

Real Estate Perspective

By Loretta A. Hall



WHEN YOUR LOAN IS TRANSFERRED

Just a little something you should know...the company that collects payments on a mortgage loan is said to "service" the loan, even if it doesn't actually own the loan. Servicing of the loan may be transferred, sold or assigned to another party at any time. Example, you have been paying your mortgage loan to the same company for many years...with surprise you begin to receive you mortgage loan payment notices from another mortgage company informing you that they are now servicing your loan.

The 1990 Mortgage Servicing Transfer Act regulates how a homeowner must be informed of such transfers if it happens to you or anyone you know. If the servicing of a mortgage loan is transferred in any way after closing, the borrower must be notified in writing by the new and original servicers within 15 days of the effective transfer. The notices must include this information:

* The date the first payment is due to the new servicer and the

The LAS VEGAS SENTINEL-VOICE

date the old servicer will stop collecting payments.

* The name, address and toll-free or collect-call number of the servicer.

* You must also be informed of any effect the transfer has on mortgage life, disability or other optional insurance, and what the borrower must do to continue coverage.

The new servicer may not impose a late fee within 60 days of the transfer if the borrower makes a payment to the old servicer before the first payment to the new servicer is due. Original lenders of government-related loans also must provide a statement on the

likelihood a borrower's servicing will be transferred. A borrower's written correspondence for loan information must be acknowledged within 20 working days and responded to within 60 days. Penalties for noncompliance include damages and a class action penalty of up to \$500,000. Know your rights and continue to be knowledgeable and informed customers.

As always, please contact a professional for all your REAL ESTATE NEEDS or write to me c/o REAL ESTATE PERSPECTIVE, Las Vegas Sentinel Voice Newspaper, 1201 South Eastern Avenue, Las Vegas Nevada 89104.

BUSINESS

PRIMERIT BANK TO HOST CRA EDUCATION PROGRAM

PriMerit Bank will host a Community Reinvestment Act Home Buyers' Education program for Las Vegas interested in applying for one of the two mortgage lending programs being offered to help first-time and low income buyers purchase a home.

The free seminar will take place from 6:30 p.m. to 8:30 p.m., Wednesday, September 29 at the North Las Vegas Library, 2300 Civic Center Dr. The event is being co-sponsored by North Las Vegas Neighborhood Housing Services Inc., which has made grant money available for qualified loan applicants.

Completion of the class is required to qualify for either of the loan packages and PriMerit will be taking applications from those attending to determine eligibility for the loan.

John Dodgion, PriMerit's senior vice president for the customer lending division, said the seminar is the first of several the bank will be sponsoring as part of the Community Reinvestment Act.

"Many first-time home buyers feel they aren't able to purchase a home," Dodgion said. "What this informational seminar will show them is they may be eligible to qualify for PriMerit's CRA Programs."

Representatives from Nevada Title will also be available during the seminar to explain it's services. Transportation to the event is available through Neighborhood Housing Services and those who attend can register to win a free landscaping gift certificate worth \$500.

PriMerit's CRA programs require the usual 5 percent down payment to purchase a home. Under the PriMerit packages,

however, the borrower only has to come up with a portion of that 5 percent from their own funds.

Under PriMerit Bank's Affordable Gold Program, a home buyer needs to come up with just 1 percent of the down payment from the borrowers own funds. The other 4 percent can come from either a gift through a family member, friends, or grant money from a non-profit organization.

The Fannie Mae Community Home Buyers program allows for 3 percent of the down payment to come from the borrowers own funds with the remaining 2 percent coming from another source, such as a gift or grant.

"PriMerit's ultimate goal with these two programs is to make it easier and more affordable to purchase a home for a first time or low income buyer," Dodgion said.

In addition to the down pay-

ment incentives:

* For those with minimal credit history, PriMerit gives more weight to rent receipts, utility bills and other payments that show a stable payment history.

* The debt to income ratios to qualify a potential home buyer are slightly different. Under these programs, up to 40 percent of the borrower's gross income can go toward total expenses instead of the usual 36 percent required on conventional financing.

Along with clarifying eligibility, PriMerit's seminar will explain what grant money is available through Neighborhood Housing Services, how to apply for a grant, how to maintain and how to manage the financial responsibilities of home ownership.

For further information about the class, please call PriMerit's CRA office at 365-3690.

BANKAMERICA FOUNDATION PROVIDES FUNDING TO NEVADA SCHOOL OF THE ARTS

Bank of America Nevada recently announced that the BankAmerica Foundation has awarded a \$2,500 grant to the Nevada School of the Arts. This grant will be used to fund two scholarships for disadvantaged students in the Las Vegas area.

Nevada School of the Arts provides comprehensive music

training for talented and motivated children and adults in Clark County. The school will have approximately 400 students enrolled in this year's program. The ages of students range from three years on up to adults.

"We are very grateful to Bank of America for their support of a much needed and worthwhile

program," said Dr. Paul S. Hesselink, dean of NSA. "There are a large number of children throughout the area who can't afford music training, and with many extracurricular activities, community support for our program is crucial."

Bank of America's funding will provide scholarships for two students during the 1993-94 school year. Students will receive private music instruction from one of the school's 40 professional instructors.

"We're excited to be a part of a community outreach program that provides learning opportunities to underprivileged children in our area," said BofA Nevada Chairman and CEO Richard A. Etter. "The bank is a strong supporter of education and the arts, and helping the less fortunate is what community reinvestment is all about."

BankAmerica Foundation is the philanthropic arm of BankAmerica Corporation. The foundation funds private, non-profit, tax-exempt organizations that engage in health and human services, education and the arts.

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Atlanta, Georgia

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