





## **PRIVACY POLICY AND PRACTICES OF Crawford-Sebastian Community Development Council, Inc Home Ownership and Asset Development Center**

We at Crawford-Sebastian Community Development Council, Inc – Home Ownership and Asset Development Center value your trust and are committed to the responsible management, use and protection of personal information. This notice describes our policy regarding the collection and disclosure of personal information. Personal information, as used in this notice, means information that identifies an individual personally and is not otherwise publicly available information. It includes personal financial

### **Information We Collect**

information such as credit history, income, employment history, financial assets, bank account information and financial debts. It also

We collect personal information to support our lending operations, financial fitness counseling and to aid you in shopping for and obtaining a home mortgage from a conventional lender. We collect personal information about you from the following sources:

- Information that we receive from you on applications or other forms,
  - Information about your transactions with us, our affiliates or others,
  - Information we receive from a consumer reporting agency, and
  - Information that we receive from personal and employment references.
- includes your social security number and other information that you have provided us on any applications or forms that you have completed.

### **Information We Disclose**

We may disclose the following kinds of personal information about you:

- Information we receive from you on applications or other forms, such as your name, address, social security number, employer, occupation, assets, debts and income;
- Information about your transactions with us, our affiliates or others, such as your account balance, payment history and parties to your transactions; and
- Information we receive from a consumer reporting agency, such as your credit bureau reports, your credit history and your creditworthiness.

### **To Whom Do We Disclose**

We may disclose your personal information to the following types of unaffiliated third parties:

- Financial service providers, such as companies engaged in providing home mortgage or home equity loans,
- Others, such as nonprofit organizations involved in community development, but only for program review, auditing, research and oversight purposes.

We may also disclose personal information about you to third parties as permitted by law.

*Prior to sharing personal information with unaffiliated third parties, except as described in this policy, we will give you an opportunity to direct that such information not be disclosed.*

### **Confidentiality and Security**

We restrict access to personal information about you to those of our employees who need to know that information to provide products and services to you and to help them do their jobs, including underwriting and servicing of loans, making loan decisions, aiding you in obtaining loans from others, and financial counseling. We maintain physical and electronic security procedures to safeguard the confidentiality and integrity of personal information in our possession and to guard against unauthorized access. We use locked files, user authentication and detection software to protect your information. Our safeguards comply with federal regulations to guard your personal information.

**PRIVACY POLICY AND PRACTICES OF Crawford-Sebastian Community Development Council, Inc – Home Ownership and Asset Development Center**

**Directing Us Not to Make Disclosures to Unaffiliated Third Parties**

If you prefer that we not disclose personal information about you to unaffiliated third parties, you may opt out of those disclosures, that is, you may direct us not to make those disclosures (other than disclosures permitted by law).

- If you wish to opt out of disclosures to unaffiliated third parties other than nonprofit organizations involved in community development, you may check Box 1 on the attached Privacy Choices Form.
- If you wish to opt out of disclosures to nonprofit organizations involved in community development that are used only for program review, auditing, research and oversight purposes, you may check Box 2 on the attached Privacy Choices Form.

**PRIVACY CHOICES FORM**

**If you want to opt out, that is direct us not to make disclosures about your personal information (other than disclosures permitted by law) as described in this notice, check the box or boxes below to indicate your privacy choices. Then send this form to the address listed below.**

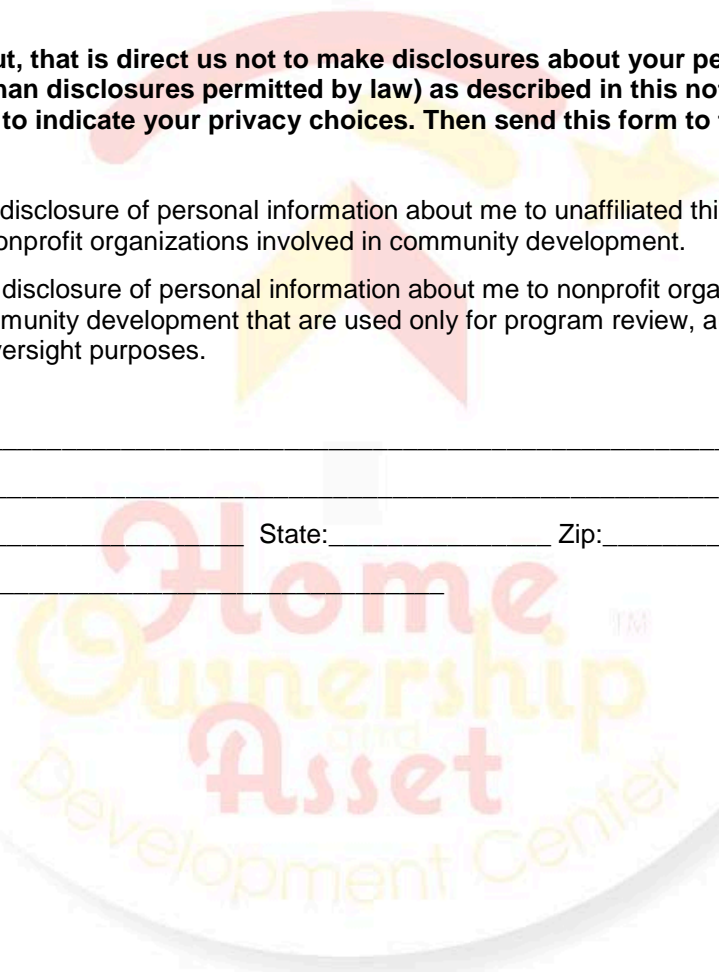
- Box 1** - Limit disclosure of personal information about me to unaffiliated third parties other than nonprofit organizations involved in community development.
- Box 2** - Limit disclosure of personal information about me to nonprofit organizations involved in community development that are used only for program review, auditing, research and oversight purposes.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone Number: \_\_\_\_\_



Please allow approximately 30 days from our receipt of your Privacy Choices Form for it to become effective. Your privacy instructions and any previous privacy instructions will remain in effect until you request a change.



## Housing Counseling Disclosure

Crawford-Sebastian Community Development Council, Inc. is a non-profit HUD approved housing counseling agency. You have chosen to receive pre-purchase & credit review counseling from our agency. These counseling services are at no charge to you. We recommend different mortgage options or programs to you as a result of this counseling: however, YOU are free to choose your lender, lending products, home and down payment assistance program if you qualify regardless of the recommendation made by your counselor.

While C-SCDC does offer several programs such as down payment assistance, homes that we have for sale and partnerships with lenders for special loan products, you are at no obligation to use any of those additional services. Some of our down payment assistance programs do require administrative or counseling fees that are paid at closing. These fees are paid out of grant funds given to you at closing and are only charged if you close on your home. HUD may look at your file when C-SCDC has their annual review by HUD.

### Fee for Services—Homebuyer Fees

The homebuyer education class is free except in the following cases:

- ❖ The in-person class is free upfront and only charged if you purchase a home AND receive down payment or closing cost assistance from the following agencies: FHLB of Dallas, FHLB of Topeka, Arkansas Development Finance Authority loan or ADDI forgivable loan. In the case of the access of any of the down payment assistance mentioned above, the housing counseling fee is \$500. That \$500 is paid for with the down payment assistance you receive.  
For Example: You receive a \$5000 down payment assistance forgivable or repayable loan, a \$500 fee is charged on the settlement statement for housing counseling. Your net benefit to be paid towards other closing costs and down payment is \$4500.
- ❖ \$100 per person for online homebuyer education

### Fees for Service: Home Rehabilitation Fees

CSCDC may charge up to 15% developer fee for homeowner rehabilitation services. 15% of the amount of the repair assistance provided through one of the many forgivable loan or grant options at CSCDC, which include ADFA reconstruction, AHP with FHLB of Dallas, SNAP with FHLB of Dallas, IDA funding, and Housing Preservation Grants.

Counseling Program: HUD      Date: \_\_\_\_\_

I acknowledge receipt of this disclosure and verify that I/we are receiving counseling from C-SCDC in the following areas:

\_\_\_\_\_ Credit Review Counseling  
\_\_\_\_\_ Pre-Purchase & DPA  
\_\_\_\_\_ Refresher Homebuyers Course

\_\_\_\_\_ Prepared a monthly budget  
\_\_\_\_\_ Rehab Application

\_\_\_\_\_  
**Client Signature**

\_\_\_\_\_  
**Client Signature**

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# Consumer Authorization and Release

I hereby authorize CoreLogic Credco, LLC ("CREDCO" or "FAC") or Loan Prospector Outreach (Freddie Mac) to obtain my/our tri-merged consumer report, credit information, credit risk scores and other enhancements to my consumer report (hereinafter collectively referred to as "Report") from one or more of the three national credit repositories (Equifax, Experian, Trans Union) and provide a copy of the Report to my counseling agency, Crawford-Sebastian Community Development Council (hereinafter collectively referred to as "Counselor") for Counselor to review for the purposes of providing housing counseling services, and/or information inquiry purposes. This authorization is intended to comply with a consumer report request as set forth in 15 U.S.C. 1681b(a)(2).

I acknowledge that the Report is provided "AS IS" and that CREDCO or Loan Prospector Outreach (Freddie Mac) makes no representation or warranty, express or implied, including, but not limited to, implied warranties of merchantability or fitness for a particular purpose and implied warranties arising from a course of dealing or a course of performance with respect to the accuracy, validity or completeness of the report or that it will meet my needs and CREDCO or Loan Prospector Outreach (Freddie Mac) expressly disclaims all such representations and warranties.

I recognize that the accuracy, validity or completeness of the Report provided by CREDCO or Loan Prospector Outreach (Freddie Mac) is not guaranteed by CREDCO or Loan Prospector Outreach (Freddie Mac) and I hereby release CREDCO or Loan Prospector Outreach (Freddie Mac) and CREDCO's or Loan Prospector's Outreach (Freddie Mac's) or parent, sister, affiliated companies, successors and assigns and its and their directors, officers, agents, employees and independent contractors (collectively, "CREDCO's Affiliates") or (collectively, "Loan Prospector Outreach Freddie Mac's Affiliates") from any liability for any negligence in connection with the preparation of the report and from any loss, damages, expenses, costs or obligation of any kind and nature whatsoever suffered by me resulting directly or indirectly from the inaccuracy, invalidity or incompleteness of the Report.

I covenant not to sue or maintain any claim, cause of action, demand, cross action, counterclaim, third party action or other form of pleading against CREDCO or Loan Prospector Outreach (Freddie Mac) or CREDCO's or Loan Prospector's Outreach (Freddie Mac's) Affiliates for damages based upon the inaccuracy, invalidity or incompleteness of any Report provided by CREDCO or Loan Prospector Outreach (Freddie Mac) hereunder.

If one or more of the provisions, or a portion of a provision of this document are held for any reason to be invalid, illegal or unenforceable, such invalidity or illegality or unenforceability will not affect any other provisions of this document, and this document will be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

**I authorize Counselor to obtain USDA Rural Development documents, income verification(s) including VOE's, paystubs, social security letters, tax returns with W-2's, bank statements, or VOD's, Closing Disclosure/ALTA, Appraisal, and Real Estate Note(s) when I purchase a home, from the lender who made me/us a loan and/or the title company that closed the loan.**

**I authorized the Counselor to discuss with my lender my qualifications and terms of loan. I also, authorize Counselor to release information regarding my credit, income, or qualification assistance to lenders where I have applied for a home mortgage and to funders which provide assistance to homebuyers.**

**Please check one: I do \_\_\_\_\_ or I do not \_\_\_\_\_ authorize Counselor to give specific information about my loan to my realtor.**

**My realtor's name is (if applicable): \_\_\_\_\_.**

**There is no expiration date to this form. Copy is deemed as original.**

I/We understand that any intentional or negligent representation(s) of the information contained on this form may result in civil liability and/or criminal liability under the provisions of Title 18, United States Code, Section 1001.

\_\_\_\_\_  
**Applicant**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Co-Applicant**

\_\_\_\_\_  
**Date**

## For Your Protection: Get a Home Inspection

Name of Buyer \_\_\_\_\_

Property Address \_\_\_\_\_

### What the FHA Does for Buyers... and What We Don't Do

**What we do:** FHA helps people become homeowners by insuring mortgages for lenders. This allows lenders to offer mortgages to first-time buyers and others who may not qualify for conventional loans. Because the FHA insures the loan for the lender, the buyer pays only a very low down-payment.

**What we don't do:** FHA does not guarantee the value or condition of your potential new home. If you find problems with your new home after closing, we can not give or lend you money for repairs, and we can not buy the home back from you.

That's why it's 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.

### Appraisals and Home Inspections are Different

As part of our job insuring the loan, we require that the lender conduct an FHA appraisal. An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. The lender does an appraisal for three reasons:

- to estimate the value of a house
- to make sure that the house meets FHA minimum property standards
- to make sure that the house is marketable

Appraisals are not home inspections.

### Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information than an appraisal—information you need to make a wise decision. 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
- estimate the remaining useful life of the major systems, equipment, structure, and finishes

### What Goes into a Home Inspection

A home inspection gives the buyer an impartial, physical evaluation of the overall condition of the home and items that need to be repaired or replaced. The inspection gives a detailed report on the condition of the structural components, exterior, roofing, plumbing, electrical, heating, insulation and ventilation, air conditioning, and interiors.

### 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.

**I understand the importance of getting an independent home inspection. I have thought about this before I signed a contract with the seller for a home.**

X \_\_\_\_\_  
Signature & Date

X \_\_\_\_\_  
Signature & Date

Form HUD-92564-CN  
(8 / 09)

# 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?

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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.

