WEST VIRGINIA CODE: §31-18C-17

§31-18C-17. Terms and conditions of loans from veterans' mortgage fund.

No loans shall be made or acquired by the Housing Development Fund except loans to veterans who meet reasonable criteria of creditworthiness as defined by the Housing Development Fund and in accordance with the following terms and conditions, among other terms and conditions which the Housing Development Fund shall require that:

(a) No loan shall be made unless an affidavit shall be executed by the veteran establishing his eligibility and submitted to the Housing Development Fund together with evidence of his or her eligible status;

(b) The proceeds of all loans shall be used only for financing the purchase of residential dwellings by veterans;

(c) All loans shall be repaid in full over a term not to exceed thirty years plus a reasonable construction period in the case of a construction loan, and at a rate of interest determined by the Housing Development Fund, which may set the interest rate to provide a margin over the rate paid on the bonds issued under this article. The difference between the interest rate on the loans and the interest rate on such bonds may be used in whole or in part to defray the expense of administering the program;

(d) The principal amount of each loan shall be limited to the appraised value of the residential dwelling;

(e) Each loan shall be evidenced by a negotiable promissory note executed and delivered by the veteran and shall be secured by a first lien deed of trust upon the residential dwelling financed by the proceeds of the loan, subject only to such exceptions as shall be acceptable to the Housing Development Fund; and

(f) All notes and deeds of trust accepted as security for loans under this article shall be payable to the order of and for the use and benefit of the state.

The Housing Development Fund is hereby empowered and authorized to propose and promulgate such rules and regulations as it determines are necessary or desirable in the administration of the program, including procedural, interpretive, legislative and emergency rules.

WV Legislature