

## WEST VIRGINIA CODE: §31-18B-3

### **§31-18B-3. Housing development fund to make available state mortgage and industrial development investment pool funds for mortgages on single-family residential units; limitations upon type and size of such mortgages.**

(a) The Housing Development Fund shall make available at the interest rate specified in section six of this article, one half of the moneys from the state mortgage and industrial development investment pool for investment in mortgages on single-family residential units, twenty-five percent of which shall be designated and restricted, for a period of twelve months, to new and never occupied single-family residential units which shall, if not so used, revert to investments in other nonrestricted mortgages. For the purposes of this article, a single-family residential unit means a detached unit on a separate piece of land used solely for the housing of one family, and only one family, which family owns the dwelling and the land or has a mortgage thereupon, and also includes townhouses or row houses used by a family as a residential dwelling, and owned by the family.

(b) Loans made by the Housing Development Fund from the state mortgage and industrial development investment pool are to be made solely for the purpose of purchasing real estate upon which is situate a single-family unit, or for the construction of a single-family residential unit upon real estate by the buyer of such unit to provide housing for only himself and his family, or for the purpose of the payment of a loan theretofore made for the construction of a single-family residential unit, or for the purpose of purchasing real estate upon which is situate a single-family residential unit and making additions or improvements thereto: Provided, That none of these loans shall be used to refinance existing loans, except construction loans or loans made to such units situated in a federal disaster area as so declared by the Federal Emergency Management Agency. Each such loan must be secured by a first mortgage or first deed of trust upon such real property. Such mortgage or deed of trust shall be held by the Housing Development Fund or its assignee.

(c) Loans made pursuant to the provisions of this section may not exceed eighty-five percent of the appraised value of the real estate and single-family residential unit: Provided, That if the loan is for the purchase of a single-family residential unit for the purpose of making additions and improvements thereto, such loan shall be no more than eighty-five percent of the appraised value of the property including such improvements when made, as estimated by an appraiser retained by the fund.

(d) In no event may a loan obtained pursuant to this section be for an amount greater than \$75,000.

(e) Mortgage loans made pursuant to the provisions of this section shall be insured for at least twenty percent of the amount of the loan by either an agency of the federal government or a private mortgage insurance company licensed in the state.