### Home Flex - PO

| Description: | Provides low and moderate-income persons with financing for the purchase of a home
| | Provided through a statewide network of participating lenders or correspondents
| Term: | 30 years
| Loan Purpose: Occupancy: | Purchase of a primary residence (see separate fact sheet for refines)
| | Must be owner occupied
| | Loans cannot be closed in a trust (NHHFA policy)
| Eligible Borrowers: | Must meet current income and credit score requirements for mortgage programs
| | Non-occupant co-borrowers allowed per FHA guidelines
| | Non-borrower title holders now acceptable – if allowed by mortgage insurer
| Eligible Properties: | Owner occupied new or existing 1-4 unit homes
| | Condos/condexs approved by FHA, RD (no longer necessary for New Hampshire Housing to approve condos on behalf of RD, we will accept whatever approvals RD accepts) or VA
| | Manufactured home on its own land, documented per insurer guidelines
| | No acreage requirement, unless insurer has one
| | When combined with MCC, single units only and max 5 acres
| Document Type: | Full documentation
| Minimum Cash Investment / Cash Back: | Per mortgage insurer requirements
| | Cash back at closing is allowed, per insurers requirements, not to exceed borrower contribution
| Maximum LTV: | Single units as per insurer
| | 2-4 units as per insurer
| Income Limits: | Income limits as currently published by New Hampshire Housing
| | Qualifying income only for mortgage programs, all of the base income must be counted
| | Multi-family rental income can be used to qualify, but not counted for compliance limit
| | Non-occupant co-borrower income should be used to qualify but not counted for compliance
| Purchase Price Limits: | No Purchase Price limits apply to this program
| | However, when combining with the Homebuyer Tax Credit (MCC program), income and purchase price limits must be followed
| Reserves: | Per mortgage insurer
| Credit/FICO: | Min 620 FICO, all borrowers
| Underwriting/Ratios: | Approve/Eligible
| | DTI over 50% allowed, must be approve/eligible – minimum credit score 680
| | RD Refers acceptable with 620 credit score
| | RD manual underwrite acceptable
| | FHA Refers acceptable, requires a manual underwrite if credit score at least 620
| Collections: | Per findings and insurer’s requirements
| Homebuyer Education: | 1 unit – none
| | 2-4 units – homebuyer and landlord education required
| | Homebuyer Education available online at www.GoNHHousing.com
| Mortgage Insurance: | Per Insurer requirements
| | Current insurers: FHA / VA / RD
| Gifts: | A gift letter is required
| | Verification of gift funds must be documented per insurer
| Interested Party Contributions: | Per mortgage insurer requirements
| **Water Test:** | • Water test required on private water source  
    • Testing must include Ecoli, Total Coliform, Lead, Nitrate and Nitrile. Any other primary parameters tested must pass |
| **Well and Septic:** | • Community Wells: we will need a copy of the most recent water test  
    • Dug Well: must meet insurer requirements as well as testing requirements above  
    • Well and septic must be sited on the property being financed  
    • 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 |
| **Homeowners Insurance:** | • Max deductible is the higher of $1,000 or 1% of face amount of policy, also when allowed by the mortgage insurer we will take into consideration value of out buildings  
    • CONDO: Must have master policy. If no walls in coverage and/or deductible is $5,000 or more an HO6 will be required.  
    • We will escrow for the HO6 only if it is requested by the borrower |
| ***Important*** | • We DO NOT participate in MERS  
    • Loans cannot be closed in a trust (NHHA policy)  
    • Escrows for property taxes, hazard insurance, flood insurance and mortgage insurance are required on every New Hampshire Housing loan  
    • MANCHESTER multi-families need Certificate of Compliance |