

## Home Preferred – Over 80% AMI - PO

<b>Description:</b>	<ul style="list-style-type: none"> <li>New Hampshire Housing, in conjunction with Fannie Mae, is offering conventional financing with Home Preferred over 80% AMI Product. This product is ideal for borrowers who exceed the Home Ready income limits. LTV at 97% which can also be combined with our 3% and 4% Cash Assistance Programs. More options for your borrowers!</li> </ul>
<b>Rate and Term:</b>	<ul style="list-style-type: none"> <li>Established daily and published on <a href="https://www.gonewhampshirehousing.com/rates">https://www.gonewhampshirehousing.com/rates</a></li> <li>30 years</li> </ul>
<b>Loan Purpose: Occupancy:</b>	<ul style="list-style-type: none"> <li>Purchase of a primary residence, limited cash out refinance Must be owner occupied</li> <li><b>Loans cannot be closed in a trust (NHHFA policy)</b></li> </ul>
<b>Eligible Borrowers:</b>	<ul style="list-style-type: none"> <li>Borrower not required to be a first-time homebuyer</li> <li>Home Buyer Education is required for first-time homebuyers See: <a href="https://www.gonewhampshirehousing.com/education-and-resources/online-education">https://www.gonewhampshirehousing.com/education-and-resources/online-education</a></li> <li>2-4 units require Landlord and Homebuyer Education</li> <li>If borrower(s) own property that will be retained Lender must follow Home Ready/AUS guidelines to ensure eligibility.</li> <li>Non-borrower title holders now 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/condexs</li> <li>If condo is not listed in Lender Online, ensure the loan file includes master insurance, budget and questionnaire at time of loan submission. The review of this data does not infer approval of the condo for the agency/insurer-the lender is responsible to ensure approval.</li> <li><b>Manufactured housing allowed up to 95% LTV on its own land per Fannie Mae guidelines</b></li> </ul>
<b>Income, Credit, Assets:</b>	<ul style="list-style-type: none"> <li>Income as currently published by New Hampshire Housing, <a href="https://www.nhhfa.org/wp-content/uploads/2020/05/Program-Income-Limits.pdf">https://www.nhhfa.org/wp-content/uploads/2020/05/Program-Income-Limits.pdf</a></li> <li>Non-occupant co-borrower income <u>does</u> have to be added to total for compliance.</li> <li>2-unit 75% of rental can be added to income to qualify. If used to qualify must be added for compliance. If not used to qualify does not need to be counted.</li> <li>Written VOE's and 1 month of paystubs will be required for each borrower</li> <li>Credit: 620 minimum all borrowers</li> <li>DO Approve/Eligible</li> <li><b>NOTE: when combining with MCC you must follow <a href="#">MCC program income and purchase price limits</a></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> <li><i>Private mortgage insurance requirements may differ, please verify</i></li> </ul>
<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>Reserves:</b>	<ul style="list-style-type: none"> <li>As per mortgage insurer</li> </ul>
<b>Underwriting/ Ratios:</b>	<ul style="list-style-type: none"> <li>Per DO. When entering DO choose the HFA Preferred 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.</li> <li>Follow the findings</li> </ul>
<b>Collections:</b>	<ul style="list-style-type: none"> <li>Per DO and insurers requirements</li> </ul>
<b>Mortgage Insurance:</b>	<ul style="list-style-type: none"> <li>Standard rates apply. Follow your AUS findings. This program is <b>not</b> eligible for reduced MI.</li> </ul>

<b>Gifts:</b>	<ul style="list-style-type: none"> <li>• A gift letter is required; transfer of gift funds must be documented. File must include documentation that the gift funds were from an acceptable source and were the donor's own funds.</li> </ul>
<b>Interested Party Contributions</b>	<ul style="list-style-type: none"> <li>• 4% max for LTV greater than 90% per Fannie Mae Selling Guide</li> <li>• 6% max for LTV less than 90%</li> </ul>
<b>Water Test: Well and Septic:</b>	<ul style="list-style-type: none"> <li>• <b>Purchases:</b> Water test required for private water source. Testing must include Ecoli, 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 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><u>Refinances: do NOT require a water test</u></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>
<b>Homeowners Insurance:</b>	<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 borrower requests it.</li> </ul>
<b>*IMPORTANT*</b>	<ul style="list-style-type: none"> <li>• <b>Loans cannot be closed in a trust (NHHFA policy)</b></li> </ul>