



Helping Overcome Poverty's Existence, Inc.

(formerly Mountain Shelter, Inc.)

P.O. Box 743, 680 W. Main Street, Wytheville, VA 24382

Toll Free: 1-877-818-8680 Phone: (276) 228-6280 Fax: (276) 228-0508

Web site: www.wythehope.org

Homeownership Application Process

GENERAL ELIGIBILITY

To be considered “ready to purchase” for our homeownership program, applicants must:

- ✓ Have a **minimum** household gross income of \$1,500 per month (\$18,000 per year)
- ✓ Have a consistent work history
- ✓ Have a **minimum** credit score of 620
- ✓ Be currently living or relocating to our service area

STEP 1



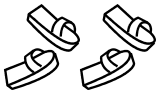
Complete the pre-application form, authorization to obtain credit, and counseling disclaimer – sign and date as required. Schedule your initial consultation with the Homeownership Coordinator at 276-228-6280, Ext. 213 or toll free at 877-818-8680, Ext. 213.

****YOU WILL BE REQUIRED TO PAY FOR ANY CREDIT REPORTS NECESSARY TO PROCESS YOUR APPLICATION. FEES ARE CURRENTLY \$12.33 FOR AN INDIVIDUAL REPORT AND \$20.16 FOR A JOINT REPORT.****

DOCUMENTS TO BRING TO INITIAL CONSULTATION:

- ✓ Completed pre-application form, authorization to obtain credit, and counseling disclaimer
- ✓ Credit report fee (check made payable to HOPE, Inc. or exact cash/change required)

STEP 2



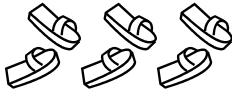
At the initial consultation, the Homeownership Coordinator will review your credit and eligibility to determine your appropriate course of action:

- ✓ Ready to purchase
- ✓ Will be ready to purchase in 90 days
- ✓ Will be ready to purchase in 90-180 days
- ✓ Will be ready to purchase in over 180 days

If you are ready to purchase, continue to Step 3.

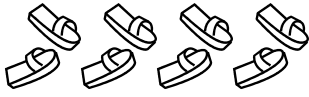
If you will be ready to purchase in 90 days or longer, you will be given the opportunity to participate in one-on-one or group training sessions to improve credits scores, repair credit, budget counseling, debt reduction, or other appropriate training necessary for you to be ready to purchase.

STEP 3



If you are ready to purchase, HOPE will discuss the different purchase options available to you including the amount of house you can afford, down payment, monthly payments, and loan and housing programs. All your questions will be answered and you will have adequate time to decide which option is best for you. You will be under no pressure to make an immediate decision.

STEP 4



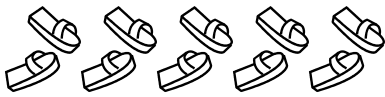
After you decide on the right loan and housing program, HOPE will assist you in completing the loan application and gathering all supporting documentation for submission to underwriting. Required documentation you will need to provide will include:

- ✓ Two (2) most recent paystubs for each borrower
- ✓ Two (2) most recent years W-2's and tax returns
- ✓ Two (2) months most recent bank statements
- ✓ Most recent award letter for Social Security income or disability income
- ✓ Two (2) most recent years end-of-the-year income statements from Social Security
- ✓ Driver's license
- ✓ Signed 502 Direct Loan Disclosure, if applicable

Additional documents required will include the real estate contract, appraisal, title work, loan documents from the lender, etc. NOTE: Documents like the appraisal and title work may require a week or more to receive.

You must also complete a homebuyer's class with HOPE's Housing Counselor. ****A CERTIFICATE OF COMPLETION IS REQUIRED TO CLOSE YOUR LOAN.****

STEP 5



When underwriting approves your loan, a closing will be scheduled at a local title company or attorney's office. All borrowers must attend and sign the documents required to execute the loan. Any down payment required will be due at this time in the form of a cashier's check. After the closing, you will receive the keys to your new home!

CONTACT

Kathi Mineer, Homeownership Coordinator
Phone: (276) 228-6280, Ext. 213
Toll Free: (877) 818-8680, Ext. 213
Fax: (276) 228-0508
Email: homes@wythehope.org



Homeownership Pre-Application Form

STEP 1



Mail to: HOPE, Inc.
P.O. Box 743
Wytheville, VA 24382

Fax to: (276) 228-0508

Email to: homes@wythehope.org

How did you hear about HOPE's Homeownership Program?

- Referral from government agency Referral from financial institution Word of mouth HOPE Direct solicitation
- HOPE Marketing campaign HOPE advertising Advertising by others Walk in Other _____

Applicant Information

Name _____ SS # _____

Preferred contact: Home phone (____) _____ Cell phone (____) _____ Other phone (____) _____

Gender Male Female Hispanic Yes No Prefer not to respond Age _____

Race American Indian/Alaskan Native Asian Black or African American Native Hawaiian/Other Pacific Islander
 White American Indian/Alaskan Native and White Asian and White Black/African American and White
 Other _____ Prefer not to respond

Marital status Married Unmarried Separated

Date of birth _____ Years in school _____ Dependents # _____ Ages _____

Current address _____ Length of time there _____
Home phone # (____) _____

Employer _____ Length _____ Wages \$ _____

Address _____ Phone # (____) _____
Position _____

Previous employer _____ Length _____ Wages \$ _____

Address _____

If income is other than employment, what is the source of income? _____ Amount \$ _____ mo.

Co-Applicant Information

Name _____ SS # _____

Gender Male Female Hispanic Yes No Prefer not to respond Age _____

Race American Indian/Alaskan Native Asian Black or African American Native Hawaiian/Other Pacific Islander
 White American Indian/Alaskan Native and White Asian and White Black/African American and White
 Other _____ Prefer not to respond

Marital status Married Unmarried Separated

Date of birth _____ Years in school _____ Dependents # _____ Ages _____

Current address _____ Length of time there _____
Home phone # (____) _____

Employer _____ Length _____ Wages \$ _____

Address _____ Phone # (____) _____
Position _____

Previous employer _____ Length _____ Wages \$ _____

Address _____

If income is other than employment, what is the source of income? _____ Amount \$ _____ mo.



Homeownership Pre-application Form

STEP 1



Household Information

First-time homebuyer Yes No Veteran Yes No Female head of household Yes No

Family size _____ Elderly persons _____ Children _____ Disabled persons _____

Annual family income: \$ _____

Office Use Only % AMI: _____

Currently Own Rent Amount of payment or rent \$ _____

If renting, name of landlord _____

Address _____

If less than two years, please fill in the following:

Previous address _____ Length of time there _____

Previously Owned Rented Amount of payment or rent \$ _____

How would you rate your credit? **ANY COLLECTIONS, LATES OR NSF'S IN THE PAST 12 MONTHS?** Yes No

Absolutely Perfect (no late payments ever)

Not Great – (a lot of missed payments)

Very Good (a few late payments long ago)

Definitely Not Good – (past due items or collections)

Pretty Good (a few late payments in last 2 years)

Bad – (recent bankruptcy or unpaid judgment)

Date of Discharge? _____

Homeownership Interest

Do you have a contract on a house? Yes No If yes, please complete the following:

Property address: _____

Sales price \$ _____ County _____ How many acres? _____ (up to 3 ok)

What type of house is it? Stick built Modular Manufactured

Are you working with a Realtor? Yes No If yes, who? Name: _____

Company and Phone #: _____

If you do not have a contract on a house, please complete the following:

Do you have a specific house payment you are targeting? Yes No What is target price? _____

Do you have a specific purchase price in mind? Yes No What is the price? _____

Will you occupy the property as your principal residence? Yes No

How many people will live in the house? _____

If refinancing, please complete the following:

Value of subject property: \$ _____

List loan(s) paying off with new loan:

_____ \$ _____

_____ \$ _____



Homeownership Pre-Application Form

STEP 1 

Financial Information

List Checking/Savings Accounts (include 401K accounts)

Bank Name	Account Number	Balance

Vehicles/Motorcycles/boats, etc.

Creditor	Payment	Balance
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
Child Support Paid	\$ _____	\$ _____
TOTALS	\$ _____	\$ _____

I certify that the information provided on this Pre-Application Form is true and correct to the best of my knowledge. I give permission to include this information in reporting databases utilized by HOPE and its partner agencies.

Date

Signature of Applicant

Name (Printed)

Date

Signature of Co-Applicant

Name (Printed)



Authorization to Obtain Credit Information

I hereby grant permission for Helping Overcome Poverty's Existence, Inc. (HOPE) and the Federation of Appalachian Housing Enterprises, Inc. (FAHE) to obtain any and all information deemed necessary to process my mortgage loan application, to obtain any payoffs necessary, and to make changes to the mortgagee clause in my homeowners insurance upon approval of my loan. This information includes, but is not limited to, my present employment status, my federal income tax returns, if required, my deposit account, my past and present consumer credit record, my mortgage record and/or my rental record.

Re-verification Authorization to Obtain Credit Information

HOPE, their successors and/or assigns, as their interest may appear, may re-verify the information or documents used in processing this loan. I hereby authorize release of information to the lender or its designee, by my employer, bank, accountant, mortgage lender, landlord, creditors, and other sources to verify the accuracy of documents and credit information the lender used in deciding whether to approve the loan.

I also grant permission to use a photographic copy of this form containing my signature to obtain any information regarding the items mentioned above.

Date

Signature of Applicant

Name (Printed)

Date

Signature of Co-Applicant

Name (Printed)

Privacy Act Notice: The information to be obtained will be used by the lender and any federal agency insuring, guaranteeing or purchasing the mortgage to determine whether you qualify as a prospective borrower under the lender's and agency's underwriting standards. The information will not be disclosed outside the lender and the federal agency without your consent except to the person or company verifying the information including, but not limited to, your employer, bank, lender and any other credit reference as needed to verify other credit information and as permitted by law. You do not have to give us this information, but if you do not your mortgage loan application may be delayed or rejected. The information we will obtain is authorized by Title 38, U.S.C., Chapter 37 (if VA); and 12 U.S.C., Section 1701 et seq. (if HUD/FHA).



Counseling Disclaimer

As a customer of Helping Overcome Poverty’s Existence, Inc.’s (HOPE) housing counseling services, I/we understand that the assistance provided will be free of charge, with the exception of a fee for pulling a credit report if necessary.

I/we understand that the staff providing the counseling services will not:

- Break their pledge of confidentiality.
- Accept fees from the services they recommend.
- Recommend services in which they or the agency has a financial interest.
- Terminate their counseling relationship without giving the reasons for such termination.
- Provide legal counsel or services, nor any debt consolidation services.
- Steer clients into a loan or contract, and that clients will be given choices of the type of loan and house they may purchase, from this organization, or others.

In consideration for receiving assistance from HOPE’s housing counseling services, I/we hold their staff and board to be free and harmless from any claims, damages, liabilities or injuries arising from these services.

When or if HOPE needs to pull your credit report in order to assess your financial condition either to determine your readiness for homeownership or to assist in the resolution of mortgage delinquency, it is possible that action will have a negative impact on your credit score. HOPE will use this option sparingly and will work to minimize any negative effect on your credit report.

HOPE employs persons who are qualified to provide the services rendered. Please be advised that all HOPE counselors are required to become certified as Housing Counselors, and that HOPE undergoes a biennial performance review to maintain our certification as a U.S. HUD Housing Counseling agency.

HOPE believes strongly in and promotes housing choice. To that end, HOPE does not endorse any realtor, lender or landlord.

Further, I understand that I am not obligated to receive, purchase or utilize any other services offered by HOPE, its exclusive partners, in order to receive housing counseling services.

Applicant

Date

Co-applicant

Date

HOPE Housing counselor

Date



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502 Direct Loan Disclosure

Dear Potential Applicant(s):

After talking with you, we think that a direct Section 502 single family housing loan through the Rural Housing Service (known as the "Agency") is a good housing loan for you. The Rural Housing Service is an Agency of the United States Department of Agriculture.

We **do not** work for the Agency; we are an outside loan application packager. Helping Overcome Poverty's Existence, Inc. (HOPE) will assist you in applying for a loan through the Agency. We do not guarantee that your loan application will be approved or funded by the Agency.

For our services, you will pay a loan application packaging fee of no more than \$500. The fee is due only if the Agency approves you for a loan and the loan goes to closing. Under certain circumstances, part or all of this fee may be included in your loan. Otherwise, we will assist you in finding an alternative means to cover the fee from other sources. To the extent other sources are unavailable, we will waive the fee.

You are not required to work with a loan application packager to receive assistance from the Agency. You may work directly with the Agency and avoid the loan application packaging fee. Working with our organization provides you with the following benefits:

- We will act as a go-between for you and the Agency.
- We will make sure that your paperwork is in order, which should shorten the time it takes for the Agency to make a loan decision.

By signing below, you acknowledge these facts and confirm your desire to work with HOPE.

To begin the process, each adult who will reside in the home must sign an Authorization to Release Information (RD Form 3550-1). This will allow us to obtain credit histories, verification of income received by all household members, and other documents needed for the Agency to make a loan decision. All information collected will be maintained with the highest degree of confidentiality.

We look forward to working with you in preparing an application for an Agency Section 502 direct loan.

Respectfully,

Helping Overcome Poverty's Existence, Inc.

The below is to be completed, signed, and returned by the potential applicant(s).

I/We received this letter on the ____ day of _____, 20____.

*Serving the counties
of Bland, Wythe,
Smyth, Carroll and
Grayson and the
City of Galax.*



Andy Kegley
Executive Director
akegley@wythehope.org

Signature of Applicant

Name (Printed)

Signature of Co-Applicant

Name (Printed)