



House-A-Vet Initiative

Mortgage-Free Donation Program Disclosures and Statement

ABOUT VAREP. The USA Homeownership Foundation, Inc. DBA Veterans Association of Real Estate Professionals (VAREP), is a non-profit dedicated to increasing sustainable homeownership and Financial Literacy Education for the active-military, and veteran low-to-moderate income (LMI) communities. We provide free education workshops and a full spectrum of housing counseling including, without limitation, pre-purchase and foreclosure prevention counseling. We serve all clients regardless of income, race, color, religion/creed, sex, national origin, age, family status, disability, or sexual orientation/gender identity. We administer our programs in conformity with local, state and federal anti-discrimination laws, including the federal Fair Housing Act (42 USC 3600, et seq.). As a housing counseling program participant, please affirm your roles and responsibilities along with the following disclosures and initial, sign and date the form on the following page.

HOUSE-A-VET PROGRAM OVERVIEW. The House-a-Vet initiative was developed to give qualified active-military, veterans, surviving spouses, first-responders, and low-to-moderate income candidates an opportunity at homeownership. Blighted homes are revitalized into bright spots within the community. Our process creates jobs, produces responsible homeowners, and shows appreciation to our heroes.

MORTGAGE FREE PROPERTY DONATION. VAREP accepts property donations from financial institutions in order to facilitate military, veteran, first-responders, surviving spouse, and low-to-moderate (LMI) owner-occupied homeownership. Veteran jobs are created during the property rehabilitation process as we try to hire veteran-owned construction crews. After rehabilitation, properties are marketed to wounded warriors, veterans, surviving spouses, and first responders as a mortgage-free property donation. Heroes are vetted by an application and interview process.

PROGRAM ELIGIBILITY:

- Must be a wounded warrior, veteran, surviving spouse, or first responder.
- Must complete “House a Vet” Intake Application and home must be primary residence.
- Must complete \$99.00 online financial management and home buyer education classes.
- All participants must have income for utilities, property taxes, homeowner’s insurance, Homeowner Association (If applicable), living expenses, and savings account contribution.
- Must consent to credit and criminal background checks.
- All participants of the mortgage-free donation are required to participate in a three-year financial and homeownership mentoring/counseling program.
- A three-year deed restriction from the date of recordation will be placed on title to ensure successful completion of financial mentorship program, successful homeownership, and restricts a title transfer.

ONLINE FINANCIAL MANAGEMENT AND HOMEOWNERSHIP COURSE. House a Vet program participants are required to take an online Home Buyer Education curriculum through eHomeAmerica. The eHomeAmerica curriculum that is based on the nationally recognized eight hour NeighborWorks® America curricula--Realizing the American Dream. The online curriculum topics include: Are You Ready to Buy a Home, Budgeting and Credit Shopping for a Home, Getting a Mortgage Loan, and Keeping Your Home and Managing Your Finances. The online course takes approximately 8 hours to complete and requires a registration fee of \$99.00. Participants are able to navigate through the course and its many interactive videos, readings, quizzes and exams. After taking the online course, participants will be connected to a VAREP housing counselor. This will ensure that participants receive the one-on-one counseling necessary to empower responsible homeownership.

INCOME AND BUDGET REQUIREMENT. Financial stability is a key in responsible homeownership. Donee will provide Donor with verifiable income documentation. Donee will fill out a monthly household budget. The budget will contain all income and expenses including property taxes and homeowner's insurance. Verifiable income must cover all living expenses including a small monthly savings contribution to be determined and agreed upon between VAREP Counselor and Donee.

CREDIT CHECK. Donee must consent to and pay for a credit check provided by Prestige Financial, PO Box 174, Etiwanda, CA 91739. Donee is responsible for cost of \$15.00. Donor will review the credit report with Donee with the purpose of providing Donee with credit counseling plan that will maintain or improve Donee's credit score over a three-year period.

CRIMINAL BACKGROUND CHECK. Donee must consent to and pay for a criminal background check. Donee is responsible for the cost of \$60.00. Donor will review the criminal background findings with Donee. Felonies are an automatic disqualification from the mortgage-free property donation program.

FINANCIAL AND HOMEOWNERSHIP MENTORING/COUNSELING PROGRAM. The purpose of the mentorship/counseling program is to provide one-on-one counseling to help Donee strengthen the understanding of good financial habits and responsible homeownership.

Counselor's Roles and Responsibilities.

- Reviewing your housing goals and your finances; which include your income, debts, assets and credit history.
- Preparing a Client Action Plan that lists the steps that you and your counselor will take in order to achieve your housing goal.
- Preparing a household budget that will help you manage your debt, expenses and savings. Your counselor is not responsible for achieving your housing goal, but will provide guidance and education in support of your goal.
- Neither the counselor nor VAREP employees, agents, officers, nor members may provide legal advice.

Donee's Roles and Responsibilities.

- Completing the steps assigned to you in your Client Action Plan.
- Providing accurate information about your income, debts, expenses, credit and employment.
- Attending meetings, returning calls, providing requested paperwork in a timely manner.
- Notifying VAREP or your counselor when changing housing goal.
- Attending educational workshop(s) (i.e. pre-purchase counseling workshop) is recommended.
- Retaining an attorney if seeking legal advice and/or representation in matters such as foreclosure or bankruptcy protection.

The three-year mentoring program is from the date of recordation. Donee will engage with housing counsellor on a monthly call to ensure the Client Action Plan is executed. Successful completion is defined as measurable credit score increases, and reaching saving's goals as set forth by the Client Action Plan.

DEED RESTRICTION. "The property must be used for providing housing to an active-military or veteran including family members for the first three years from the date of recordation. If the Donee attempts to circumvent this restriction by either not using the property for the purpose of by transferring title to another party for the first three years from the date of recordation, then Donor has the right to retake title on the property. Donor has three years from recordation date to exercise their right to retake title if it is discovered that a violation of the deed restriction has occurred, otherwise the deed restriction will lapse, regardless if a violation of the restriction has occurred."

SPECIAL CONDITIONS. Donee acknowledges that Donor obtained the Property by a property donation from a financial institution through the foreclosure, repurchase, or a deed in lieu of Foreclosure process.

NON-OCCUPANCY OF PROPERTY. Neither Donor nor any person acting as Donor's representative or agent has occupied the Property. Donor will not provide a property condition disclosure because Donor has insufficient current knowledge of the physical condition of the property.

PROPERTY REHABILITATION DISCLOSURE. Donor contracted with third-party construction service companies to cosmetically and/or structurally rehabilitate the property including but not limited to drywall, painting, siding, fixtures and appliances, electrical, plumbing, roofing, flooring, framing, and carpentry. Donor neither warrants nor represents that the Property or any alterations or additions which may have been made to the Property past or present conform to local building codes, zoning requirements or any other applicable laws, rules or regulations. All fixtures and personal property that remain in the property at the date of closing are being sold in AS IS CONDITION. Donor makes no warranties as to the condition of fixtures and personal property including, but not limited to: fixtures, heating, electrical, plumbing and well systems, and appliances.

PROPERTY CONDITION. Donee hereby expressly acknowledges and agrees that Donee is accepting the Property on an “AS IS, WHERE IS” and “WITH ALL FAULTS” basis and not on any information provided or to be provided by Donor. It is further agreed that Donor has not warranted, and does not hereby warrant the Property and any improvements located thereon now or in the future will meet or comply with the requirements of any safety code or regulation of the state, city, or county in which the Property is located, or any other authority or jurisdiction.

AGENCY CONDUCT. No VAREP employee, officer, member, contractor, volunteer, or agent shall undertake any action that might result in, or create the appearance of, administering counseling operations for personal or private gain, provide preferential treatment for any person or organization, or engage in conduct that will compromise our agency’s compliance with federal regulations and our commitment to serving the best interests of our clients.

ALTERNATIVE SERVICES, PROGRAMS AND PRODUCTS & CLIENT FREEDOM OF CHOICE: VAREP may refer you to lenders, real estate agents, landlords, or other third parties in connection with the sale or refinance of your real property or in connection with your relocation from your residence. However, you are not obligated to participate in this or other VAREP programs and services while you are receiving housing counseling from our agency. You may consider seeking alternative products or services from entities including the Federal Housing Administration (“FHA”) for first-time homebuyer loan programs, and the California Housing Finance Agency or the National Homebuyers Fund for other first-time homebuyer programs. You are entitled to choose whatever real estate professionals, lenders and lending products that best meet your needs.

ERRORS AND OMISSIONS AND DISCLAIMER OF LIABILITY. I/we agree VAREP, its employees, agents and members are not liable for any claims and causes of action arising from errors or omissions by such parties, or related to my participation in VAREP counseling; and I hereby release and waive all claims and causes of action against VAREP and its affiliates. I have read this document, understand that I have given up substantial rights by signing it, and have signed it freely and without any inducement or assurance of any nature and intend it to be a complete and unconditional release of all liability to the greatest extent allowed by law. If any provision of this document is unenforceable, it shall be modified to the extent necessary to make the provision valid and binding, and the remainder of this document shall remain enforceable to the full extent allowed by law.

QUALITY ASSURANCE. In order to assess client satisfaction and in compliance with grant funding requirements, VAREP, or one of its partners, may contact you during or after the completion of your housing counseling service. You may be requested to complete a survey asking you to evaluate your client experience. Your survey data may be confidentially shared with VAREP grantors such as HUD or the Veterans Administration (VA)

PRIVACY POLICY. A copy of VAREP's Privacy Policy, attached hereto as Exhibit "A."

I/we acknowledge that I/we received, reviewed and agree to VAREP's Mortgage Free Property Donation Program Disclosures.

Applicant Signature _____ Date _____

Co-Applicant's Signature _____ Date _____

**EXHIBIT A
Privacy Policy**

VAREP is committed to assuring the privacy of individuals and/or families who have contacted us for assistance. We realize that the concerns you bring to us are highly personal in nature. We assure you that all information shared both orally and in writing will be managed within legal and ethical considerations. Your “nonpublic personal information,” such as your total debt information, income, living expenses and personal information concerning your financial circumstances, will be provided to creditors, program monitors, and others only with your authorization and signature on the Authorization for Release of Information. We may also use anonymous aggregated case file information for the purpose of evaluating our services, gathering valuable research information and designing future programs.

Types of information that we gather about you

- Information we receive from you orally, on applications or other forms, such as your name, address, social security number, assets, and income;
- Information about your transactions with us, your creditors, or others, such as your account balance, payment history, parties to transactions and credit card usage; and
- Information we receive from a credit reporting agency, such as your credit history.

Release of your information to third parties

- We may disclose some or all of the information that we collect, as described above, to your creditors or third parties where we have determined that it would be helpful to you, would aid us in counseling you, or is a requirement of the federal assistance funding this program.
- We may also disclose any nonpublic personal information about you or former customers to anyone as required by law (e.g., if we are compelled by legal process).
- Within the organization, we restrict access to nonpublic personal information about you to those employees who need to know that information to provide services to you. We maintain physical, electronic and procedural safeguards that comply with federal and state regulations to guard your nonpublic personal information.

RELEASE. I hereby authorize VAREP to release nonpublic personal information it obtains about me to my creditors and any third parties necessary to provide me with the services I request. I acknowledge that I have read and understand the above privacy practices and disclosures.

Signature: _____
Printed Name: _____
Date: _____

Signature: _____
Printed Name: _____
Date: _____