

## VETERAN'S STATEMENT DUE ON SALE

Date: \_\_\_\_\_

Veteran/Applicant Name: \_\_\_\_\_

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

I understand that my home purchase is being financed with a mortgage made available with the assistance of Connecticut Housing Finance Authority (CHFA). This mortgage is made at an interest rate below that which is usually charged. Because of this, I cannot sell my home to a person ineligible for assistance from CHFA, unless I pay my loan in full. If I sell my home to a party ineligible for CHFA assistance and allow the buyer to make my payments for me (assume my loan), CHFA may refuse to allow the sale and demand immediate full repayment of the loan. This could result in foreclosure or repossession of the property. If you take my home through a foreclosure of the mortgage because of my sale to a non-approved buyer, VA will not be able to help me. In addition, VA may have to pay a claim to CHFA for any loss incurred on my loan. I may then be obligated to the VA for any claim paid by the VA to CHFA.

I may avoid such actions by paying my loan in full when I sell my home or by making certain that any person who purchases my home and takes over the payments is approved and meets the necessary qualifications established by CHFA. Those requirements are:

- Income to qualify, house and property to be eligible, purchase price to qualify, use of property to qualify as principal residence.

\_\_\_\_\_  
(Veteran/Applicant Signature)

\_\_\_\_\_  
(Veteran/Applicant Signature)

Lender: \_\_\_\_\_

NMLS ID: \_\_\_\_\_

Loan Originator: \_\_\_\_\_

NMLS ID: \_\_\_\_\_

*\*The Veteran's Statement-Due on Sale form must be forwarded to CHFA with the loan application.*

**VA Regulation 4275(A) (38 CFR §36.4275(a))**

(A) [Except as provided in subdivisions (1) and (2) of this subparagraph] the conveyance of or other transfer of title to property by operation of law or otherwise, after the creation of a lien thereon to secure a loan which is guaranteed in whole or in part by the Administrator, shall not constitute an event of default, or acceleration of maturity, elective or otherwise, and shall not of itself terminate or otherwise affect the guaranty.

(1) The Administrator may issue guaranty on loans in which a State, Territorial, or local governmental agency provides assistance to veteran for the acquisition of a mobile home or lot. Such loans will not be considered ineligible for guaranty if the State, Territorial, or local authority, by virtue of its laws or regulations or by virtue of Federal law, requires the acceleration of maturity of the loan upon the sale or conveyance of the security property to a person eligible for assistance from such authority. [38 U.S.C. 1819(g)]

(2) At the time of application for a loan assisted by a State, Territorial, or local governmental agency, the veteran-applicant must be fully informed and consent in writing to the housing authority restrictions. A copy of the veteran's consent statement must be forwarded with the loan application or the report of a loan processed on the automatic basis. [38 U.S.C. 1819(g)]\*

**VA Regulation 4308(E) [38 CFR §36.4308(e)]**

(E) (1) The Administrator may issue guaranty on loans in which a State, Territorial, or local governmental agency provides assistance to a veteran for the acquisition of a dwelling. Such loans will not be considered ineligible for guaranty if the State, Territorial, or local authority, by virtue of its laws or regulations or by virtue of Federal law, requires the acceleration of maturity of the loan upon the sale or conveyance of the security property to a person ineligible for assistance from such authority. [38 U.S.C. 1803(c)]

(2) At the time of application for a loan assisted by a State, Territorial, or local governmental agency, the veteran-applicant must be fully informed and consent in writing to the housing authority restrictions. A copy of the veteran's consent statement must be forwarded with loan application or the report of a loan processed on the automatic basis. [38 U.S.C. 1803 (c)]

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\* The Connecticut Housing Finance Authority does not make loans for the acquisition of mobile homes or lots. This regulation (A) is provided for informational purposes only.