ does not accept any partial payments.

If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account

For now, your loan

- ☒ will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow

Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your escrowed property costs:
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs: You may have other property costs.
Initial Escrow Payment		A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	0.00	The amount included in your total monthly payment.

- ☐ will not have an escrow account because ☐ you declined it ☐ your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow

Estimated Property Costs over Year 1		Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee		

In the future,

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

Loan Calculations

Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.

Finance Charge. The dollar amount the loan will cost you.

Amount Financed. The loan amount available after paying your upfront finance charge.

Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.

Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

0%



Questions? If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Other Disclosures

Appraisal

If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.

Contract Details

See your note and security instrument for information about

- what happens if you fail to make your payments,
- what is a default on the loan,
- situations in which your lender can require early repayment of the loan, and
- the rules for making payments before they are due.

Liability after Foreclosure

If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,

- ☐ state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
- ☒ state law does not protect you from liability for the unpaid balance.

Loan Acceptance

You do not have to accept this loan because you have received this form or signed a loan application.

Refinance

Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

Tax Deductions

If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.

Contact Information

	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name	WV Housing Development Fund				
Address	5710 MacCorkle Avenue SE Charleston, WV 25304				
NMLS ID	198038/MBEX-30034				
License ID	MBEX-30034				
Contact					
Contact NMLS ID					
Contact License ID					
Email					
Phone	800-933-9843				

Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information

Date Issued

Closing Date

Disbursement Date

Settlement Agent

File #

Property

Transaction Information

Borrower

Seller

Lender

WV Housing Development Fund

Loan Information

Loan Term

Purpose

Purchase

Product

Fixed Rate

Loan Type

☒ Conventional ☐ FHA

☐ VA ☐

Loan ID #

Direct Origination

MIC #

Loan Terms

Can this amount increase after closing?

Loan Amount

NO

Interest Rate

0%

NO

Monthly Principal & Interest

See Projected Payments below for your
Estimated Total Monthly Payment

NO

Prepayment Penalty

Does the loan have these features?

NO

Balloon Payment

NO

Projected Payments

Payment Calculation

Principal & Interest

Mortgage Insurance

Estimated Escrow

Amount can increase over time

Estimated Total
Monthly Payment

Estimated Taxes, Insurance
& Assessments

Amount can increase over time
See page 4 for details

This estimate includes

☐ Property Taxes

☐ Homeowner's Insurance

☐ Other:

See Escrow Account on page 4 for details. You must pay for other property costs separately.

In escrow?

Costs at Closing

Closing Costs

\$0

Includes

\$0 in Loan Costs +

\$0 in Other Costs - \$0

in Lender Credits. See page 2 for details.

Cash to Close

\$0

Includes Closing Costs.

See Calculating Cash to Close on page 3 for details.

Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges					
% of Loan Amount (Points)					
B. Services Borrower Did Not Shop For					
C. Services Borrower Did Shop For					
D. TOTAL LOAN COSTS (Borrower-Paid)					
Loan Costs Subtotals (A + B + C)					

Other Costs

E. Taxes and Other Government Fees									
Recording Fees	Deed: \$0 Mortgage: \$0								
F. Prepays									
Homeowners Insurance Premium (mo.)									
Mortgage Insurance Premium (mo.)									
Prepaid Interest (per day from to)						\$0			
Property Taxes									
G. Initial Escrow Payment at Closing									
Homeowner's Insurance	per month for mo.								
Mortgage Insurance	per month for mo.								
Property Tax	per month for mo.								
Aggregate Adjustment									
H. Other									
I. TOTAL OTHER COSTS (Borrower-Paid)									
Other Costs Subtotals (E + F + G + H)									
J. TOTAL CLOSING COSTS (Borrower-Paid)									
Closing Costs Subtotals (D + I)						\$0	\$0	\$0	\$0
Lender Credits									\$0

Calculating Cash to Close

Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (J)	\$1,395.00	\$0	YES
Closing Costs Paid Before Closing	\$0	\$0	NO
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0	NO
Down Payment/Funds from Borrower	\$0	\$0	NO
Deposit	\$0	\$0	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	\$0	NO
Adjustments and Other Credits	\$0	\$0	NO
Cash to Close	\$1,395.00	\$0	

Summaries of Transactions

Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION**K. Due from Borrower at Closing**

- 01 Sale Price of Property
- 02 Sale Price of Any Personal Property Included in Sale
- 03 Closing Costs Paid at Closing (J)

Adjustments**Adjustments for Items Paid by Seller in Advance**

- 04 City/Town Taxes to
- 05 County Taxes to
- 06 Assessments to

L. Paid Already by or on Behalf of Borrower at Closing

- 07 Deposit
- 08 Loan Amount
- 09 Existing Loan(s) Assumed or Taken Subject to
- 10 Seller Credit

Other Credits**Adjustments****Adjustments for Items Unpaid by Seller**

- 11 City/Town Taxes to
- 12 County Taxes to
- 13 Assessments to

CALCULATION

Total Due from Borrower at Closing (K)

Total Paid Already by or on Behalf of Borrower at Closing (L)

Cash to Close ☐ From ☐ To Borrower**SELLER'S TRANSACTION****M. Due to Seller at Closing**

- 01 Sale Price of Property
- 02 Sale Price of Any Personal Property Included in Sale

Adjustments for Items Paid by Seller in Advance

- 03 City/Town Taxes to
- 04 County Taxes to
- 05 Assessments to

N. Due from Seller at Closing

- 06 Excess Deposit
- 07 Closing Costs Paid at Closing (J)
- 08 Existing Loan(s) Assumed or Taken Subject to
- 09 Payoff of First Mortgage Loan
- 10 Payoff of Second Mortgage Loan

Seller Credit

Adjustments for Items Unpaid by Seller

- 11 City/Town Taxes to
- 12 County Taxes to
- 13 Assessments to

CALCULATION

Total Due to Seller at Closing (M)

Total Due from Seller at Closing (N)

Cash ☐ From ☐ To Seller

Additional Information About This Loan

Loan Disclosures

Assumption

If you sell or transfer this property to another person, your lender

- ☐ will allow, under certain conditions, this person to assume this loan on the original terms.
- ☒ will not allow assumption of this loan on the original terms.

Demand Feature

Your loan

- ☐ has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
- ☒ does not have a demand feature.

Late Payment

If your payment is more than 15 days late, your lender will charge a late fee of 5% of the payment, not to exceed \$30.

Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

- ☐ are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- ☐ may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- ☒ do not have a negative amortization feature.

Partial Payments

Your lender

- ☐ may accept payments that are less than the full amount due (partial payments) and apply them to your loan.
- ☐ may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.
- ☐ does not accept any partial payments.

If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account

For now, your loan

- ☒ will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow		
Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your escrowed property costs:
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs: You may have other property costs.
Initial Escrow Payment		A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	0.00	The amount included in your total monthly payment.

- ☐ will not have an escrow account because ☐ you declined it ☐ your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow		
Estimated Property Costs over Year 1		Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee		

In the future,

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

Loan Calculations

Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.

Finance Charge. The dollar amount the loan will cost you.

Amount Financed. The loan amount available after paying your upfront finance charge.

Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.

Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

0%



Questions? If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Other Disclosures

Appraisal

If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.

Contract Details

See your note and security instrument for information about

- what happens if you fail to make your payments,
- what is a default on the loan,
- situations in which your lender can require early repayment of the loan, and
- the rules for making payments before they are due.

Liability after Foreclosure

If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,

- ☐ state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
- ☒ state law does not protect you from liability for the unpaid balance.

Loan Acceptance

You do not have to accept this loan because you have received this form or signed a loan application.

Refinance

Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

Tax Deductions

If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.

Contact Information

	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name	WV Housing Development Fund				
Address	5710 MacCorkle Avenue SE Charleston, WV 25304				
NMLS ID	198038/MBEX-30034				
License ID	MBEX-30034				
Contact					
Contact NMLS ID					
Contact License ID					
Email					
Phone	800-933-9843				