

Community HOME 100

Please note interest rates and the related DPA assistance amounts are subject to change at any time.

- Owner-occupied only.
- Second Homes are not eligible.
- Purchase: FHA,

Use Product code: Essex Mortgage

PRIMARY RESIDENCE

Purchase

Mortgage Type	LTV	CLTV	Maximum HCLTV	Credit Score
Purchase				
FHA	96.50%	100%	100%	600

General Information

Description	The program is designed to increase homeownership opportunities for low-to-moderate income individuals and families nationwide (excluding New York and Washington state). Down Payment Assistance (DPA) is available in the form(s) stated below.
States	Eligible in all States except NY and WA
First Mortgage Loan Types and Terms -10 yr Amortized	<p>Loan Types:</p> <ul style="list-style-type: none"> • FHA: 203(b), 203(b)(2), and 234(c); in accordance with FHA guidelines. • Cooperative housing (co-op) is not eligible <p>Loan Term:</p> <ul style="list-style-type: none"> • Due and payable in 30 years <p>Maximum Loan Amount:</p> <ul style="list-style-type: none"> • High Balance loan permitted - see price sheet <p>Max LTV/CLTV:</p> <ul style="list-style-type: none"> • Follow loan agency guidelines
Down Payment & Closing Costs Assistance	<p>DPA is available from NHF for Purchase transactions as outlined below:</p> <p>DPA Amount:</p> <ul style="list-style-type: none"> • Up to 3.5% of the Sales Price or Appraised Value (lesser of) <p>DPA General Terms:</p> <ul style="list-style-type: none"> • Proceeds may be used for down payment and/or closing costs; • There must be no cash back to the borrower from the DPA proceeds; • Lender upfronts the DPA amount at closing to be reimbursed by the Investor, on behalf of NHF, upon purchase of the First Mortgage Loan <p>DPA Amortized form:</p> <ul style="list-style-type: none"> • NHF 10-year Second Mortgage Loan Note <p>DPA Amortized Second Mortgage Loan Terms:</p> <ul style="list-style-type: none"> • 10 year Term; • Note Rate is 2.0% greater than rate on 1st loan (or max rate based on State compliance, if applicable); • 10 yr fully amortizing loan • Monthly payments required; • Second loan amounts must be rounded up to nearest dollar; • No subordination allowed; • Lender must conform to federal RESPA and Truth-in-lending laws in disclosing the terms of the Second Mortgage; • Late charge amount assessed if payment is not made within 15 days of the due date. The late charge amount is 5% or the maximum amount if a statutory limit is less than 5%
DPA Documentation -10 yr Amortized	<p>Program Manager (NHF) shall provide the DPA Funding Commitment Notice is obtained via the Essex Portal, TPO Connect: https://7608605446.encompasstpoconnect.com/#/content/idplogin</p> <p>Lenders may obtain State Specific Security Instrument and Note via DocMagic (MOM Instrument)</p> <ul style="list-style-type: none"> • Plan Codes: DocMagic - NHFESS_HBA – NHF 10YR FIXED RATE SECOND with ESSEX MORTGAGE AS SERVICER

	<p>DPA Second Mortgage Loan Documents (Required):</p> <ul style="list-style-type: none"> • DPA Funding Commitment Notice – must be dated prior to the Note date • Second Mortgage Note – Fully endorsed to: National Homebuyers Fund, Inc., an Instrumentality of Government Section 115 entity • Lender will use State Specific Security Instrument: <ul style="list-style-type: none"> ○ Lender must serve as the Lender for the Second Note and Security Instrument; ○ Lender must complete MERS “MOM” Security Instrument with a MIN number. The MIN must be registered with MERS prior to delivery to the Investor for reimbursement. • Lender must complete the TOS/TOB transfer to NHF within 48 hours of Essex’s reimbursement of the DPA funds • MERS Org ID # = 1016798 • Master Servicer MERS Org ID # - 1003160 <p>Lender must adhere to any Local, State, and Federal compliance requirements. Lender must provide a separate clear compliance certificate for both loans, clear of all findings. Lender is responsible for recording the Security Instrument.</p> <ul style="list-style-type: none"> • Servicer Address: 1417 North Magnolia Ave, Ocala, FL 34475 <p>Lender is required to reflect NHF’s EIN on HUD’s FHA Loan Underwriting and Transmittal Summary in conjunction with secondary financing assistance or to the borrower when the borrower is receiving an FHA First Mortgage. NHF’s EIN is 42-1549314.</p>
Mortgage Insurance	Follow agency guidelines
AUS	DU and LPA
Fees	<p>Must Pass all Points and Fees Test</p> <p><u>First Mortgage</u></p> <ul style="list-style-type: none"> • Fees <ul style="list-style-type: none"> • Admin fee: \$395.00 • Flood Certification: \$5.00 • Tax Service Fee: \$75.00 <p>The fees must be disclosed on the Loan Estimate/Closing Document on the 1st. No fees apply to the 2nd lien.</p> <p><u>Second Mortgage</u></p> <ul style="list-style-type: none"> • Fees <ul style="list-style-type: none"> • No fees apply to the 2nd lien • Only third party settlement costs related to closing the 2nd lien are allowed to be charged on the 2nd. No separate title policy is required for the 2nd lien <p>HPML loans are allowed</p>
Reservation	<p>Reservation must be requested by the loan officer via email to lockdesk@cwmlend.com only after the file is approved by underwriting. Maximum 30 day lock. Requests must be received by 3:00 pm PST to reserve the same day. All requests received after 3:00 pm will be processed the following business day.</p> <p>A fully-executed sales contract is required prior to reserving funds. Should the loan reservation be canceled at any point during the reservation, the issuer may allow the loan to be reinstated at the higher of the mortgage rate originally reserved or the then current program mortgage rate.</p>
Borrower Eligibility	
Borrower Eligibility	<p>Occupancy:</p> <ul style="list-style-type: none"> • No first-time homebuyer requirement • Borrower must occupy the residence as their primary residence within (60) days of closing • Borrowers may have ownership in other property at time of closing, per agency guidelines • Non-occupant co-borrowers allowed on FHA loans only • Eligible Properties: <ul style="list-style-type: none"> ○ Single Family Residences ○ 2 units – LLPA applies ○ PUDs ○ Townhouses ○ Condominiums (Must not be in litigation) ○ Double wide manufactured housing available – see price sheet for LLPA Minimum • Credit Score: FHA: 600 Each borrower must have a minimum of one credit score • Maximum DTI: AUS approval (No Maximum DTI) • Manual Underwrite Requirements: <ul style="list-style-type: none"> ○ Minimum credit score - 660 AND;

	<ul style="list-style-type: none"> o Maximum DTI - 45%
Co-Signers/Co-Borrowers	Follow applicable agency guidelines
Non-Occupant Co-Borrowers	Follow applicable agency guidelines.
First-Time Homebuyer	There are NO first-time homebuyer requirements
Homebuyer Education	<p>Homebuyer Education:</p> <ul style="list-style-type: none"> • At least one occupying borrower to be provided by: <ul style="list-style-type: none"> o Fannie/Freddie or; o HUD approved non-profit counseling agency; o Must be within 6 months prior to loan application; o Completed prior to loan closing
Higher Priced Mortgage Loans (HPML)	<p>QM Higher Priced Mortgage Loans</p> <ul style="list-style-type: none"> • Must follow guidelines stated in the Rebuttable Presumption Section below <ul style="list-style-type: none"> o PIW (Property Inspection Waiver) and ACE (Automated Collateral Evaluation) – are ineligible for HPML <p>Section 35 Higher Priced Mortgage Loans</p> <ul style="list-style-type: none"> • Must follow guidelines stated in the Rebuttable Presumption Section below; and • Escrow account must be established and maintained for at least five (5) years; and <p>Master Insurance Policy Exemption: Insurance premiums are exempt for units in a condominium or PUD when the unit's property is covered by a master insurance policy.</p>
Occupancy	Borrower must occupy the residence as their primary residence within (60) days of closing
Other Properties Owned	Follow agency guidelines
Financing Types	
Buydowns	2/1 buydown allowed
Refinance Transactions	Not allowed
Escrow / Impound Accounts	Required. Escrow waivers not allowed.
Credit	
Credit	Each borrower must have a minimum of one credit score Agency guidelines apply
Manually Underwriting	<ul style="list-style-type: none"> • Minimum credit score - 660 AND; • Maximum DTI - 45%; • All other agency guidelines apply
Income	
Income	Follow agency guidelines
Income Limits	N/A
Assets	
Assets	Follow agency guidelines
Seller Contributions	Follow agency guidelines

Cash Back	Borrower cannot receive any cash back (other than borrowers' earnest money)
Property	
Property Types	<p>Eligible</p> <ul style="list-style-type: none"> • Single Family Residences • 2 units – LLPA applies • PUDs • Townhouses • Condominiums (Must not be in litigation) • Double wide manufactured housing available – see price sheet for LLPA Minimum <p>Ineligible:</p> <ul style="list-style-type: none"> • Co-Ops
Property Flipping	Follow agency guidelines
Condo	No litigation allowed
Subordinate Financing	Not permitted behind DPA second