

Home Preferred Borrower Paid Mortgage Insurance (BPMI)

Description:	<ul style="list-style-type: none"> NH Housing offers borrowers a second mortgage to cover the expense of a Non-Refundable Single Premium Borrower Paid Mortgage Insurance (BPMI) on the following products: <ul style="list-style-type: none"> Home Preferred $\leq 80\%$ AMI Home Preferred $\leq 80\%$ AMI Plus 3% Home Preferred $\leq 80\%$ AMI Plus 4% When using cash assistance, the amount of the mortgage insurance will be added to the cash assistance amount to create ONE 2nd mortgage with the combined total. 	
Term:	<ul style="list-style-type: none"> 4-year forgivable 2nd mortgage behind a 30-year first mortgage 	
Mortgage Insurance:	LTV	Mortgage Insurance
	<ul style="list-style-type: none"> >95% and $\leq 97\%$ >90% and $\leq 95\%$ >85% and $\leq 90\%$ >80% and $\leq 85\%$ 	<ul style="list-style-type: none"> 18% 16% 12% 6%
	Lender will quote Non-Refundable Single Premium Borrower Paid Mortgage Insurance at the discounted rates.	
Interest Rate:	<ul style="list-style-type: none"> First Mortgage rates established daily and published on www.nhhousing.org, www.nhhomeownership.org. Second Mortgage 0% interest rate 	
Loan Purpose:	<ul style="list-style-type: none"> Purchase of a primary residence 	
Occupancy:	<ul style="list-style-type: none"> Must be owner occupied Loans cannot be closed in a trust (NH Housing policy) 	
Eligible Borrowers:	<ul style="list-style-type: none"> Borrower not required to be a first-time homebuyer Non-occupant co-borrowers allowed per Home Ready Guidelines Homebuyer Education is required for all first-time homebuyers, NH Housing Online Education acceptable 2-4 units require Landlord and Homebuyer Education Home Preferred/Home Ready rules apply, follow the findings If borrower(s) currently own property and are retaining it, borrowers would need to qualify under Home Ready guidelines Non-borrower title holders acceptable – if allowed by mortgage insurer 	
Eligible Properties:	<ul style="list-style-type: none"> 1-4 family primary residence <ul style="list-style-type: none"> 1-unit max 97% loan-to-value 2-4 unit max 95% loan-to-value Must meet Fannie Mae eligibility on all condos/condexes If the condo is not currently in our system, we will need questionnaire Manufactured housing (single-wide and double-wide) allowed up to 95% LTV on its own land per Fannie Mae guidelines 	
Minimum Cash Investment:	<ul style="list-style-type: none"> One unit: \$0 2-4 unit: 3% (3-4 units are subject to PMI availability) Private mortgage insurance requirements may differ – please check 	
Maximum LTV:	<ul style="list-style-type: none"> 97% for 1 unit / CLTV 105% with Fannie Mae eligible community seconds 95% for 2-4 units / CLTV 105% with Fannie Mae eligible community seconds 	
Income Limits:	<ul style="list-style-type: none"> Income limits as currently published by NH Housing Qualifying income for all borrowers, occupant and non-occupant, is counted towards income limit 2-4 unit if using rental income to qualify must be added for compliance as well 	

Purchase Price Limits:	<ul style="list-style-type: none"> 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:	<ul style="list-style-type: none"> Per mortgage insurer
Credit/FICO:	<ul style="list-style-type: none"> 620 minimum FICO (aligning with Fannie Mae guidelines of average median scoring for multiple borrowers refer to Selling Guide Announcement SEL-2021-08)
Underwriting/Ratios:	<ul style="list-style-type: none"> 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
Collections:	<ul style="list-style-type: none"> Per DO and insurer's requirements
Gifts:	<ul style="list-style-type: none"> If applicable A gift letter is required if using gift funds 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
Interested Party Contributions:	<ul style="list-style-type: none"> Please refer to Fannie Mae's Selling Guide
Water Test:	<ul style="list-style-type: none"> Water test required on private water source Testing must include Ecoli, Total Coliform, Lead, Nitrate and Nitrite. Any other primary parameters tested must pass
Well and Septic:	<ul style="list-style-type: none"> 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 Refinances: do NOT require a water test 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:	<ul style="list-style-type: none"> 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
NHHFA Overlays	<ul style="list-style-type: none"> Water test required for private well – requirements listed above Well and septic must be sited on the property we are financing Two years of tax transcripts are required Manchester multi families need the Certificate of Compliance
Important	<ul style="list-style-type: none"> We DO NOT participate in MERS Loans cannot be closed in a trust (NH Housing policy) Escrows for property taxes, hazard insurance, flood insurance and mortgage insurance are required on every NH Housing loan