

HOMEOWNERSHIP ASSISTANCE PROGRAM SUMMARY	
<b>Product Description</b>	<p>Second mortgage loan program to be used in conjunction with:</p> <ul style="list-style-type: none"> <li>• FHA Fixed Rate</li> <li>• Fannie Mae Fixed 30-year Conforming Product (DU)</li> <li>• Fannie Mae Housing Authority Product</li> <li>• Fannie Mae HomeReady with Community Second</li> <li>• Freddie Mac Fixed 30 Conforming Product (LPA)</li> <li>• Freddie Mac Home Possible with Community Second</li> <li>• VA</li> </ul>
<b>HUD REQUIREMENTS (FHA LOANS ONLY)</b>	<p>On July 23, 2019, the Federal Housing Administration (FHA) published Mortgagee Letter (ML) 2019-10, which announced the suspension of the effective date of Mortgagee Letter 2019-06, "Downpayment Assistance and Operating in a Governmental Capacity," until further notice.</p> <p>Mortgagees are advised to continue following the guidance published in the Single Family Housing Policy Handbook 4000.1 (SF Handbook) Section II.A.4.d.ii. regarding this matter.</p>
<b>Allowable Origination Channel</b>	Retail and Wholesale
<b>Program Name</b>	SHIP Down Payment Assistance Program
<b>Program Approval Expiration</b>	Subject to Availability approval expires: <b>07/25/2020</b>
<b>Housing Authority</b>	<p>Orange County SHIP Down Payment Assistance Program 525 E. South Street Orlando, FL 32801-2817 Phone: (407) 836-5171 Contact: Susan Cannon or Elizabeth Rico Email: <a href="mailto:Susan.Cannon@ocfl.net">Susan.Cannon@ocfl.net</a> or <a href="mailto:Elizabeth.Rico@ocfl.net">Elizabeth.Rico@ocfl.net</a> Website: <a href="http://www.ocfl.net/NeighborsHousing/HomebuyerDownPaymentAssistance.aspx#.V9CL1GdTGUK">http://www.ocfl.net/NeighborsHousing/HomebuyerDownPaymentAssistance.aspx#.V9CL1GdTGUK</a></p>
<b>Housing Authority EIN</b>	59-6000773
<b>DPA Provider Classification</b>	Government Entity Secondary Financing Programs
<b>First Mortgage Maximum LTV</b>	<ul style="list-style-type: none"> <li>• FHA: Refer to Product Profile</li> <li>• Fannie Mae Housing Authority Product. Refer to Product Profile</li> <li>• Fannie Mae Conforming Product: Refer to Product Profile</li> <li>• Fannie Mae HomeReady with Community Second: Refer to Product Profile <ul style="list-style-type: none"> <li>○ Purchase only:</li> <li>○ 1 unit: LTV &gt;95-97% (NO first-time home-buyer (FTHB) requirement).</li> <li>○ Purchase and Limited Cash Out (Rate/Term):</li> <li>○ 1 unit: 95% FRM; 90% ARM</li> </ul> </li> <li>• Freddie Mac Conforming Product: Refer to Product Profile</li> <li>• Freddie Mac Home Possible Product: Refer to Product Profile</li> <li>• VA: Refer to Product Profile</li> </ul>
<b>First Mortgage Maximum CLTV</b>	<ul style="list-style-type: none"> <li>• FHA: Refer to Product Profile</li> <li>• Fannie Mae Housing Authority Product. Refer to Product Profile</li> <li>• Fannie Mae Conforming Product: Refer to Product Profile for CLTV requirements, may not exceed limits in product profile</li> <li>• Fannie Mae HomeReady: Refer to Product Profile</li> <li>• Freddie Mac Conforming Product: Refer to Product Profile</li> <li>• Freddie Mac Home Possible Product: Refer to Product Profile</li> <li>• VA: Refer to Product Profile</li> </ul>

	The CLTV may not exceed 105% on HomeReady loans, unless further restricted by product profile. The sum of all financing may not exceed 105% of the cost to acquire the property plus any normal prepaid expenses.
<b>Maximum Second Mortgage Loan Amount</b>	Up to \$30,000
<b>Second Mortgage Loan Interest Rate</b>	0%
<b>Minimum Borrower Down Payment</b>	<ul style="list-style-type: none"> <li>• Borrower must contribute the greater of \$1,000 or 1.75% of the purchase price</li> <li>• FHA: Refer to Product Profile</li> <li>• Fannie Mae Housing Authority Product. Refer to Product Profile</li> <li>• Fannie Mae Conforming Product: Refer to Product Profile</li> <li>• Fannie Mae HomeReady with Community Second: Refer to Product Profile</li> <li>• Freddie Mac Conforming Product: Refer to Product Profile</li> <li>• Freddie Mac Home Possible Product: Refer to Product Profile</li> <li>• VA Refer to Product Profile</li> </ul> <p><u>NOTE:</u> If first mortgage guidelines are higher than the Agency's for borrower's minimum investment, the first mortgage guidelines prevail.</p>
<b>Second Mortgage Purpose</b>	<ul style="list-style-type: none"> <li>• Down Payment</li> <li>• Closing Costs</li> </ul>
<b>Second Mortgage Loan Repayment Terms</b>	<ul style="list-style-type: none"> <li>• This second mortgage loan is a 0% interest no monthly payment 10-year forgivable loan. The original principal balance is forgiven at the end of the loan term as long as the property remains the borrower principal residence. Repayment is due in full upon sale, transfer, lease, refinancing, and change of ownership or home no longer occupied as primary residence. Loan proceeds may not be used to pay off other loans, advances or consumer debts.</li> </ul> <p><u>However</u>, if any of the following repayment triggering events occur, the principal balance and any accrued interest shall be due and payable in full:</p> <ul style="list-style-type: none"> <li>• Evidence of the act of fraud committed to falsely obtain assistance funds</li> <li>• The property is sold</li> <li>• Transferred title</li> <li>• Refinancing with cash out</li> <li>• A default on the first mortgage</li> <li>• The borrower(s) ceases to occupy the property as their principal place of residence</li> <li>• Upon the death of the last surviving applicant</li> <li>• The filing of any bankruptcy by the applicants</li> <li>• Upon divorce, unless one of the applicants continues residing in the property by the decree of divorce</li> <li>• Loan may be pre-paid in full at anytime</li> <li>• Loan is <u>NOT</u> assumable</li> </ul>
<b>Types of Financing</b>	<ul style="list-style-type: none"> <li>• Purchase Money Mortgage <ul style="list-style-type: none"> <li>○ 30 year fixed rate (No ARM, balloon payment or prepayment penalty)</li> </ul> </li> </ul>
<b>Occupancy</b>	<ul style="list-style-type: none"> <li>• Owner occupied primary residence only</li> <li>• All co-borrowers must occupy</li> <li>• Borrower(s) may not have an ownership interest in any other residential dwelling at the time of loan closing</li> </ul>
<b>Geographic Location</b>	<ul style="list-style-type: none"> <li>• Properties must be located in Orange County, but outside the city limits of Orlando, Florida</li> </ul>
<b>Eligible Properties</b>	<u>Acquisition Limit:</u> Existing & New Construction: \$214,000

	<p>Properties shall be sited on a permanent foundation, with a permanent utility hook-up, and may include:</p> <ul style="list-style-type: none"> <li>• Single family - detached, attached</li> <li>• Condominiums or Townhomes or Planned Urban Development -detached, attached</li> <li>• Must be currently occupied by the owner, vacant or occupied by the homebuyer</li> </ul> <p>The property must be inspected by a nationally certified home inspector certified by one of the following four organizations:</p> <ul style="list-style-type: none"> <li>• American Society of Home Inspectors (ASHI)</li> <li>• National Association of Certified Home Inspectors (NACHI)</li> <li>• National Association of Home Inspectors (NAHI)</li> <li>• Florida Association of Building Inspectors (FABI)</li> </ul> <p><b>ALL</b> repairs called for by inspections <b>MUST</b> be completed prior to closing.</p> <p><u>Refer to product profile for additional property eligibility requirements, not all property types are allowed on all products.</u></p>
<p><b>Underwriting</b></p>	<p>Lender to pre-approve all borrowers for the first mortgage product. Standard FHA, Fannie Mae Conforming Product, Fannie Mae HomeReady, Freddie Mac and VA, except as described herein:</p> <ul style="list-style-type: none"> <li>• The Loan Officer/Broker will assist the borrower in completing the following forms: <ul style="list-style-type: none"> <li>○ SHIP Application: <a href="http://www.eprmg.net/DPA/FL/Forms/DFLORGDPA-Application(SHIP).pdf">http://www.eprmg.net/DPA/FL/Forms/DFLORGDPA-Application(SHIP).pdf</a></li> <li>○ Asset Addendum: <a href="http://www.eprmg.net/DPA/FL/Forms/DFLORGDPA-AssetAddendumSHIP.PDF">http://www.eprmg.net/DPA/FL/Forms/DFLORGDPA-AssetAddendumSHIP.PDF</a></li> <li>○ Release of Information: <a href="http://www.eprmg.net/DPA/FL/Forms/DFLORGDPA-ReleaseofInformation.pdf">http://www.eprmg.net/DPA/FL/Forms/DFLORGDPA-ReleaseofInformation.pdf</a></li> <li>○ Cover Letter Stacking Order: <a href="http://www.eprmg.net/DPA/FL/Forms/DFLORGDPA-CoverStackingOrderSHIP.pdf">http://www.eprmg.net/DPA/FL/Forms/DFLORGDPA-CoverStackingOrderSHIP.pdf</a></li> </ul> </li> <li>• Refer to the Cover Letter Stacking Order for a list of the required documentation to be <b>mailed via Standard USPS or Overnight</b> to Orange County Housing and Community Development Division Down Payment Assistance 525 E. South St., Orlando, FL 32801. <b>DO NOT FAX OR EMAIL THE LENDER APPLICATION PACKAGE.</b></li> <li>• The Lender Application may also be <b>delivered in person</b> at Orange County’s physical location between 8 a.m. - 4 p.m. Monday through Friday: 701 E. South Street, Orlando, FL 32801 Attention: Down Payment Assistance.</li> <li>• Orange County turn time on review and approval is approximately 5 weeks depending on the completeness of the file.</li> <li>• Upon qualification of the underwriting, the homebuyer will be issued a letter of approval. A copy of DPA Approval Letter <u>MUST</u> be in each file.</li> </ul> <p>Note: The forms provided above are not available on Orange County’s website. Please confirm with Orange County that the forms being used are the most current version for the program.</p>
<p><b>Eligible Borrowers</b></p>	<ul style="list-style-type: none"> <li>• Borrower(s) must qualify for the first mortgage selected.</li> <li>• Borrower must be a first time homebuyer must not have owned a home anywhere within the three previous years.</li> <li>• Borrower must be a U.S. Citizens or Legal Resident.</li> <li>• Residency in Orange, Osceola, Seminole or Lake County within the last 12 months.</li> <li>• Back end ratios cannot exceed maximum 45%.</li> <li>• Minimum credit score 640</li> </ul>
<p><b>Assets</b></p>	<ul style="list-style-type: none"> <li>• Borrowers must have required amount of their own funds in the transaction for type of first mortgage financing selected.</li> </ul>

	<ul style="list-style-type: none"> <li>All assets will be considered when calculating annual income (i.e.: checking/savings accounts, IRA's, 401(k)'s, CD's, cash value life insurance, etc.)</li> </ul>																																				
<b>Income Limits</b>	<p align="center"><b>2019 Household Income limit Chart</b></p> <table border="1"> <thead> <tr> <th>Family</th> <th>50% AMI</th> <th>80% AMI</th> <th>120% AMI</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>\$24,300</td> <td>\$38,850</td> <td>\$58,320</td> </tr> <tr> <td>2</td> <td>\$27,800</td> <td>\$44,400</td> <td>\$66,720</td> </tr> <tr> <td>3</td> <td>\$31,250</td> <td>\$49,950</td> <td>\$75,000</td> </tr> <tr> <td>4</td> <td>\$34,700</td> <td>\$55,500</td> <td>\$83,280</td> </tr> <tr> <td>5</td> <td>\$37,500</td> <td>\$59,950</td> <td>\$90,000</td> </tr> <tr> <td>6</td> <td>\$40,300</td> <td>\$64,400</td> <td>\$96,720</td> </tr> <tr> <td>7</td> <td>\$43,050</td> <td>\$68,850</td> <td>\$103,320</td> </tr> <tr> <td>8</td> <td>\$45,850</td> <td>\$73,300</td> <td>\$110,040</td> </tr> </tbody> </table> <p><b>NOTE:</b> If first mortgage guidelines are more restrictive than the Agency's for borrower's income limit, the first mortgage guidelines prevail.</p>	Family	50% AMI	80% AMI	120% AMI	1	\$24,300	\$38,850	\$58,320	2	\$27,800	\$44,400	\$66,720	3	\$31,250	\$49,950	\$75,000	4	\$34,700	\$55,500	\$83,280	5	\$37,500	\$59,950	\$90,000	6	\$40,300	\$64,400	\$96,720	7	\$43,050	\$68,850	\$103,320	8	\$45,850	\$73,300	\$110,040
Family	50% AMI	80% AMI	120% AMI																																		
1	\$24,300	\$38,850	\$58,320																																		
2	\$27,800	\$44,400	\$66,720																																		
3	\$31,250	\$49,950	\$75,000																																		
4	\$34,700	\$55,500	\$83,280																																		
5	\$37,500	\$59,950	\$90,000																																		
6	\$40,300	\$64,400	\$96,720																																		
7	\$43,050	\$68,850	\$103,320																																		
8	\$45,850	\$73,300	\$110,040																																		
<b>MI Coverage</b>	<ul style="list-style-type: none"> <li>FHA: Standard UFMIP and monthly if applicable</li> <li>Fannie Mae Housing Authority Product Refer to Product Profile</li> <li>Fannie Mae Conforming Product Refer to Product Profile</li> <li>Fannie Mae HomeReady and Conforming (DU) Products: Standard mortgage insurance requirements must be met, if applicable, as described in Product Profile</li> <li>Freddie Mac Conforming Product: Refer to Product Profile</li> <li>Freddie Mac Home Possible Product: Refer to Product Profile</li> <li>VA: Refer to Product Profile</li> </ul>																																				
<b>Special Provisions</b>	<p><u>Homeownership Counseling:</u></p> <ul style="list-style-type: none"> <li>Refer to product profile for specific product requirements</li> <li>Borrowers must successfully complete a homebuyer education class provided by a HUD approved counseling agency refer to the Down Payment Assistance Flyer on Orange County's website for a list of Counseling Agencies:</li> <li><a href="http://www.orangecountyfl.net/NeighborsHousing/HomebuyerDownPaymentAssistance.aspx">http://www.orangecountyfl.net/NeighborsHousing/HomebuyerDownPaymentAssistance.aspx</a></li> <li>Borrower's Certification of Completion of Homeownership Counseling is required.</li> </ul> <p><u>Fannie Mae HomeReady Only:</u> See Product Profile for Homeownership Counseling requirements.</p> <p><u>Freddie Mac Home Possible Only:</u> See Product Profile for Homeownership Counseling requirements.</p> <p><u>All:</u></p> <ul style="list-style-type: none"> <li>May be funded by a municipality, state, county or local housing finance agency, non-profit organization, a regional Federal Home Loan Bank or an employer</li> <li>May be used to fund all or part of the down payment or closing costs</li> <li>The more restrictive down payment requirement between the product and the second mortgage will apply</li> <li>No reporting requirements permitted</li> </ul>																																				
<b>DPA Processing Fee</b>	<ul style="list-style-type: none"> <li>Costs incurred for down payment assistance secondary financing program may only be included in the amount of the second lien. The fee cannot be included in the first mortgage transaction or appear on the Closing Disclosure.</li> </ul>																																				
<b>Special Feature Code</b>	N/A																																				
<b>Underwriting Requirements</b>	<ul style="list-style-type: none"> <li>Receipt of borrower's approval from DPA provider</li> <li>Receipt of DPA Funds (at closing)</li> </ul>																																				

	<ul style="list-style-type: none"> <li>No cash back at closing (at closing)</li> <li>Copy of DPA's Executed Note and Subordinate Deed of Trust (at closing)</li> </ul>
<b>First Mortgage Loan Documents</b>	Loan documents and security instruments must conform to Agency requirements (FHA, Fannie Mae, VA, Freddie Mac as applicable by loan type)
<b>Second Mortgage Loan Documents</b>	Loan documents and security instruments must conform to Agency requirements (FHA, Fannie Mae, VA, Freddie Mac as applicable by loan type)

**PRMG**

<b>DPA Program Restrictions That Are Not Permitted</b>	<p>The Orange County SHIP Down Payment Assistance Program <i>may not</i></p> <ul style="list-style-type: none"> <li>Restrict the transfer of servicing rights of the first Mortgage</li> <li>Require prior notification or approval from the sponsoring authority in the event of the transfer of the first mortgage servicing rights.</li> </ul> <p><i>If there is any evidence of this verbiage in the subordinate documents, the program will no longer be eligible.</i></p> <p>The First Mortgage</p> <ul style="list-style-type: none"> <li>may not be subject to a bond program</li> <li>loan documents and security instruments must conform to Agency requirements (FHA, Fannie Mae as applicable by loan type)</li> </ul>
--	--

**Special Requirements:**

This Fact Sheet form and **Housing Authority Borrower Approval Letter** **MUST** be placed in each loan file at the time of submission.

**Additional Comments:**

**Approved with Closing Instructions for Closing the DPA Mortgage must be recorded in 2nd lien position.**

**APPROVAL**

ELIGIBLE				INELIGIBLE			
The DPA IS eligible for use with the programs below				The DPA IS NOT eligible for use with the programs below			
CONV (DU)	FHA	VA	USDA	CONV	FHA	VA	USDA
X	X	X					X

**PRMG**

Approved by:

**PRMG DPA Review Department**

**07/25/2019**

**Name / Title**

**Date**