



## HOME *PREFERRED PLUS* WITH CASH ASSISTANCE SECOND MORTGAGE

<b>Description:</b>	New Hampshire Housing, in conjunction with Fannie Mae, is offering Home <i>Preferred Plus</i> . This program offers up to 97% LTV with low mortgage insurance coverage along with "Cash Assistance" of 3% of base loan amount. This program is ideal for borrowers with limited funds for down payment and closing costs. When running Digital Originator (DO), always pick HFA Preferred.	
<b>Rate and Term:</b>	Established daily and published on <a href="http://www.nhhfa.org">www.nhhfa.org</a> / 30 years	
<b>Loan Purpose: Occupancy:</b>	<ul style="list-style-type: none"> <li>• Purchase of a primary residence</li> <li>• Limited cash out refinance</li> <li>• Must be owner occupied</li> </ul> <b>Loans cannot be closed in a trust (NHHFA policy).</b>	
<b>Eligible Borrowers:</b>	<ul style="list-style-type: none"> <li>• Borrowers who meets the income and credit score requirements.</li> <li>• Home Buyer Education is required for all first-time homebuyers; New Hampshire Housing online education acceptable.</li> <li>• 2-4 units require Landlord and Homebuyer Education.</li> <li>• <b>Home Preferred Plus / Home Ready</b> rules apply; follow the findings.</li> <li>• If borrowers currently own property, borrowers will then need to qualify under <b>Home Ready Guidelines</b>.</li> <li>• Non-borrower title holders acceptable – if allowed by mortgage insurer</li> </ul>	
<b>Eligible Properties:</b>	<ul style="list-style-type: none"> <li>• 1-4 family primary residence               <ul style="list-style-type: none"> <li>○ 1-unit max 97% loan-to-value</li> <li>○ 2-4 unit max 95% loan-to-value</li> </ul> </li> <li>• Must meet Fannie Mae eligibility on all condos/condex.</li> <li>• If the condo is not currently in New Hampshire Housing's system, we will need questionnaire.</li> <li>• <b>Manufactured housing allowed up to 95% LTV on its own land per Fannie Mae guidelines (Double Wide Only).</b></li> </ul>	
<b>Minimum Cash Investment:</b>	<ul style="list-style-type: none"> <li>• One unit: \$0</li> <li>• 2-4 unit: 3% (3-4 units are subject to PMI availability)</li> </ul> <i>Private mortgage insurance requirements may differ, please check.</i>	
<b>Maximum LTV</b>	<ul style="list-style-type: none"> <li>• 97% for 1- units / CLTV 105% with Fannie Mae eligible community seconds</li> <li>• 95% for 2-4 units / CLTV 105% with Fannie Mae eligible community seconds</li> </ul>	
<b>Income limits Purchase Price Limits</b>	<ul style="list-style-type: none"> <li>• <b>80% or less of area Average Median Income.</b> <ul style="list-style-type: none"> <li>○ <b>Use Home Ready Look Up Tool to determine property AMI</b></li> </ul> </li> <li>• For all borrowers, occupant and non-occupant, income <u>does</u> have to be added to total for compliance.</li> <li>• 2-4 unit if using rental income to qualify must be added for compliance.</li> <li>• No purchase price limit for loan product.</li> </ul> <i>When combining with the Homebuyer Tax Credit, those program limits must be followed.</i>	
<b>Reserves:</b>	As per mortgage insurer	
<b>Credit / FICO:</b>	<ul style="list-style-type: none"> <li>• 620 min. FICO all borrowers</li> </ul>	
<b>Underwriting/ Ratios:</b>	Per DO. When entering DO choose the HFA <i>Preferred</i> option on the community lending screen. DO recommendations of Approve/Eligible are eligible for DO's Limited Waiver of reps and warrants. Qualifying ratios, reserves, and income requirements are determined by DO.	
<b>Collections:</b>	Per DO and insurers requirements	
<b>Mortgage Insurance:</b>	<b>LTV</b>	<b>Mortgage Insurance</b>
	>95% and <=97%	18%
	>90% and <=95%	16%
	>85% and <=90%	12%
	>80% and <=85%	6%
<b>Interested Party Contributions</b>	<ul style="list-style-type: none"> <li>• Please refer to the Fannie Mae Selling Guide.</li> </ul>	

<p><b>Water Test:</b></p> <p><b>Well and Septic:</b></p>	<ul style="list-style-type: none"> <li>• <b>Purchases:</b> Water test required for private water source. Testing must include E.coli, Total Coliform, Lead, Nitrate and Nitrite. Any other primary parameters tested will have to pass.</li> <li>• Dug Well: must meet insurer requirements as well as a testing requirements above.</li> <li>• Community Wells: we will need a copy of the most recent water test</li> <li>• Well and septic must be sited on the property being financed.</li> <li>• <b>Refinances: do NOT require a water test</b></li> <li>• CONDEX: with shared well and septic will need acceptable tests for both systems and a hold harmless stating the borrower is aware they are responsible for those systems.</li> </ul>
<p><b>Homeowners Insurance:</b></p>	<ul style="list-style-type: none"> <li>• Max deductible is the higher of \$1,000 or 1% of face amount of policy. When allowed by the mortgage insurer we will take into consideration value of out buildings.</li> <li>• CONDO: Must have master policy. If no walls in coverage and/or deductible is \$5,000 or more, an HO6 will be required.</li> <li>• We will escrow for HO6 only if requested by borrower.</li> </ul>
<p><b>NHHFA Overlays:</b></p>	<ul style="list-style-type: none"> <li>• Minimum 620 FICO all borrowers</li> <li>• Water test required for private well – requirements listed above</li> <li>• Well and septic must be sited on the property we are financing</li> <li>• Tax transcripts are required</li> </ul>
<p><b>*IMPORTANT*</b></p>	<ul style="list-style-type: none"> <li>• <b>We DO NOT participate in MERS</b></li> <li>• <b>Loans cannot be closed in a trust (NHHFA policy)</b></li> <li>• <b>Escrows for property taxes, hazard insurance, flood insurance and mortgage insurance are required on every New Hampshire Housing loan.</b></li> </ul>