



## HOMEOWNERSHIP DIVISION

### January 25, 2019 Home Preferred Program Changes

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Our Home Preferred Program will be undergoing some changes. This lender notice provides a brief description of the changes. Additionally, attached are some key documents that provide, namely:

- Our new income limit policy for all homeownership programs;
- Updated Cash Assistance Mortgage Policy (with updated exhibits); and
- Revised and new Home Preferred program fact sheets.

In December 2018, New Hampshire Housing was advised by Fannie Mae that our housing goals loans requirement (percent of loan for low- and very low-income borrowers) would be increasing in 2019. To comply with the increased goals, we must make changes to the Home Preferred Program.

The two changes taking place are as follows.

#### **Income Limits for the Home Preferred Program**

- |                        |          |
|------------------------|----------|
| • Home Preferred       | 115% AMI |
| • Home Preferred No MI | 100% AMI |
| • Home Preferred Plus  | 80% AMI  |

Lenders will use the Fannie Mae HomeReady Look Up Tool to determine the AMI for a specific loan, using the property address. **NOTE:** Always use the AMI for the property location shown in the Look Up Tool, not the HomeReady income limit.

Note: The income limits for the Home Flex program at \$126,700 and the MCC program will remain the same.

#### **Cash Assistance Conventional Mortgage Launch: Home Preferred Plus**

We are very happy to announce that your borrowers will now have access to Cash Assistance with our conventional loan program!

- Cash Assistance will be 3% of loan amount. (2% Cash Assistance will not be offered with this program.)
- Income limit will be 80% or less of AMI (Use Look Up Tool).
- Follows the same process/documents currently used for the Home Flex Plus Cash Assistance Mortgage.

With the addition of Cash Assistance Mortgage to the Home *Preferred* program, your borrowers will now have the option to use Cash Assistance with a conventional product at an attractive rate. For example, we hope the rate for the Home *Preferred* Plus will be comparable to current rates for the Home *Flex* Plus or just slightly higher, knowing the borrower will be able to eliminate the MI payment in the future.

### **Effective Date**

This policy shall apply to all Home *Preferred* reservations made on or after Tuesday February 19, 2019.

### **Training**

For more details, read our updated policy dated February 1, 2019. Please also attend one of the following training sessions:

#### **Participating Lenders**

<b>DATE</b>	<b>TIME</b>	<b>LIVE/ONLINE</b>	<b>LINK</b>
Friday, 2/1/19	10:00AM – 12:00PM	Live*	<a href="#">Register here</a>
Tuesday, 2/5/19	1:00 – 2:30PM	Live*	<a href="#">Register here</a>
Wednesday, 2/13/19	1:00 – 2:30PM	Online	<a href="#">Register here</a>

#### **Participating Originators**

<b>DATE</b>	<b>TIME</b>	<b>LIVE/ONLINE</b>	<b>LINK</b>
Monday, 2/11/19	1:00 – 2:30PM	Live*	<a href="#">Register here</a>
Thursday, 2/14/19	12:30 – 2:30PM	Online	<a href="#">Register here</a>

\*Live training at New Hampshire Housing, 32 Constitutional Drive, East Entrance, Bedford NH 03110

### **Questions?**

For overall program questions, please Darren O'Toole at 603.310.9245 or email [dotoole@nhhfa.org](mailto:dotoole@nhhfa.org).

For specific process and underwriting question, please contact Mike Chadbourne at 603.310.9247 or email [mchadbourne@nhhfa.org](mailto:mchadbourne@nhhfa.org).

For Participating Originators, please contact Karina Melkumyan at 603.310.9244 or email [kmelkumyan@nhhfa.org](mailto:kmelkumyan@nhhfa.org).

Thank you,

New Hampshire Housing Homeownership Team