



10-year Amortized DPA

Loan Term:

- Due and payable in 10 years

DPA Amount

- Up to 3.5% of the Sales Price or Appraised Value (lesser of)

DPA Form

- NHF 10-year Second Mortgage Loan Note

DPA General Terms

- Proceeds may be used for down payment and/or closing costs; There must be no cash back to the borrower from the DPA proceeds

DPA Second Mortgage Loan Terms

- 10-year term
- Note Rate is 2.0% greater than rate on 1st loan
- 10 year fully amortizing loan
- Monthly payments required
- Second loan amounts must be rounded up the nearest dollar
- No subordination allowed

Lender must conform to federal RESPA and Truth-in-lending laws in disclosing the terms of the Second Mortgage.

Borrower Eligibility

Occupancy:

- No first-time homebuyer requirement
- Borrower must occupy the residence as their primary residence within (60) days of closing
- Borrowers may have ownership in other property at time of closing, per agency guidelines
- Non-occupant co-borrowers allowed.

Eligible Properties:

- Single Family Residences
- 2 units-LLPA applies
- PUDs
- Townhouses
- Condominiums (Must not be in litigation)
- Double wide manufactured housing available – LLPA applies

Qualifying Income

- Up to 160% of SMI or AMI. Reference Borrower income % to the Indexed Used i.e. 105% of the AMI on the 92900-LT. For income greater than 130% of AMI/SMI any exception requires prior approval.
- Use 1003 qualifying income only
- May be less than the total actual household income



- Follow agency guidelines

Minimum Credit Score

- 600
- Each borrower must have a minimum of one credit score

Maximum DTI

- AUS approval required

Homebuyer Education

- At least one borrower must receive housing counseling from a HUD approved non-profit housing counseling agency

Mortgage Insurance

- Follow agency guidelines