

Texas Veterans Home Improvement Program



Credit Application

George P. Bush, Chairman

For assistance, please contact the Texas Veterans Land Board
toll free at 1-800-252-VETS (8387)

Last Update: March 7, 2018

Texas Veterans Land Board ♦ George P. Bush, Chairman
Stephen F. Austin Building ♦ 1700 North Congress Avenue ♦ Austin, Texas 78701-1496
P.O. Box 12873 ♦ Austin, Texas 78711-2873
512.463.5060 ♦ 800.252.VETS
texasveterans.com

Texas Veterans Home Improvement Program



- ❖ The Texas Veterans Home Improvement Program offers eligible Texas veterans loans up to \$50,000 for improvements to their existing primary residence at a fixed interest rate. Loans of \$25,000 or less will be insured by FHA.
- ❖ Financing for 2 to 20 years.
- ❖ No down payment and no penalty for early payoff.
- ❖ All loans are subject to FHA guidelines and requirements.
- ❖ Texas Veterans Land Board (VLB) must be in a first or second lien position.
- ❖ All loans must close either at a title company or attorney's office.
- ❖ All loans are subject to credit approval.

Enclosed is the following information:

- Checklist – Loan Procedure Information
- Department of Housing and Urban Development (HUD) Credit Application for Property Improvement Loan (HUD form #56001)
- Information Disclosure Authorization
- List of eligible and ineligible improvements

NOTICE: Modular or manufactured homes that are on a permanent foundation and are part of the real estate may also be eligible, but the final decision on these types of loans will be determined by the VLB.

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Loan Procedure Information Checklist

A. The following documents and fees must be submitted to the Texas Veterans Land Board (VLB) with your loan application:

Application Forms, completed and signed by veteran and spouse

- ___ Credit application (HUD Form 56001)
- ___ Information Disclosure Authorization

Documents related to your income source

If veteran and spouse are:

Employed: your most recent pay statements may be submitted. Pay stubs may not be over 30 days old at time of application. If the borrower or co-borrower has changed employment within the past two years, a copy of W-2 forms may be required

Retired: Submit IRS Form 1099R to document retirement income

Disability or Social Security income: Appropriate award letters and prior year's form 1099R may be submitted to document income

VA Compensation income: Appropriate award letter

Self-employed: Last TWO years IRS tax returns, including all schedules may be submitted; if incorporated, two-years' corporate tax returns

Documents concerning the home to be improved

- ___ Copy of most recent mortgage statement.

Other

- ___ \$135.00 via personal or cashier's check or money order payable to Texas Veterans Land Board
Payment will cover the cost of the flood zone certification - \$10 and the title search report - \$125.
- ___ Copy of Driver's license and Social Security card (spouse if applicable)
- ___ DD-214 military document

B. After the VLB receives the items listed above, a Loan Number will be assigned and disclosures and authorization forms will be mailed to you.

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NOTE: NO MATERIALS CAN BE DELIVERED ONSITE NOR CAN CONSTRUCTION BEGIN UNTIL THE FOURTH BUSINESS DAY AFTER CLOSING. ALSO, THE VETERAN CANNOT ADVANCE FUNDS TO THE CONTRACTOR OR PURCHASE MATERIALS UNTIL THE STATE OF TEXAS WARRANT (CHECK) IS RELEASED TO THE VETERAN.

THE LOAN PROCEEDS MUST BE USED ONLY FOR THE PURPOSES DISCLOSED IN THE LOAN APPLICATION AND/OR SELECTED ITEMIZED BID.

PRIOR TO WORK BEGINNING AND UPON COMPLETION OF THE WORK INSPECTIONS WILL BE PERFORMED BY THE VETERANS LAND BOARD

ALL PROPERTY IMPROVEMENTS SHOULD BE COMPLETED WITHIN SIX MONTHS FROM THE DATE OF DISBURSAL OF LOAN PROCEEDS.

C. The following will be due at closing

- 14 months prepaid Title I FHA Insurance if applicable (premium is based on the loan amount)
- Prepaid interest
- Servicing Fee (from contractor) - \$200.00 must be paid by the contractor; cannot be paid by the borrower(s)
- Tax Service Fee (from veteran) - \$87.00 required only if this home improvement loan will be in a first lien position

D. The following will be due upon completion of construction/repairs

- Signed Completion Certificate
- Affidavit of Paid Bills (Contractor)
- Lien Waiver Affidavit (Contractor)

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Information Disclosure Authorization

To Whom It May Concern:

I/We hereby authorize you to release to the Texas Veterans Land Board or its assignees the following information for the purpose of verifying:

- Employment history: dates, title, income, hours, etc.
- Banking and savings accounts of record
- Mortgage loan rating(s), balances, etc.
- Direct loan rating(s) or revolving charge accounts
- Any information deemed necessary in connection with a Consumer Credit Report for transactions which involve real estate

This information is for confidential use in compiling a mortgage credit file for a home improvement loan.

A photographic or carbon copy of this authorization [being a valid copy of the signature(s) of the undersigned] may be deemed to be the equivalent of the original and may be used as a duplicate original.

Your prompt reply will help expedite my real estate transaction.

Thank you,

Borrower's Signature

Social Security Number

Date

Please feel free to contact me at my place of employment.

Yes No

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Co- Borrower's Signature

Social Security Number

Date

Please feel free to contact me at my place of employment.

Yes No

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Closing Agent Information

All loans must close either at a title company or an attorney's office. Please complete this form identifying the title company or attorney that will be closing this transaction. Please contact the closing agent prior to completing this form to determine if they can close the transaction. The closing agent may charge you a closing fee.

Title Company or Attorney Assignment

Name	
Mailing Address	
City, State, Zip Code	
Contact Person	
Telephone Number	Fax Number
If the closing agent's mailing address is a Post Office Box/Drawer, please provide the physical address in the space below.	
Physical Address	
City, State, Zip Code	

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Title I Improvements Eligible and Ineligible

Eligible Improvements

A Acoustical tile Additions to structures Air conditioning: central Attic fans Awnings: aluminum, canvas, plastic, wood	Electric light fixtures, line, poles Electric light systems Elevators Enlarging the structure Exhaust fans Exterior finishing work	M Meters: electric, water, gas Moulding, Crown	Sprinkler systems: fire Stairs Stone siding Storm cellars Storm panels Structural changes Stuccoing Studding
B Barns Basements Bathrooms: fixtures & connections Bathtubs: enclosures Blacktopping Blinds: venetian, vertical Blowers: furnace Bookcases: built-in Brick shingles or siding Built-in kitchen equipment Burglar alarms (hard wire) Burglar bars/decorative bars (permanent) Burners: furnace, oil, gas	F Fans (permanently attached to structure, non-window) Fences: chain link, brick, wood, iron Fireplaces (indoors only) Floodlights (non-display) Flooring Flues Foundations Furnaces: coal, floor, gas, oil	P Painting Paneling Papering Partitions Patios Paving Piers Plastering Plumbing Pole barns (permanent foundation) Porches Pumps	T Tanks: storage, septic, water Tiles: ceiling, ceramic, floor (when permanently affixed), plastic, acoustical Termite control (with replacement of damage) Trees (diseased or damaged and hazard to structure on property) Trestles Troughs
C Cabinets Carpet: wall-to-wall Carports Ceilings Cellars: storm, wine Chimneys Coatings: roofing Composition: flooring, paneling, shingles, siding Curbing (single family only)	G Garages Garbage disposal unit Gas heating systems Gazebos (on permanent foundation) Generators (permanently installed) Grates: furnace Guardrails Guttering	R Radiators (permanently installed - covers not eligible) Railings Registers: heat Resurfacing Retaining walls Roof coating Roofing	U Utility buildings: sheds (permanent masonry or concrete foundation)
D Decks/Gazebos (not for hot tub use or around a swimming pool) Dishwashers (hard wire, hard plumb) Door chimes Doors: storm, fire, screen Downspouts Drilling: wells (must have previously had water supply) Driveways Ducts	H Heat control devices	S Sandblasting Sanding Sashes Screening Security system (hard wired into electric system) Sewerage system (septic tank - replacement of existing) Shingles Shower doors Shutters Sidewalks (private) Siding: cement, ceramic tile, brick, wood, aluminum Sills Sinks Solar room/solarium (permanently installed as a sun room, family room) Solar water heating systems Spa (permanently installed inside the structure)	V Venetian/Mini blinds Ventilation hoods Ventilation systems Vents
E Electric garage door opener	I Incinerators Insulation Interior work Ironing board (permanently installed)		W Wall heaters Wallboards Walls Washtubs Water conditioners, purifiers, softeners, sterilizers (permanently installed in plumbing system) Water coolers (permanent) Water heaters Water towers Water wells (must have previously had water supply) Waterproofing Weather stripping Windmills (only for furnishing power to residence) Windows: screen, storm, thermal Wiring: electric Wood shingles, siding or paneling
	J Jacuzzi (inside bathroom) Jalousies		
	K Kitchen cabinets: built-in		
	L Lattice work Laundry chutes Laundry tubs Lightning rods		

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Title I Improvements Eligible and Ineligible

Ineligible Improvements

A Air conditioning placed in windows Asbestos siding	G Greenhouses	S Satellite dishes Swimming pools (or any repairs In connection with) Swimming pool enclosures
B Barbecue pits Barn cleaners Bathhouses	H Hangars (airplane) Hay dryers	T Television antennae Tree surgery/removal (unless diseased and hazard to structure)
C Cabana rooms Clotheslines and poles	I Irrigation systems	V Valence or cornice boards
D Deck around swimming pool Demolition Dishwasher (unless part of sink) Docks, floating Drills, equipment type Dumbwaiters	K Kennels Kitchen appliances (designed or manufactured not to be built into or permanently affixed to the structure)	W Waterproofing (pumping or Injecting any substance in the earth adjacent to or beneath the foundation or basement floor)
E Equipment (used commercially or industrially; farm or dairy) Exterior hot tubs, saunas, spas, or whirlpool baths	L Landscaping Lathes	
F Fire extinguishers Flower boxes Food mixers Free-standing household appliances Freezers (unless built-in)	M Moving structures (except on same lot)	
	O Orchards Outdoor fireplaces or hearths Ovens (unless built-in)	
	P Penthouses: new (an improvement to an existing one is eligible) Photomurals	
	R Refrigerators (unless built-in)	

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