



# SCOTT COUNTY CDA'S HOMEOWNER EDUCATION AND COUNSELING PROGRAM APPLICATION

**To participate in Scott County CDA's Education OR Counseling Programs, you must complete the following:**

**Section 1: General Application Packet for both Education and Counseling: (Pages 2-7)**

- General Application
- Combined Privacy and Tennessen Warning
- Housing Disclosure

**Section 2: For Education Only: (Page 8)**

- Homebuyer Education Registration Form and \$25 registration fee per individual

**Section 3: For Counseling Only: (Pages 9-12)**

- Homebuyer Counseling Registration Packet (Please see page 9 for the check list of forms and verifications required)

**PLEASE RETURN ALL DOCUMENTS AND VERIFICATIONS TO:**

Attn: Homeownership Department

Mail: Scott County CDA; 323 Naumkeag St. Shakopee, MN 55379

Fax: 952-496-2852

Email: [cda-info@scottcda.org](mailto:cda-info@scottcda.org)

\*If you have questions, please contact us at 952-402-9022

## SECTION 1: GENERAL APPLICATION FOR HOMEBUYER EDUCATION AND COUNSELING

### Applicant information:

How did you hear about us?     CDA Mailer, Flyer, or Brochure     Newspaper     Agency: \_\_\_\_\_  
 Lender / Mortgage Co     Friend or Relative     Internet     Attorneys/Legal Team

- **\*Total Number of people in household:** \_\_\_\_\_ ( 18 & over: \_\_\_\_\_ Children (under 18): \_\_\_\_\_ )
- **Do you have a co-applicant?**     Yes     No    **\*If yes,** What is their relation to you: \_\_\_\_\_

**Applicant #1:** *On Mortgage: Y / N*

**Name (first/Last):** \_\_\_\_\_

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

**City:** \_\_\_\_\_, MN **Zip:** \_\_\_\_\_

**Primary Phone(s):** \_\_\_\_\_

**Social Security #:** \_\_\_\_-\_\_\_\_-\_\_\_\_\_

**Preferred Language:**     English     Other: \_\_\_\_\_

**Do you need an interpreter?**     Yes     No

**Email:** \_\_\_\_\_

1. **Race (mark all):** Caucasian / Asian / African American / East African / West African / Native Hawaiian or Other Pacific Islander / Other: \_\_\_\_\_
2. **Are you Hispanic/Latino?**     Yes     No
3. **Are you a veteran?**     Yes     No
4. **Were you born outside of the U.S.?**     Yes     No
5. **\*Gender:**     Male     Female
6. **\*Date of Birth:** \_\_/\_\_/\_\_\_\_ (Your age): \_\_\_\_\_
7. **Are you disabled?**     Yes     No
8. **Highest Education Level Completed:** (mark 1)  
 Some high school / Some college or trade school  
 High school diploma or GED  
 Associates Degree  
 Bachelors Degree  
 Graduate degree
9. **Active Military?**     Yes     No
10. **Marital Status:**    Single / Married / Divorced / Widow
11. **Are you a first time homebuyer? (have not owned a home in last 3 years)?**     Yes     No
12. **Are you a first generation homebuyer?**     Yes     No  
(your parents did not own a home)

**Co-Applicant (if applicable):** *On Mortgage: Y / N*

**Name (first/Last):** \_\_\_\_\_

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

**City:** \_\_\_\_\_, MN **Zip:** \_\_\_\_\_

**Primary Phone(s):** \_\_\_\_\_

**Social Security #:** \_\_\_\_-\_\_\_\_-\_\_\_\_\_

**Preferred Language:**     English     Other: \_\_\_\_\_

**Do you need an interpreter?**     Yes     No

**Email:** \_\_\_\_\_

1. **Race (mark all):** Caucasian / Asian / African American / East African / West African / Native Hawaiian or Other Pacific Islander / Other: \_\_\_\_\_
2. **Hispanic/Latino?**     Yes     No
3. **Are you a veteran?**     Yes     No
4. **Were you born outside of the U.S.?**     Yes     No
5. **\*Gender:**     Male     Female
6. **\*Date of Birth:** \_\_/\_\_/\_\_\_\_ (Your age): \_\_\_\_\_
7. **Are you disabled?**     Yes     No
8. **Highest Education Level Completed:** (mark 1)  
 Some high school / Some college or trade school  
 High school diploma or GED  
 Associates Degree  
 Bachelors Degree  
 Graduate degree
9. **Active Military?**     Yes     No
10. **Marital Status:**    Single / Married / Divorced / Widow
11. **Are you a first time homebuyer? (have not owned a home in last 3 years)?**     Yes     No
12. **Are you a first generation homebuyer?**     Yes     No  
(your parents did not own a home)

### HOUSEHOLD QUESTIONS:

1. Are you a single parent household?  Yes  No
  
2. How many children under the age of 18 are in the household? \_\_\_\_\_
  
3. Have you or the co-applicant received financial services from another agency? (DMP, credit repair, financial, etc.)  
 Yes  No    \*If Yes, please note the type and length of services: \_\_\_\_\_
  
4. Are you currently a participant in any other Scott County CDA Housing Program? (Section 8/PBV/ RAD/ Workforce / Rural Development/etc):  Yes  No    \*If Yes, which one?: \_\_\_\_\_
  
5. Current Housing:  Rent           Own           Staying with family/friends
  
6. Type of housing unit:  Single Family     Townhome/Condo     Mobile Home     Multi-plex (2-4 units)
  
7. **Current housing payment**: \$\_\_\_\_\_ /Month
  
8. What was your **Household's Annual Gross Income?** (you can find this on last year's taxes): \$\_\_\_\_\_ /year
  
9. Do you have a checking/savings account?  Yes  No
  
10. Did you complete a Home Stretch workshop or Framework course online?  Yes  No  
     ➤ If yes, location & date: \_\_\_\_\_
  
11. Are you working with a lender?  Yes  No      If yes, who? \_\_\_\_\_
  
12. Have you applied for a mortgage loan       Yes  No
  
13. Are you pre-qualified for a loan?       Yes  No
  
14. Are you working with a realtor?  Yes  No      If yes, who? \_\_\_\_\_
  
15. Have you signed a purchase agreement?  Yes  No

**If applicable, please complete the purchase property information for your new home below:**

Purchase property address: \_\_\_\_\_ City, State, Zip: \_\_\_\_\_

Purchase price: \$ \_\_\_\_\_ Loan amount: \$ \_\_\_\_\_ Loan interest rate: \_\_\_\_\_ %

Closing date: \_\_\_\_\_ Lender (Bank/Mortgage Co.): \_\_\_\_\_

Loan program (FHA, RD, etc.): \_\_\_\_\_

*\*Please note that you must complete Homebuyer Education Workshop and Pre-purchase Counseling PRIOR to signing a purchase agreement to be considered for a Scott County CDA grant.*

16. Have you experienced a home foreclosure within the last 3 years?  Yes  No **If yes, complete the following:**

Purchase property address. \_\_\_\_\_ City, State, Zip: \_\_\_\_\_

Reason for hardship: \_\_\_\_\_

Steps taken to overcome hardship: \_\_\_\_\_

# HOUSEHOLD INCOME WORKSHEET

## EMPLOYMENT INCOME

Household Member: *Please include income <u>for all individuals</u> in your household	Employer Name	Start Date	Hourly Wage	HRS/WK	Gross \$ per month (before taxes)	Net \$ per month (take home pay)
					\$	\$
					\$	\$
					\$	\$
					\$	\$

## SELF-EMPLOYMENT INCOME

Household Member/owner	Name of Business	Start Date of Business	How do you track your income?	Gross \$ per month (earnings)	Net \$ per month (take home pay)
				\$	\$

## OTHER SOURCES OF INCOME

**(Examples:** Child support/Social Security (SSI/SSDI)/Unemployment/Veteran's Benefits/Cash Assistance/Rent Assistance/Other)

Household Member *Please include income <u>for all individuals</u> in your household	SOURCES OF INCOME	Gross \$ per month (before taxes)	Net \$ per month (take home pay)
	Other Source: _____	\$	\$
	Other Source: _____	\$	\$

## Scott County CDA Combined Privacy Act Notice and Tennessen Warning

We at Scott County CDA value your trust and are committed to the responsible management, use and protection of personal information. This notice describes our policy regarding collection and disclosure of personal information. The following programs are funded in part by state, federal government agencies and local agencies:

- Financial Wellness Counseling;
- Homeownership Capacity;
- Homebuyer Education;
- Homebuyer Counseling;
- Home Equity Conversion Mortgage Counseling or Reverse Mortgage Counseling;
- Post Purchase and/or Refinance Counseling;
- Foreclosure Counseling.

\*These agencies receive the information described below.

**Social Security Numbers**

The Privacy Act of 1974 makes it unlawful for any Federal, State, or local government agency to deny your participation in the above referenced programs if you refuse to provide your social security number. If you do not voluntarily provide your social security number services to you may be more limited, but you will continue to be eligible to receive the services we can provide without a social security number.

**Other Private Data**

Under Minnesota Statutes, your name and address may be public data. All other data we may ask about you is private data on individuals. Agreeing to share your public data is mandatory for participation in the above referenced programs. Sharing your private data is not mandatory for participation in the program. However, if you do not provide private information (such as income, debts, and assets) services to you may be more limited. We collect private data for the purposes of service delivery, program management, compliance, monitoring, research, and program evaluation.

We collect your private information from the following sources:

- Information we receive from you on applications or other forms,
- Information about your transactions with us, and
- Information we receive from a consumer credit reporting agency.

We may disclose private information about you which may include your name, address, social security number, employer, assets, debts, income, credit bureau reports, your credit history and your creditworthiness. We may disclose your private information to the following entities or their representatives identified below or to other entities properly authorized under law to review it.

- Staff at this organization and its partners operating in this program who need it to work on your case;
- Staff of the HECAT funders: Minnesota Housing Finance Agency, Family Housing Fund, Greater Minnesota Housing Fund, and the Minnesota Homeownership Center;
- Staff of the United States Department of Housing and Urban Development (HUD);
- Staff of the Homeownership Capacity funder: Minnesota Housing Finance Agency.

By signing below you agree to allow us to collect and share information as described above; please indicate your approval with your signature, below.

_____	_____	_____
Name (please print)	Signature	Date

_____	_____	_____
Name (please print)	Signature	

<p><b><u>Verbal acknowledgement is acceptable if information was provided to client in non-face-to-face session.</u></b>                  The undersigned verifies that verbal authorization for release of above confidential information has been given. The client was fully informed of the information contained in this document and understood its nature and intended use of the released information.</p>										
<table border="0" style="width: 100%; border-top: 1px solid black;"> <tr> <td style="width: 50%; border-bottom: 1px solid black;"> </td> <td style="width: 50%; border-bottom: 1px solid black;"> </td> </tr> <tr> <td><b>Client Name</b></td> <td><b>Homeownership Advisor/Coach's Signature</b></td> </tr> </table>			<b>Client Name</b>	<b>Homeownership Advisor/Coach's Signature</b>	<table border="0" style="width: 100%; border-top: 1px solid black;"> <tr> <td style="width: 50%; border-bottom: 1px solid black;"> </td> <td style="width: 50%; border-bottom: 1px solid black;"> </td> </tr> <tr> <td><b>Date</b></td> <td></td> </tr> </table>			<b>Date</b>		
<b>Client Name</b>	<b>Homeownership Advisor/Coach's Signature</b>									
<b>Date</b>										
<p><b><u>NOTE:</u></b> A copy of this notice with Homeownership Advisor/Coach's signature has been mailed to the client.</p>										

## Scott County CDA

### Housing Counseling Program Disclosure

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NOTE: If you have an impairment, disability, language barrier, or otherwise require an alternative means of completing this form or accessing information about housing counseling, please communicate with your Homeownership Advisor about arranging alternative accommodations.

#### **About Us and Program Purpose:**

Scott County CDA is a HUD approved counseling agency. We serve all clients regardless of income, race, color, religion/creed, sex, national origin, age, familial status, marital status, disability, status with regard to public assistance, sexual orientation or gender identity. We administer our programs in conformity with local, state, and federal antidiscrimination laws, including the federal Fair Housing Act (42 USC 3600, et seq.), title VIII of the Civil Rights Act, as well as the Human Rights Act.

#### **Description of Services:**

- **Home Buyer Education:** A course offered in a group setting designed to prepare you for the process of purchasing a home.
- **Homebuyer Counseling:** Homeownership Advisors work one-on-one with you to look at what you can afford, explain mortgage terms, and how to prepare and what to expect at closing. Advisors also help analyze your current financial situation, review credit and debt, and assist in setting goals to help you achieve homeownership.
- **Foreclosure Counseling:** Assists homeowners who have fallen behind or are in danger of falling behind on their mortgage. Homeownership Advisors guide homeowners through workout options relevant to the particular situation. In cases where foreclosure is unavoidable, Homeownership Advisors help organize an effective exit strategy.

**Organization Conduct:** No *Scott County CDA* employee, director, volunteer, contractor 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 organization's compliance with federal or state regulations and our commitment to serving the best interests of our clients.

**Organization Relationships:** *Scott County CDA* has a financial affiliation or professional affiliation with The US Department of Housing and Urban Development (HUD), Minnesota Housing Finance Agency, Minnesota Homeownership Center, Greater Minnesota Housing Fund, Family Housing Fund, and banks including Fargo Home Mortgage.

**It is our duty to inform you that *Scott County CDA* and may receive payment for the following services:** Homebuyer education, (registration fee), Homebuyer Counseling (credit report fee) and Foreclosure Counseling (credit report fee). If you choose to utilize any of these services, *Scott County CDA* will disclose any associated fees prior to your commitment. You further understand that the above described fee may be paid by you and may be included in your loan amount or real estate purchase agreement. However, you are not obligated to receive any services offered by our organization or exclusive partner(s).

**Alternative Services, Programs and Products:** *Scott County CDA* as appropriate, refers clients to other community service organizations. These organizations provide services such as emergency shelter, financial assistance, utility assistance and access to other locally available resources.

While you may learn about the advantages/disadvantages of specific services, programs, and products during the education or counseling sessions, you are free to choose the services, programs, and products of your own choosing regardless of the recommendations made by the educator/counselor. You are not obligated to receive, purchase, or utilize any services offered or referred to by *Scott County CDA* or its partners. It is your responsibility and based on decisions made of your own free will to determine which services, programs, or products best meet your needs.

**Quality Assurance:** In order to assess client satisfaction and in compliance with grant funding requirements, *Scott County CDA* 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 *Scott County CDA* funders such as HUD, the Minnesota Homeownership Center and/or the Minnesota Housing Finance Agency.

**Errors and Omissions and Disclaimer of Liability:** I/we agree *Scott County CDA*, its employees, agents, and directors are not liable for any claims and causes of action arising from errors or omissions by such parties, or related to my participation in *Scott County CDA* counseling; and I hereby release and waive all claims of action against *Scott County CDA* 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.

**\*I/we acknowledge that I/we received, reviewed, and agree to Scott County CDA's Program Disclosure.**

\_\_\_\_\_  
**Client Name (please print)**

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

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

\_\_\_\_\_  
**Client Name (please print)**

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

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

**Verbal acknowledgement is acceptable if information was provided to client in non-face-to-face session.**

The undersigned verifies that verbal authorization for release of above confidential information has been given. The client was fully informed of the information contained in this document and understood its nature and intended use of the released information.

\_\_\_\_\_  
**Client Name**

\_\_\_\_\_  
**Homeownership Advisor/Coach's Signature**

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

**NOTE:** A copy of this notice with Homeownership Advisor/Coach's signature has been mailed to the client.

SECTION 2: HOMEBUYER EDUCATION REGISTRATION FORM

Name of Registrant 1: \_\_\_\_\_ Name of Registrant 2: \_\_\_\_\_

➤ Which 2020 workshop would you like to register for?

- Winter Workshop, Spring Workshop, Summer Workshop

➤ Total number of people you are registering to attend the workshop: \_\_\_\_\_

➤ Would you like to request an interpreter for the workshop? Yes No If yes, what language? \_\_\_\_\_

➤ Any special needs we should be aware of? Yes No If yes, explain: \_\_\_\_\_

To register for the workshop, please complete and return all materials below: Scott County CDA; 323 Naumkeag St in Shakopee, MN 55379. All materials must be received prior to the workshop date.

First Time Homebuyer General Application Packet including Application, Signed Combined Privacy Act Notice and Signed Program Disclosure (if haven't completed in last 12 months).

Homebuyer Education Workshop Registration Form

\$25 registration fee per individual \*Make checks payable to SCCDA. No Cash accepted. No refunds.

Table with 2 columns: Initial, Registration Acknowledgement and Authorization. Contains 5 rows of registration terms and conditions.

Client Name (please print) Client Signature Date

Client Name (please print) Client Signature Date



## Section 3: Homebuyer Counseling Registration Packet

**\*Only complete the following if you want to participate in Homebuyer Counseling**

If you are interested in participating in the Homebuyer Counseling Program, please complete and return the forms and verifications requested below. Once the CDA receives all documents, a Homeownership Specialist will contact you to make a Counseling appointment. If you have questions or need assistance to complete the items below, please contact us at the information below:

- Homebuyer Counseling Credit Authorization Form (completed and signed)
- Homebuyer Counseling Homeownership Advisory-Client Agreement (signed)
- Recent Credit Report-60 days or less (If not purchasing a credit report from Scott County CDA).
- Homebuyer Counseling Completed Budget and Expense Form

### **Proof of household income for all members including:**

- Last 30 days proof of household income (paystubs, benefit statements)
- If self-employed, two years most recent tax returns
- Two most recent months of bank statements
- Signed Purchase Agreement (if applicable)
- Loan Disclosure (if applicable)
- Any additional information:

### **PLEASE RETURN ALL DOCUMENTS AND VERIFICATIONS TO:**

Attn: Homeownership Department

Mail: Scott County CDA; 323 Naumkeag St. Shakopee, MN 55379

Fax: 952-496-2852

Email: [cda-info@scottcda.or](mailto:cda-info@scottcda.or)

\*If you have questions, please contact us at 952-402-9022 Monday-Friday 8am-4:15pm

### SECTION 3—Homebuyer Counseling: Credit Report Authorization Form

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

DOB: \_\_\_\_/\_\_\_\_/\_\_\_\_

- Yes.** I would like the SCCDA to obtain a tri-merge credit report. I understand that this is a "soft pull" and will not affect my credit score. I understand that I am responsible for the cost and will INCLUDE a check for: **Individual report: \$15, Joint report: \$30.**

Authorization is hereby granted to Scott County Community Development Agency (SCCDA) to obtain a consumer credit report through a credit reporting agency chosen by SCCDA. I understand and agree that SCCDA intends to use the consumer credit report for the purposes of evaluating my credit history. .

I understand that this credit report will be retained on file at the SCCDA office for use only by SCCDA staff. This information will not be disclosed to anyone without my written consent. Furthermore, I understand that I am responsible for the cost for the credit report.

- No.** I do not want the SCCDA to pull a tri-merge credit report. Instead, I will provide a recent (within two (2) months) copy to the SCCDA. *\*Please provide both report and scores.*

#### Signatures:

Client 1 Signature: \_\_\_\_\_ Social Security #: \_\_\_\_\_ Date: \_\_\_\_\_

Client 2 Signature: \_\_\_\_\_ Social Security #: \_\_\_\_\_ Date: \_\_\_\_\_

**SECTION 3—Homebuyer Counseling: Homeownership Advisor — Client Agreement**

**Client Name:** \_\_\_\_\_

**DOB:** \_\_\_\_/\_\_\_\_/\_\_\_\_

**Homeownership Advisor Roles & Responsibilities:**

- Providing services confidentially, honestly and respectfully.
- Reviewing your housing goal and your finances; including income, debts, assets, and credit history.
- In partnership with you, developing a household budget to assist you with managing your debt, expenses, and savings.
- In partnership with you, creating a client action plan with steps that you and your Homeownership Advisor will take in order to achieve your housing goal.
- Presenting reasonable options available based on your current situation.
- Offering referrals to needed resources.
- Providing guidance and education in support of your goal.
- Neither your Homeownership Advisor nor Scott County CDA, employees, agents, contractors, or directors may provide legal advice.

**Client Roles & Responsibilities:**

- Providing accurate information about your income, debts, expenses, credit and employment.
- Attending meetings, returning calls, and promptly providing requested paperwork.
- Being an active participant in the creation and completion of steps on your Action Plan.
- Notifying a Scott County CDA Homeownership Advisor if your housing situation or goal changes.
- Attending educational workshops (i.e. Homebuyer Education) as recommended.
- Retaining an attorney if seeking legal advice and/or representation in matters such as foreclosure or bankruptcy protection.

**Termination of Services:** You or the advisor may terminate counseling services at any time. Reasons the advisor may terminate services include, but are not limited to, no progress on the agree-upon Action Plan steps, not responding to an advisor's attempt to contact you, or missing scheduled appointments.

**Client 1 Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Client 2 Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Homeowner Advisor:** \_\_\_\_\_ **Date:** \_\_\_\_\_

<i>Income</i>	<b>Net</b>	<b>Gross</b>	<b>Notes</b>
Income			
Child Support			
Other			
Other			
<b>Total income</b>	<b>0</b>		
<i>Housing</i>	<b>Monthly</b>		<b>Notes</b>
Rent			
Renter's insurance			
<b>Total current housing costs</b>	<b>0</b>		
Projected mortgage Amount (PI+MI)			
Projected property taxes			
Projected homeowners insurance			
Projected Association (if applicable)			
<b>Total projected housing costs</b>	<b>0</b>	<b>0</b>	
<i>Liabilities</i>	<b>Monthly</b>	<b>Balance</b>	<b>Notes</b>
Car loan(s)			
Student loan(s)			
Credit card(s)			
Other loan(s)			
<i>Utilities/household expenses</i>	<b>Monthly</b>		<b>Notes</b>
Electricity			
Heat/gas			
Water/sewer/trash/recycling			
Telephone/cell phone			
Cable/Dish/internet			
Home maintenance			
<i>Fixed expenses</i>	<b>Monthly</b>		<b>Notes</b>
Health Insurance			
Life Insurance			
Auto Insurance			
Child care			
Alimony/child support			
<i>Flexible Expenses</i>	<b>Monthly</b>		<b>Notes</b>
Groceries			
Household supplies/toiletries			
Transportation (gas, maintenance, parking)			
Medical expenses			
Educational expenses			
Entertainment/hobbies			
Dining out/school or work lunches			
Tithing/charitable donations			
Alcohol/cigarettes			
Clothing/Beauty			
ATM			
Other			
<b>Monthly savings</b>			
<b>Total expenses</b>	<b>0</b>	<b>0</b>	
<b>Monthly surplus/deficit</b>	<b>0</b>		
<i>Assets</i>	<b>Balance</b>	<b>Value</b>	<b>Notes</b>
Bank account(s)			
Automobile (s)			

# CAUTION

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



OMB Approval No: 2502-0538  
(exp. 07/31/2009)

## 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 (6/06)



# CAUTION

CAUTION

CAUTION

## 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 singlefamily 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.