

Home Preferred Manufactured Housing ROCs with Cash Assistance Second Mortgage

Description:	<ul style="list-style-type: none"> New Hampshire Housing, in conjunction with Fannie Mae's Home Ready program, is making our Home <i>Preferred</i> program available for manufactured housing in Fannie Mae-approved ROCs (resident-owned community). The program offers up to 95% LTV with low mortgage insurance coverage, making it ideal for borrowers with limited funds. Either 2%, 3% or 4% Cash Assistance Mortgage (DPA) can be combined with the ROC program.
Term:	<ul style="list-style-type: none"> 30 years
Interest Rate:	<ul style="list-style-type: none"> Established daily and published on www.nhhfa.org, www.GoNewHampshireHousing.com
Loan Purpose:	<ul style="list-style-type: none"> Purchase of a primary residence Limited cash-out refinance: The borrower can receive no more than the lesser of 2% of the refinance loan amount, or \$2,000
Occupancy:	<ul style="list-style-type: none"> Must be owner occupied Loans cannot be closed in a trust (New Hampshire Housing policy)
Eligible Borrowers:	<ul style="list-style-type: none"> Borrower not required to be a first-time homebuyer Home Buyer Education is required for all first-time homebuyers, New Hampshire Housing Online Education acceptable Home <i>Preferred</i>/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"> Must meet current Fannie Mae requirements for manufactured housing in a ROC (resident owned community) Must be affixed to property per Fannie Mae requirements Fannie Mae approved communities only Appraisal forms 1004C and 2090 required for this transaction
Minimum Cash Investment:	<ul style="list-style-type: none"> One unit: \$0 Private mortgage insurance requirements may differ – please check
Maximum LTV:	<ul style="list-style-type: none"> 95% / CLTV 105% with Fannie Mae eligible community seconds
Participating PMI Companies:	<ul style="list-style-type: none"> National MI, MGIC, Genworth
Income Limits:	<ul style="list-style-type: none"> Income limits as currently published by New Hampshire Housing Qualifying income for all borrowers, occupant and non-occupant, is counted towards income limit 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
Mortgage Insurance:	<ul style="list-style-type: none"> Standard rates apply. Follow your AUS findings. This program is not eligible for reduced MI.

Gifts:	<ul style="list-style-type: none"> • 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
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 • Community Wells: we will need a copy of the most recent water test
Homeowners Insurance:	<ul style="list-style-type: none"> • Max deductible is the higher of \$1,000 or 1% of face amount of policy
Additional Documentation:	<ul style="list-style-type: none"> • Rider for the ROC • Recognition Agreement & Affidavit of Intent • ROC Membership Certificate/Occupancy Agreement signed by ROC • Follow correct stacking list for the Home <i>Preferred</i> MH ROC program
Important	<ul style="list-style-type: none"> • We DO NOT participate in MERS • Fannie Mae-approved ROCs (resident-owned community) only • Loans cannot be closed in a trust (New Hampshire Housing policy) • Escrows for property taxes, hazard insurance, flood insurance and mortgage insurance are required on every New Hampshire Housing loan

Cash Assistance Mortgage

Description:	<ul style="list-style-type: none"> • The Cash Assistance Mortgage is the second mortgage that is connected with a Home <i>Preferred</i> MH ROCs first mortgage
Loan Terms:	<ul style="list-style-type: none"> • Full amount of the Cash Assistance will be repayable to New Hampshire Housing <ul style="list-style-type: none"> ○ Secured by a second mortgage ○ No interest ○ No periodic payments ○ Forgiven in full after four years unless during the first four years, the borrower: 1) sells; 2) refinances; or 3) files for bankruptcy, in which case the borrower must repay the Cash Assistance in full
Reservation:	<ul style="list-style-type: none"> • When a lender reserves a Home <i>Preferred</i> MH ROCs loan, there is an automatic reservation for the Cash Assistance Mortgage, meaning a separate reservation is not required
Application:	<ul style="list-style-type: none"> • No separate application is required for the Cash Assistance Mortgage.
Lender:	<ul style="list-style-type: none"> • New Hampshire Housing is the lender on the Cash Assistance Mortgage
Document Preparer:	<ul style="list-style-type: none"> • On the Cash Assistance Mortgage, the lender on the Home <i>Preferred</i> MH ROCs first mortgage acts simply as a document preparer • The document preparer must sign the Document Preparation Agreement
Documents:	<ul style="list-style-type: none"> • See New Hampshire Housing's website for all documents connected with the Cash Assistance Mortgage • To document the repayment obligation and to provide a second mortgage to New Hampshire Housing, the borrower shall sign the Mortgage and Promise to Pay form
Funding Process:	<ul style="list-style-type: none"> • There are very specific mandatory steps for requesting and funding the Cash Assistance, which are stated in our Selling Guide • Cash Assistance funds must be requested by 12pm two business days before closing • Failure to follow the Policy could result in: <ul style="list-style-type: none"> ○ The loan not being FHA insured ○ The lender having to pay back the Cash Assistance