

Home 100 DPA

PROGRAM 10 YEAR AMORTIZED 2 PLUS

100% CLTV and 101.5% CLTV

Revised 3.9.26

Matrix

Mortgage Type	LTV	CLTV	Maximum HCLTV	Credit Score
Purchase				
FHA	96.50%	101.5%	101.5%	600

Eligibility

STATE RESTRICTIONS	NY and WA
AUS	DU and LPA
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.
FIRST MORTGAGE LOAN TYPES AND TERMS	<p>Loan Types:</p> <ul style="list-style-type: none"> • FHA 203(b), 203(b)(2), and 234(c); in accordance with FHA guidelines. • 30 year and 25 year terms are available. • Cooperative Housing (co-op) is not eligible. <p>Loan Term:</p> <ul style="list-style-type: none"> • Due and payable in 25 years and 30 years <p>Maximum Loan Amount:</p> <ul style="list-style-type: none"> • Conforming and High Balance allowed <p>Max LTV/CLTV:</p> <ul style="list-style-type: none"> • Follow FHA guidelines
DOWN PAYMENT AND CLOSING COST ASSISTANCE (DPA)	<p>Down payment assistance (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% or 5% of the sales price or appraised value (lesser of) <p>DPA Form:</p> <ul style="list-style-type: none"> • NHF 10-year Second Mortgage Loan Note <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 <u>no cash back</u> to the borrower from the DPA proceeds. • Lender upfronts the DPA amount at closing to be reimbursed by CW Lending on behalf of NHF, upon purchase of the first mortgage loan.

	<p>DPA Second Mortgage Loan Terms:</p> <ul style="list-style-type: none"> • 10 year fully amortizing loan term; monthly payments required • The 2nd mortgage note rate is 2% greater than the 1st mortgage note rate. • The 2nd mortgage amount must be rounded up to the nearest whole dollar. • No subordination allowed • Lender must conform to Federal RESPA and Truth-in-Lending (TILA) laws in disclosing the terms of the Second Mortgage <p>Late Charge Amount:</p> <ul style="list-style-type: none"> • Assessed if payment is not made within 15 days of the due date. The late charge is 5% or the maximum amount if a statutory limit is less than 5%.
<p>DPA DOCUMENTATION</p>	<p>DPA Second Mortgage Loan Documents (Required):</p> <ul style="list-style-type: none"> • DPA Funding Commitment Notice – <u>must be dated prior to the Note date</u> • Second Mortgage Note – Fully endorsed to: National Homebuyers Fund, Inc., an Instrumentality of Government Section 115 entity • Lenders 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 ○ Security Instrument should contain MERS *MOM* language as well as a MIN Number <p>The Lender must complete the TOS/TOB transfer to NHF within 48 hours of reimbursement of the DPA funds.</p> <ul style="list-style-type: none"> • MERS Org ID # = 1016798 • Master Servicer MERS Org ID # = 1003160 • Lender must adhere to any Local, State, and Federal compliance requirements. • Lender must provide separate clear compliance certificates for both the first and second mortgage loans • Lender is responsible for recording the Security Instrument. • Servicer Address (Including First Payment on DPA 2nd): <p style="text-align: center;">1417 North Magnolia Ave, Ocala, FL 34475</p> <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>

BORROWER ELIGIBILITY	<p>Occupancy:</p> <ul style="list-style-type: none"> • Borrower is not required to be a first-time homebuyer • Borrower must occupy the residence as their primary residence within sixty (60) days of closing. • Borrowers may have ownership of other property at time of closing, per Agency guidelines. • Non-occupant co-borrower(s) allowed, per Agency guidelines and must be on title. <p>Eligible Properties:</p> <ul style="list-style-type: none"> • Single family residences • 2 units – LLPA applies • PUDs • Townhouses • Condominiums – (must be Agency approved or obtain Single Unit Approval and must not be in litigation). • Manufactured housing – (no singlewides and must otherwise meet FHA requirements.) See Price Sheet for LLPA. <p>Minimum Credit Score.</p> <ul style="list-style-type: none"> • FHA with AUS Approval: 600 • FHA Manual Underwrite: 660 • Each borrower must have a minimum of one credit score <p>Maximum DTI:</p> <ul style="list-style-type: none"> • FHA with AUS approval - No Maximum DTI • FHA Manual Underwrite: Maximum DTI – 45% <p>Homebuyer Education:</p> <ul style="list-style-type: none"> • At least one occupying borrower must complete a Homebuyer’s Education course from FNMA/FHLMC or any HUD approved provider
MORTGAGE INSURANCE	<ul style="list-style-type: none"> • Follow Agency guidelines.

<p>INTEREST RATES AND MORTGAGE LOCKS</p>	<p>Mortgage Loan Interest Rates:</p> <ul style="list-style-type: none"> • See Price Sheet for available interest rate ranges • 2/1 Buydowns are permitted on the FHA First – adhere to all FHA requirements regarding Buydowns <p>Loan Registrations (Reservations):</p> <ul style="list-style-type: none"> • Once CD has been requested, Processor to request from lock desk the DPA • Reservation & Funding Commitment Notice. This must be dated 24 hours prior to the note date. • Processor to request Lock and CD on the 2nd mortgage (must follow same TRID rules with the 1st mtg) <p>Price Adjustments: All adjustments are cumulative</p> <ul style="list-style-type: none"> • Loans are subject to LLPAs and Fees as noted on the price sheet (adjustments are assessed at the time of purchase. • LLPA for manufactured properties. Single wide properties are not permitted. <p>Extension Fees: See Price Sheet for Extension Fees</p>
<p>FEES</p>	<p>Fees and Points Lender may charge to Borrower:</p> <ul style="list-style-type: none"> • Must pass all Points and Fees Testing • Lender may charge customary and reasonable closing costs and fees with full disclosure in accordance with loan agency, Federal, State and local laws and regulations on the FHA 1st • No Lender Fees are allowed on the DPA 2nd (3rd party closing costs are acceptable)

DISCLOSURES	<p>Process for initial disclosures</p> <ul style="list-style-type: none"> • 1st TD <ul style="list-style-type: none"> - Broker to issue disclosures through PARC • 2nd TD <ul style="list-style-type: none"> - Broker to Email CRM once the 1st TD is created -CRM will create 2nd TD and request disclosures -CWL’s disclosure team will issue disclosure internally
CLOSING DISCLOSURES	<p>Process for Closing Disclosures</p> <ul style="list-style-type: none"> • 1st TD <ul style="list-style-type: none"> -Broker to request Closing Disclosure through PARC • 2nd TD <ul style="list-style-type: none"> -Closing Disclosures will be issued at the same time as the 1st TD
LOAN DOCUMENTS	<p>Process for Loan Docs</p> <ul style="list-style-type: none"> • 1st TD <ul style="list-style-type: none"> -Broker to request loan docs through PARC • 2nd TD <ul style="list-style-type: none"> -Loan documents will be issued at the same time as the 1st TD
COMPLIANCE CERTIFICATE	<p>Provide Compliance Certificate for the 1st lien from ComplianceEase with an acceptable rating on all compliance reviews. No Compliance Certificate is required for the Forgivable DPA 2nd.</p>