

TIP SHEET

FHA, VA & USDA Loan Types - N.C. Home Advantage Program

- DPA is up to 5% of total loan amount
- 15 Year term, forgiven 20% years 11-15
- DTI ratio cannot exceed 45.0%
- LE & CD required on 1st; TIL on 2nd
- \$87,500 statewide income (1003 income)
- Loan amounts must meet industry guidelines
- 60 day delivery/purchase time frame
- Minimum 2 credit scores with a 640+ (660 for manufactured homes)
- Primary residence only
- Must be AUS A/E or LP Accept
- No sales price limit
- Don't have to be a first-time home buyer!
- SF, PUD, Duplex, Condo, and Manufactured

Conventional Loan Type - N.C. Home Advantage

- 3% down payment funds (DPA) available for the conventional product.
 - 3% DPA is forgiven in year 15 — the same terms as our government option.
- Minimum 2 credit scores with a 640+ score (all LTVs up to 97% are eligible)
- Maximum 45.0% DTI
- LE & CD required on 1st, TIL on 2nd mortgage; substitute TIL on our website
- **Pick "HFA Preferred" product from DU/DO drop-down list (SFC 741 and 118)**
- DU Approve/Eligible is required. No manual underwrites, refers, or LP findings accepted.
- DPA funds can be used toward down payment, MI, closings costs, or combination of either.
- Single family, townhomes & condo properties (no duplex or manufactured housing)
- No first-time home buyer restriction – move up buyers okay (unless combined with MCC)
- All conventional loans must meet any MI company overlays.
- Charter level MI coverage – 18% (vs. 35%)
 - Lower rates for borrower! -- Much lower monthly and/or upfront MI factors
 - Contact your preferred MI company account representative for details on any MI overlays
- \$87,500 income limit (1003 & AUS must match)
- **60-day locks (same as gov't loans); must lock loans via our OLS system.**
- All loans must be approved by NCHFA before closing.
- Buyers cannot own any other home or have a marital interest in another home.

Closing Table Documents Required – All Loan Types: Payment Coupon, Default Notice, Transfer of Servicing Rights (all documents available at www.servsol.com)

All closed loans must be uploaded to ServiSolutions no later than 10 days after closing.

NCHFA required documents for upload/approval via OLS: 1003, AUS Findings, LE, TIL for 2nd, and pre-purchase certificate (if first-time home buyers). If adding MCC, see *MCC Checklist* for forms.

Yes, you can use this program with our MCC. Remember, MCC limits and first time homebuyer rules apply. Great selling tool if you need to lower your DTI ratio!

Mortgage Credit Certificate Program (Only)

Fees/Credit

- \$475 fee to NCHFA; lender can charge \$300.
- 30% tax credit existing homes; 50% new homes; max of \$2,000 federal credit per year

Pay stubs/Employment/W-2

- Household income CANNOT exceed county limits and 3+ person households
- Need verbal or written VOE for all current and past jobs held in the last 12 months

Property

- \$245,000 maximum sales price
- 2 acres max property size
- No income producing activities allowed

NCHFA Forms

- Signed NCHFA affidavits and forms are required with loan submission package
- If seller represents a company, the Seller Affidavit must **show the person's title and company name**
- MCC loan must be approved BEFORE closing or ineligible
- e-signatures allowed on Agency forms (subject to random verification)

Tax Returns/Transcripts

- IRS transcripts acceptable OR signed 1040/1040A tax returns (last 3 years for either method)

*Staff Contacts:*Senior Underwriters

Cathy Hatcher, chatcher@nchfa.com (919) 877-5677
 Donna Pruitt, dmp Pruitt@nchfa.com (919) 877-5692
 Pam Rasberry, prasberry@nchfa.com (919) 850-2900

Processor

Amber Smith, ansmith@nchfa.com (919) 981-2660

General Questions, OLS Help, Marketing Brochures

Marqie Rivera, mbrivera@nchfa.com (919) 877-5710

Outreach, Marketing and Training

Bill Hobbs, bhobbs@nchfa.com (919) 850-2779
 Jane Buchholz, jane@nchfa.com (919) 877-5683

Manager of Home Ownership Programs

Rob Rusczak, rob@nchfa.com (919) 875-3777

MCC Post-Closing / Final Docs

Jan Ott, jlott@nchfa.com (919) 877-5632