

(5) The Department may require an affidavit from an applicant for a loan under this subsection confirming other governmental or commercial sources of assistance, which may be shared with FEMA, SBA, or other governmental agencies that provide assistance.

(6) The Department may establish priorities for making loans available under this subsection.

(e) (1) This subsection applies to housing rehabilitation ~~or~~, renovation, or onsite replacement loans obtained in the private market for which the Department ~~serves as guarantor~~ provides credit enhancement.

(2) The Program is designed to facilitate the availability and utilization of private market loans for the rehabilitation ~~and~~, renovation, or onsite replacement of primary residences damaged by Hurricane Isabel by a family:

(i) who otherwise meets the qualifications for a loan offered by a financial institution; and

(ii) 1. who has been relocated into temporary housing by or has received rental assistance from FEMA, or who has not obtained any assistance from FEMA but otherwise qualifies for such assistance; or

2. whose primary residence has been found to be partially or totally uninhabitable.

(3) A loan for which the Department ~~serves as guarantor~~ provides credit enhancement under this subsection:

(i) may include the refinancing of existing mortgage loans on the primary residence; and

(ii) may not include a home equity line of credit.

(4) The Department shall approve and make available to prospective borrowers a list of financial institutions that are willing to offer loans for which the Department may ~~serve as guarantor~~ provide credit enhancement under this subsection.

(5) The Department shall ~~serve as guarantor~~ provide credit enhancement of a loan under this subsection for the amount of the loan proceeds that is over ~~90%~~ 80% and up to 115% of the ~~expected~~ fair market value of the ~~home~~ property after the rehabilitation ~~and~~, renovation, or onsite replacement is completed, as determined by an appraisal ~~at the time the loan is closed~~ used to process and approve the loan.

(6) (i) The Department shall ~~ensure~~ determine that the terms and provisions of a loan offered by a financial institution for which the Department ~~serves as guarantor~~ provides credit enhancement are reasonable and reflective of the mortgage market.

(ii) The payment of the principal and interest on loan proceeds paid out from time to time as renovations and rehabilitations are completed may be