



phone: 865.828.5927
toll-free: 800.814.6355
fax: 865.828.5212
www.clinchpowell.net

Dear Borrower(s):

Thank you for your interest in Clinch-Powell's High-Cost Mortgage Counseling program. This program has been structured to meet the requirements established with the mortgage regulations (12 CFR parts 1024 and 1026: High-Cost Mortgage and Homeownership Counseling Requirements to the Truth in Lending act (Regulation Z) and Homeownership Counseling Amendments to the Real Estate Settlement Procedures Act (Regulation X)) that went into effect on January 10, 2014. These regulations require borrowers to receive housing counseling prior to closing on certain types of loans and lines of credit that do not meet certain guidelines.

The High-Cost Mortgage Counseling Program cost is \$175.00 for a one (1)-hour counseling session. Within this counseling session, a housing counselor will discuss your individual financial analysis, review the particular loan terms and conditions, and verify that all required disclosures have been provided to you. After all the benchmarks of the Homeownership Counseling have been met, a certificate of completion will be provided to your lender.

High-Cost Mortgage Counseling can be completed in-person or over the phone. Whichever method is chosen, program participants are expected to furnish the requested information, documentation, and fee at least 48 hours/ 2 business days ahead of appointment so that one of our housing counselors may complete an individualized financial analysis and prepare for your counseling session. Contact our office to schedule the appointment.

***WHAT YOU WILL NEED TO PROVIDE US:** (at least 2 business days before your budget counseling session)

- Completed & **signed Intake packet** (enclosed → 5 pages, including budget sheet)
- Copy of a recent paystub or award letter from each adult member of the household
- Signed* Authorization form (enclosed)
- Copy of a minimum of 1 month's full bank statements for each borrower (all accounts, all numbered pages)
- Copy of your Loan Estimate or Good Faith Estimate Disclosure
- Copies of ALL other disclosures you received from your lender for this loan (*note: if you are having your lender send these to us, you must either initial any pages that are not already signed or write and sign a cover page stating that you, the borrower, did in fact receive each of these disclosures from your lender*)
- \$175.00 fee
 - Paid in person at 7995 Rutledge Pike in Rutledge, TN or mailed to Clinch-Powell R C & D, Attn: Homeownership Counseling Program; P.O. Box 379; Rutledge, TN 37861 (must be received prior to appointment)
 - Money orders or cashier's check should be made out to *Clinch-Powell*
 - *Note: If you pay with a personal check, the check must successfully clear prior to counseling—please ~~after~~ the additional time.*
 - Credit/Debit payments by phone. *Please note there is an additional processing fee for electronic payments.*

You can send us your Intake packet, forms, information, by mail (PO Box), fax, or hand-delivery using the contact information at the bottom of the page. You may also scan and e-mail your paperwork directly to suzie@clinchpowell.net or elizabeth@clinchpowell.net .

We look forward to working with you!

HIGH-COST MORTGAGE COUNSELING FORM



| BORROWER INFORMATION | CO-BORROWER INFORMATION |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name _____ <small style="text-align: center;">First Middle Last</small> | Name _____ <small style="text-align: center;">First Middle Last</small> |
| Birth date _____ Age _____ | Birth date _____ Age _____ |
| Last 4 of Social Security Number: <u>XXX-XXX-</u> _____ | Last 4 of Social Security Number: <u>XXX-XXX-</u> _____ |
| Home/Cell Phone (_____) _____ | Home/Cell Phone (_____) _____ |
| E-mail Address _____ <small><i>By providing an e-mail address, you attest it's secure & you can & will check it regularly</i></small> | E-mail Address _____ <small><i>By providing an e-mail address, you attest it's secure & you can & will check it regularly</i></small> |
| <small>OPTIONAL DEMOGRAPHIC INFO:</small> | <small>OPTIONAL DEMOGRAPHIC INFO:</small> |
| Sex: <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Prefer not to answer | Sex: <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Prefer not to answer |
| Race: <input type="checkbox"/> Black or African American <input type="checkbox"/> Asian <input type="checkbox"/> Native Hawaiian or Pacific Islander <input type="checkbox"/> Native-American or Alaskan Native <input type="checkbox"/> White <input type="checkbox"/> Other <input type="checkbox"/> Prefer not to answer | Race: <input type="checkbox"/> Black or African American <input type="checkbox"/> Asian <input type="checkbox"/> Native Hawaiian or Pacific Islander <input type="checkbox"/> Native-American or Alaskan Native <input type="checkbox"/> White <input type="checkbox"/> Other <input type="checkbox"/> Prefer not to answer |
| Ethnicity: <input type="checkbox"/> Hispanic <input type="checkbox"/> Non-Hispanic | Ethnicity: <input type="checkbox"/> Hispanic <input type="checkbox"/> Non-Hispanic |
| Disabled: <input type="checkbox"/> No <input type="checkbox"/> Yes <u>Veteran</u> : <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> Active duty | Disabled: <input type="checkbox"/> No <input type="checkbox"/> Yes <u>Veteran</u> : <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> Active duty |
| Highest Level of Education Obtained: _____ | Highest Level of Education Obtained: _____ |
| Marital Status: <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed <input type="checkbox"/> Never married <input type="checkbox"/> Cohabiting <input type="checkbox"/> other | |
| Family Size _____ # of Dependents _____ Ages of Dependents _____, _____, _____, _____, _____ | |
| Street Address _____ How long at residence? _____ | |
| City/State/Zip-Code _____ County _____ | |
| Describe your current residence: <input type="checkbox"/> Apartment <input type="checkbox"/> Duplex <input type="checkbox"/> House <input type="checkbox"/> Mobile home <input type="checkbox"/> Living with Family/Friends | |

TERMS AND CONDITIONS

I/we hereby authorize Clinch-Powell RC&D, when appropriate, to share information with USDA Rural Development, TN Housing Development Agency, Department of Housing & Urban Development, my lender, or another relevant third party or partnering agency for the purposes of program monitoring, compliance, and evaluation. And in furtherance of the aforementioned purposes, I authorize Clinch-Powell to contact me at a later date to update the information in my housing counseling file.

I/We, certify that all the information I have provided is complete, correct and true to the best of my knowledge. I understand that my counselor will base my individualized counseling on the information I have provided. Providing false or misleading information may result in the rejection of my application and/or the withholding of a completion certificate I have been made aware that the completion of an individual housing counseling session and providing appropriate documentation is required. I also understand that the completion of this program in no way guarantees me a house or the loans/funds to purchase one. And further, that Clinch-Powell is an independent entity that does not have control or influence on the decisions of my (potential) lender.

I/We understand there are mandatory fees associated with Clinch-Powell's housing counseling services, and I am aware of the specific costs of this particular High-Cost Mortgage Counseling service. I further understand that payment is due in full before the start of the service. The full receipt of payment for services alone does not constitute course completion or justify a certificate of completion. I also understand that if payment/fees create a financial hardship for me, I may, and should bring this to my counselor's attention and apply for a fee adjustment. If I provide specific account information for electronic payment, I authorize Clinch-Powell to utilize it for my expressed purposes (provided by me either written or verbally). I understand checks must clear before payment will be credited, there is \$30 fee for insufficient funds, and that any money previously owed to Clinch-Powell must be reconciled before new services may begin.

The goal of Clinch-Powell's Homeownership Counseling program is to adequately prepare me for the challenges of entering into a financial arrangement involving a high-cost mortgage and owning a home to the best of the instructor(s)'s abilities. While the program may strive to provide a variety of relevant information, the program does not assume the same level of expert knowledge available from professionals in their respective disciplines. As such, I understand that the information bestowed to me through this program in no way replaces or assumes comparability to that of: a tax professional/CPA, loan officer, financial/estate planner, contractor, psychologist, marriage counselor, real estate agent, or lawyer (bankruptcy, property, divorce, tax, or otherwise).

I also understand that it is my responsibility to provide Clinch-Powell and my (potential) lender with up to date contact information and accurate information. It is my responsibility to communicate with my lender regarding the status of my course process/completion. I authorize Clinch-Powell to contact me by any method I have provided. I understand Clinch-Powell has no control over the security of communication methods outside of its internally owned communication portals, and is therefore not responsible for external security breaches.

Lastly, I acknowledge that this application is specifically for High-Cost Mortgage Counseling - and is NOT a loan application. The information provided within this application or in my counseling sessions will only be provided to the loan officer I have specified in this application.



BORROWER

DATE



CO-BORROWER

DATE



DISCLOSURE & CONFLICT OF INTEREST

Clinch-Powell RC & D Council is a non-profit Community Housing Development Organization and a HUD-approved counseling agency (82394) that, among other activities, helps families with affordable housing goals. Most services are available in alternative formats and locations upon request.

Clinch-Powell receives funding for its housing programs through grants and loans from a number of sources, including but not limited to: USDA Rural Development, US Dept. of Housing & Urban Development [HUD], Corporation for National and Community Service, Federal Home Loan Bank, the Environmental Protection Agency, Tennessee Housing Development Agency, Fahe/ Just Choice Lending, Citizens Bank & Trust Co. of Grainger County, BB&T Bank, SunTrust Bank, public fundraising, and private donations.

As a housing counseling agency, Clinch-Powell offers the following services: 1) Pre-Purchase Homebuyer Education Workshops-- utilizing the *Realizing the American Dream* curriculum; 2) Pre-Purchase Counseling -- financial readiness to purchase/own an affordable home; 3) Post-Purchase Counseling and Workshops-- non-delinquency home improvement, energy efficiency; 4) Foreclosure Prevention/ Loss Mitigation Counseling—assisting to resolve mortgage defaults; 5) Rental Counseling--locating safe/decent rental housing; 6) Household Budgeting & Credit Repair Counseling and Workshops--financial literacy and personal money management; 7) High-Cost Mortgage Counseling -- requirement of certain mortgage loans to ensure borrower's understanding of the risk of the loan. Clinch-Powell, along with Clinch-Powell Construction Company develops affordable single-family homes to sell to low- to moderate- income families. In addition to coordinating the packaging and servicing of select loan products, Clinch-Powell itself occasionally offers low-interest loans and grants for various affordable housing activities. Clinch-Powell NMLS #195063; S. Karge NMLS#: 2403630. Please visit

<http://mortgage.nationwidelicencingsystem.org/> to find more information regarding history and profile as a mortgage lender. Lastly, Clinch-Powell is a property manager for a multi-family low-income apartment building, as well as, multiple single-family rental housing units which it also owns.

In providing counseling services, Clinch-Powell housing counselors will present to their clients several options in the furtherance of their housing goal/service, possibly including recommendations of some of the above listed services. The Clinch-Powell housing counselor will recommend only services that are in the best interest of the client, and will inform the client of any interests the organization has in any particular product or service. Within the agency, individual housing counselors may perform multiple affordable housing activities within the scope of their regular job duties, and as such, will not receive any additional funds or incentives specifically for those activities. Moreover, as per HUD guidelines, housing counselors will not simultaneously participate in specific housing activities.

As the client, you have the right to inquire as to specific relationships Clinch-Powell or its employees have with other entities. You also have the right to choose (or not) the products or services that you feel are right for your household, regardless of any option presented or recommendation made by the housing counselor. **YOU ARE UNDER NO OBLIGATION TO UTILIZE/RECEIVE, OR EVEN CONTINUE WITH SERVICES THROUGH YOUR HOUSING COUNSELOR OR CLINCH-POWELL AS A WHOLE.** Your decision to utilize or not utilize certain programs and products will not in any way affect your housing counseling service. If you decide to discontinue services with Clinch-Powell, or if your need is beyond the scope of the agency's capabilities, Clinch-Powell staff will assist you locating a more suitable local agency.

If you/your housing situation meet certain criteria, we may collect personal information directly from you and enter into a computer system call HMIS (Homeless Management Information System). Many agencies that provide assistance use this computer system to gather information about clients that are homeless or at risk of homelessness. We only collect information that we consider to be appropriate. You are not required to provide this information. However, without your information we may not be able to fully assist your needs. All information provided to the HMIS system is safeguarded and held under tightest security.

Clinch-Powell Resource Conservation and Development Council is a 501(c)(3) non-profit organization. All programs of the RC&D are available without regard to race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, reprisal or retaliation for prior civil rights activity, in any program or activity conducted, or because the applicant has in good faith exercised any right under the Consumer Credit Protection act. The federal agencies that administer compliance with these laws are: U.S. Department of Justice, Civil Rights Division, 950 Pennsylvania Avenue, NW Washington, D.C. 20530-000; Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, D.C.



PRIVACY POLICY NOTICE

We may collect non-public personal information about you from the following sources: A) Information that you provide to us orally or written, such as on applications or other forms; B) Information about your transaction with us or others; and C) Information from others, such as credit bureaus, real estate appraisers, lenders and employers.

We do not disclose any non-public personal information about you without your consent to anyone, except:

- information provided to your lender as required to gain approval for a loan or protect your current home,
- to government agencies and grantors in compliance with their respective monitoring and reporting requirements,
- in broader forms to partnering agencies for reporting purposes, joint applications, and/or compilation of statistical data,
- as required by law.

To maintain security of customer information, we restrict access to your personal and account information to persons who need to know that information in order to provide you products and services requested with this application. We may disclose certain limited information to relevant third parties as part of a particular service as further described in the specific program authorization. We maintain physical, electronic and procedural safeguards that comply with federal standards to guard your non-public personal information. As a client, you have the right to opt-out and direct us to withhold non-public personal information from third parties, or to specify/limit to whom such information is provided. If you choose to opt-out, we will not be able to answer questions from third parties. To opt-out, you will need to make special note of this on this page, written separately, or explicitly stated to your counselor; not signing this page is not sufficient to opt-out. If at any time, you wish to change your decision with regard to your opt-out, you may call us at 865-828-5927 and do so.

If you decide to discontinue services through Clinch-Powell, we will still adhere to the policies and practices as described in this notice. The agency will continue to safely maintain your records for a period of time, of at least three (3) years, after which all digital files will be purged and paper documents will be shredded and destroyed.

I have been provided a copy of, fully read, and understand the information within this disclosure, as well as, Clinch-Powell RC & D's policies regarding conflicts of interest and the confidentiality of client information as state above.



BORROWER

DATE

CO-BORROWER

DATE

Monthly Household Expenses Worksheet

You may edit budget outline or make notes as needed. Complete this based on your **CURRENT expenses (BEFORE the new loan).

| CATEGORY | ITEM | (AVERAGE) MONTHLY COST | NOTES |
|----------|------|------------------------|-------|
|----------|------|------------------------|-------|

| | | | |
|-------------------------|----------------------------------------------------------------------|--|----------------------------------------------------------------------------------------------------------------------------------------------------|
| HOUSING EXPENSES | Rent or Mortgage | | Escrowed? <input type="checkbox"/> No <input type="checkbox"/> Yes or annual amount: _____ or annual amount: _____ # of phones: _____ |
| | Renters Insurance or Homeowner Insurance | | |
| | Property Taxes or Lot Rent | | |
| | Electricity | | |
| | Wood /Coal /Oil /Gas (Propane) | | |
| | Water/Sewer | | |
| | Satellite/ Cable | | |
| | Internet &/or Landline Telephone <i>(If not included w/ cable ↑)</i> | | |
| | Cell Phone(s) | | |
| | Property Upkeep | | |

SUBTOTAL:

| | | | |
|------------------------|-----------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------|
| LIVING EXPENSES | Food | Grocery <i>(Not including Food Stamps)</i> | or semiannual amount: _____ Garnished? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | | Restaurant/ Fast food/ Coffee | |
| | Laundry/Cleaning & Toiletries | | |
| | Clothing, etc. | | |
| | Transportation <i>(gasoline, car maintenance, bus fare)</i> | | |
| | Auto Insurance | | |
| | Life Insurance <i>(Not already deducted from pay)</i> | | |
| | Medical (any) Insurance <i>(Not already deducted from pay)</i> | | |
| | Medical/ Dental & Prescription Expenses | | |
| | Child Support and/or Daycare <i>(Not including Families 1st)</i> | | |
| | OTHER: _____ | | |

SUBTOTAL:

**List additional debts and lines of credit on another sheet if needed.*

| | ↓ COMPANY NAME ↓ | TOTAL BALANCE OWED | INTEREST RATE | MONTHLY PAYMENT | WILL THIS DEBT BE PAID W/ NEW LOAN? | ALLOWABLE MINIMUM PAYMENT | # OF MONTHS TO PAY OFF |
|---------------------------------|-------------------------------|--------------------|---------------|-----------------|-------------------------------------|---------------------------|------------------------|
| MONTHLY INSTALLMENT DEBT | Auto Payments: | | | | | | |
| | Auto Payments: | | | | | | |
| | Credit Card: | | | | | | |
| | Other: _____: | | | | | | |
| | Other: _____: | | | | | | |
| | Other: _____: | | | | | | |
| | Cash Advance/Payday loans: | | | | | | |
| | Appliance/Furniture Payments: | | | | | | |
| | Student Loan Payments: | | | | | | |

SUBTOTAL:

| | | |
|------------------------------|----------------------------------------------------------------|--|
| Etc. MONTHLY EXPENSES | School Expenses | |
| | Recreation <i>(movies, hobbies, trips, etc..)</i> | |
| | Charity/Church/Gifts | |
| | Pet Care <i>(food, grooming, vet)</i> | |
| | Beauty & Personal Grooming <i>(Haircuts, manicures, etc..)</i> | |
| | Cigarettes, Tobacco, &/Or Alcohol | |
| | OTHER: _____ | |

SUBTOTAL:

TOTAL MONTHLY EXPENSES =

Note if any money is routinely set aside for **SAVINGS** →

Monthly Household Income Worksheet

| BORROWER EMPLOYMENT | CO-BORROWER EMPLOYMENT |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Current occupation _____ Employer _____ Start Date _____ Income: _____/hr <input type="checkbox"/> Full-Time <input type="checkbox"/> Part-Time <input type="checkbox"/> Seasonal Average hours worked per week: _____ <u>How often do you get paid?</u> <input type="checkbox"/> Weekly <input type="checkbox"/> Bi-weekly <input type="checkbox"/> 2x per month <input type="checkbox"/> Monthly + <input type="checkbox"/> Overtime <input type="checkbox"/> Tips/commission <input type="checkbox"/> Bonuses Do you receive benefits through this job? <input type="checkbox"/> No <input type="checkbox"/> Yes | Current occupation _____ Employer _____ Start date _____ Income: _____/hr <input type="checkbox"/> Full-Time <input type="checkbox"/> Part-Time <input type="checkbox"/> Seasonal Average hours worked per week: _____ <u>How often do you get paid?</u> <input type="checkbox"/> Weekly <input type="checkbox"/> Bi-weekly <input type="checkbox"/> 2x per month <input type="checkbox"/> Monthly + <input type="checkbox"/> Overtime <input type="checkbox"/> Tips/commission <input type="checkbox"/> Bonuses Do you receive benefits through this job? <input type="checkbox"/> No <input type="checkbox"/> Yes |
| <i>*for 2nd job –if applicable</i> | <i>*for 2nd job –if applicable</i> |
| Current occupation _____ Employer _____ Start Date _____ Income: _____/hr or salary | Current occupation _____ Employer _____ Start Date _____ Income: _____/hr or salary |

◆ PAYCHECK SUMMARIES

INSTRUCTIONS: For each person that earns an hourly wage and/or receives tips, commission, bonuses, etc., complete a table with the information from 4 paychecks. Remember: you will still need to provide a copy of at least 1 paystub; it should be a paystub that has been referenced in the summary table.

| WHICH PERSON/JOB: | | | | NOTES ABOUT PAY AMOUNTS | |
|-------------------|--------------|-----------|---------|---------------------------|---------------------|
| PAYPERIOD DATES | HOURS WORKED | GROSS PAY | NET PAY | ← INCLUDES OVERTIME, ETC. | + TIPS NOT INCLUDED |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| WHICH PERSON/JOB: | | | | NOTES ABOUT PAY AMOUNTS | |
|-------------------|--------------|-----------|---------|---------------------------|---------------------|
| PAYPERIOD DATES | HOURS WORKED | GROSS PAY | NET PAY | ← INCLUDES OVERTIME, ETC. | + TIPS NOT INCLUDED |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

- ◆ Does anyone in the household also collect any other sources of income? *(If so, indicate the amount received)*
 - Social Security \$ _____ Child Support \$ _____, _____ Families First/WIC \$ _____
 - Alimony \$ _____ Food Stamps \$ _____ Pell Grant/Student Financial Aid \$ _____
 - TennCare/Medicare/Medicaid Other _____
- ◆ Do you have any upcoming changes in income and/or expenses?: _____
- ◆ Besides what you have earmarked for a down payment, do you have any other assets?: *(indicate estimate value/balance)*
 - Checking account _____ Savings account _____ Trust account _____
 - Retirement /IRA/401K _____ Stocks _____ Other _____

PROGRAM PARTICIPATION QUESTIONS

- ◆ Do you have a current situation which causes you to need assistance in completing this intake application and/or other expected aspects of this process? No Yes, _____
- ◆ How did you hear about this program? _____
- ◆ Please provide the name and contact information of your loan officer _____

○ Do you want us to provide information regarding your participation in the Homeownership Counseling Program to your lender (beyond just your Certificate of Completion)? Yes No

- ◆ If you know, please provide the projected closing date? _____
- ◆ Are you applying for this loan in order to *purchase* a home? Yes (**Section 1** questions) No (skip to **Section 2** questions)

Section 1 Questions (answer only if the loan is for the purchase of a house or mobile home):

- Will you be paying Mortgage Insurance (PMI)? No Yes If so, monthly amount: \$ _____
- Do you already have a future house in mind? No Yes
 - If yes, indicate the type of, size, and age (estimate) of the house _____
- Have the client/co-client owned a house within the past 3 years? No Yes past 10yrs? No Yes

Section 2 Questions: (answer only if you already own your home):

- Identify the type of loan you are applying for: Refinance Mortgage (*on house already paid off*)
 2nd Mortgage 3rd Mortgage Other: _____
- Why are you taking out this loan? (*check all that apply*) Home repair Debt consolidation
 Mortgage Note has come due (balloon payment) Other: _____
- Who was your lender of your current/original mortgage/home loan? _____
 - How much was the original loan amount? \$ _____ ▪ Interest rate: _____ %
 - What year did you buy the home? _____ ▪ Term of loan: _____ years
 - How much do you currently owe on the house? \$ _____
 - Do you own the land that your home is on? Yes No

Answer the rest of the questions on this page, no matter what type of loan you are applying for:

- ◆ Have you been (pre)approved for a specific amount? No Yes If so, for how much? \$ _____
 - Based on the preapproved loan amount, do you know what your monthly payment might be?
 No Yes: \$ _____ Escrowed (in w/ another loan)? Not sure
- ◆ What is the interest rate? _____ % Fixed or Adjustable ◆ What is the loan term? _____
- ◆ What monthly payment amount do you think you would be comfortable with? _____
- ◆ Do you know how much you might be paying in closing costs? _____
- ◆ What questions do you have about this loan/ loan process, if any? _____

- ◆ What questions, if any, do you have about budgeting/ personal finance? _____
- ◆ What do you think is your biggest weakness in budgeting? _____
- ◆ How many other lenders and/or loan products did you consider before deciding on the current one you are applying for? _____ please list: _____

VERIFICATION OF MATERIALS PROVIDED

By initialing under this sub-section, you are acknowledging that you were provided, read through, and fully understand the following documents:

- *For your protection, get a home inspection!* (HUD form 92564-cn)
- *Ten questions to ask your home inspector*

BORROWER

CO-BORROWER





phone: 865.828.5927
toll-free: 800.814.6355
fax: 865.828.5212
www.clinchpowell.net

Building strong communities. Caring for people. Protecting natural resource

AUTHORIZATION

Date: _____

To: (Lender/Department) _____

Company: _____

Fax #: _____

Phone #: _____

Last 4 Digits of SSN of Borrower: _____

I/We hereby authorize Susan Eribarne, Elizabeth Grisham, and Arlene Santana of Clinch-Powell RC&D Council (Tax ID # 62-1396815), which is a HUD Certified Housing Counseling Agency (82934), to discuss my account. Additionally, I authorize the sharing of any necessary documentation as needed between Clinch-Powell and my (prospective) lender. This authorization will expire 36 months from the most recent date below.

Sincerely,

Borrower (Signature)

(Print Name)

(Date)

Co-Borrower (Signature)

(Print Name)

(Date)

PO BOX 379 | 7995 RUTLEDGE PK | RUTLEDGE, TN 37861



Clinch-Powell is an equal opportunity provider, employer, and lender. Discrimination is prohibited by Federal law. Clinch-Powell Resource Conservation and Development Council is a 501(c)(3) non-profit organization. All programs of the RC&D are available without regard to race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, reprisal or retaliation for prior civil rights activity, in any program or activity conducted, or because the applicant has in good faith exercised any right under the Consumer Credit Protection act. The federal agencies that administer compliance with these laws are: U.S. Department of Justice, Civil Rights Division, 950 Pennsylvania Avenue, NW Washington, D.C. 20530-000; Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, D.C. NMLS# 195063 / S.Karge NMLS# 2403630

Ten Important Questions to Ask Your Home Inspector

1. What does your inspection cover?

The inspector should ensure that their inspection and inspection report will meet all applicable requirements in your state if applicable and will comply with a well-recognized standard of practice and code of ethics. You should be able to request and see a copy of these items ahead of time and ask any questions you may have. If there are any areas you want to make sure are inspected, be sure to identify them upfront.

2. How long have you been practicing in the home inspection profession and how many inspections have you completed?

The inspector should be able to provide his or her history in the profession and perhaps even a few names as referrals. Newer inspectors can be very qualified, and many work with a partner or have access to more experienced inspectors to assist them in the inspection.

3. Are you specifically experienced in residential inspection?

Related experience in construction or engineering is helpful, but is no substitute for training and experience in the unique discipline of home inspection. If the inspection is for a commercial property, then this should be asked about as well.

4. Do you offer to do repairs or improvements based on the inspection?

Some inspector associations and state regulations allow the inspector to perform repair work on problems uncovered in the inspection. Other associations and regulations strictly forbid this as a conflict of interest.

5. How long will the inspection take?

The average on-site inspection time for a single inspector is two to three hours for a typical single-family house; anything significantly less may not be enough time to perform a thorough inspection. Additional inspectors may be brought in for very large properties and buildings.

6. How much will it cost?

Costs vary dramatically, depending on the region, size and age of the house, scope of services and other factors. A typical range might be \$300-\$500, but consider the value of the home inspection in terms of the investment being made. Cost does not necessarily reflect quality. HUD Does not regulate home inspection fees.

7. What type of inspection report do you provide and how long will it take to receive the report?

Ask to see samples and determine whether or not you can understand the inspector's reporting style and if the time parameters fulfill your needs. Most inspectors provide their full report within 24 hours of the inspection.

8. Will I be able to attend the inspection?

This is a valuable educational opportunity, and an inspector's refusal to allow this should raise a red flag. Never pass up this opportunity to see your prospective home through the eyes of an expert.

9. Do you maintain membership in a professional home inspector association?

There are many state and national associations for home inspectors. Request to see their membership ID, and perform whatever due diligence you deem appropriate.

10. Do you participate in continuing education programs to keep your expertise up to date?

One can never know it all, and the inspector's commitment to continuing education is a good measure of his or her professionalism and service to the consumer. This is especially important in cases where the home is much older or includes unique elements requiring additional or updated training.

Keep this page for your records

CAUTION

U.S. Department of Housing
and Urban Development
Federal Housing Administration (FHA)



OMB Approval No: 2502-0538
Iss. 03/1/2012

For Your Protection: Get a Home Inspection

Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information about the overall condition of the home prior to purchase. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:

- ✓ Evaluate the physical condition: structure, construction, and mechanical systems;
- ✓ Identify items that need to be repaired or replaced; and
- ✓ Estimate the remaining useful life of the major systems, equipment, structure, and finishes.

Appraisals are Different from Home Inspections

An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. An appraisal is required to:

- ✓ Estimate the market value of a house;
- ✓ Make sure that the house meets FHA minimum property standards/requirements; and
- ✓ Make sure that the property is marketable.

FHA Does Not Guarantee the Value or Condition of your Potential New Home

If you find problems with your new home after closing, FHA can not give or lend you money for repairs, and FHA can not buy the home back from you. That is why it is so important for you, the buyer, to get an independent home inspection. Ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Radon Gas Testing

The United States Environmental Protection Agency and the Surgeon General of the United States have recommended that all houses should be tested for radon. For more information on radon testing, call the toll-free National Radon Information Line at 1-800-SOS-Radon or 1-800-767-7236. As with a home inspection, if you decide to test for radon, you may do so before signing your contract, or you may do so after signing the contract as long as your contract states the sale of the home depends on your satisfaction with the results of the radon test.

Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so before signing your contract, or may do so after signing the contract as long as your contract states that the sale of the home depends on the inspection.



HUD-92564-CN (5/06)

CAUTION

Keep this page for your records