WEST VIRGINIA CODE: §31-18F-5

§31-18F-5. West Virginia Veterans’ Home Loan Mortgage Fund.

(a) The board of directors of the West Virginia Housing Development Fund shall create and establish the West Virginia Veterans' Home Loan Mortgage Fund. The fund shall be a special revolving fund of moneys made available by contribution or loan, and to be governed, administered, and accounted for by the directors, officers, and managerial staff of the Housing Development Fund as a public purpose trust account separate and distinct from any other moneys, funds or funds owned and managed by the Housing Development Fund. The purpose for organizing and operating the fund shall be to provide a source from which the Housing Development Fund may implement the provisions of this article.

(b) The Housing Development Fund shall administer the West Virginia Veterans’ Home Loan Mortgage Fund and service the mortgage loans made pursuant to the program.

(c) The West Virginia Housing Development Fund shall receive all moneys transferred to the fund pursuant to §36-8-13(f) of this code, any other moneys to be deposited into the fund, and any repayments and interest paid to the fund.

(d) As a loan pursuant to this article is repaid, the principal payments on the loan must be redeposited in the fund until all the principal of the loan is repaid. In the event of foreclosure, the proceeds from the sale of the foreclosed property must be deposited to the fund. The fund may be used to cover the initial purchase of the mortgage loans from participating lenders as well as amounts determined by the Housing Development Fund, to pay for the origination and servicing release fees of a loan by a participating financial institution and to cover the holding costs of any foreclosed properties. Interest received on the loans may be used by the Housing Development Fund to pay the reasonable costs for the administration of the program and servicing of the loans. Remaining interest received on the loan must be deposited into the fund.

(e) Following the initial origination of loans, loan repayments and any interest earnings of the fund may be used by the Housing Development Fund to originate additional program loans or to assist in the development of affordable housing units for the benefit of veterans.

(f) The West Virginia Housing Development Fund may invest and reinvest all moneys in the Veterans’ Home Loan Mortgage Fund in any investments authorized under §31-18-6 of this code pending the disbursement thereof in connection with the Veterans' Home Loan Mortgage Fund.

(g) The West Virginia Housing Development Fund will operate the Veterans' Home Loan Mortgage Fund in accordance with customary practices of mortgage lending and loan servicing, including originating loans through qualified lending institutions, industry standard underwriting, minimum down payments, house purchase prices, mortgage lien

WV Legislature

position, loan origination, and loan servicing fees like the West Virginia Housing Development Fund's Homeownership Program or similar program.

WV Legislature