

WEST VIRGINIA CODE: §31-18F-4

§31-18F-4. Terms of program.

(a) Interest. — Interest on a home mortgage loan made pursuant to the provisions of this article shall be one percent less than the federal national mortgage association's delivery rate or one percent less than the interest rate applicable to loans provided by the West Virginia Housing Development Fund's Homeownership Program, whichever is less. If the federal national mortgage association's delivery rate becomes unavailable, the Housing Development Fund shall provide another similar rate to use for the purposes of this section by rule promulgated pursuant to the provisions of this article.

(b) Loan amount. — The maximum amount of a loan made pursuant to the provisions of this article is 100 percent of the value of the statewide allowable purchase price.

(c) Required education program. — The West Virginia Housing Development Fund shall require, as a condition for a loan, that an eligible veteran participate in a first-time home buyer education program approved by the West Virginia Housing Development Fund.

(d) Government guaranty. — A loan made by the West Virginia Housing Development Fund must be secured by a government guaranty, unless the West Virginia Housing Development Fund makes a determination that the use of conventional mortgage insurance requirements and coverage will satisfy security requirements.

(e) Minimum amount of veteran monetary payment. — An eligible veteran shall participate in a loan by paying a minimum amount of \$2,500, unless the West Virginia Housing Development Fund provides, by legislative rule promulgated pursuant to the provisions of this section, circumstances under which a smaller minimum amount may be allowed. An eligible veteran may use this minimum payment toward paying closing costs and may borrow from the program the maximum loan amount allowed by the mortgage insurer for the loan.

(f) Income limitations. — There is no limit on the maximum amount of income that may be earned by an eligible veteran in order to qualify for the program.

(g) In order to allow small financial institutions to participate equitably in the program along with large financial institutions, the West Virginia Housing Development Fund may adopt rules to specify the maximum amount of mortgage loans that may be made by any one participating financial institution.

(h) The Legislative Auditor shall have access to all documentation used for the purpose of the program.

(i) The West Virginia Housing Development Fund shall annually submit to the Joint Committee on Government and Finance a report describing, at a minimum, the operation

and use of this program. This report shall be due no later than December 1 of each year and may be combined with other reports submitted by the West Virginia Housing Development Fund to the Legislature.