



**Own a Home Opportunity Program**  
**Own a Home Opportunity Grant Program**

**Own A Home Opportunity Program**  
(Charlotte, Collier, DeSoto, Lee, Palm Beach & Sarasota Counties)  
Program Issuer: Lee County Housing Finance Authority

## **ADMINISTRATOR'S GUIDE**

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**Updates on Page 3**



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**Revisions Table 2023**

Archived Revisions Table found on the last page of this guide

Date	Topic (effective immediately unless otherwise noted)	Page
02-24-23	Added Freddie Mac over 80% AMI as an eligible loan product Removed US Bank COVID Guidance Updated homebuyer education providers Revised Minimum FICO and Maximum DTI loan products Renamed Compliance Process to: Process Summary from Training to Loan Purchase Added - Print MCC Pre-Closing Forms Revised list of Closing Forms Added Who Signs Program Documents & Who Submits Tax Forms Revised link to US Bank web site	6 7 8 8 14 15 15 16 20
07-27-23	Revised income and purchase price limits Revised payment of MCC Issuance Fee	9 & 12 18 & 22

## **OWN A HOME OPPORTUNITY PROGRAM TEAM**



### **Lee County HFA**

Creates the first mortgage program, the down payment assistance second mortgage program. Sets the rate, term and points, markets the program. The HFA also solicits the participation of other counties and signs inter-local agreements with those choosing to participate.

### **Participating Lenders**

Take applications, reserve in their own systems, process, underwrite, approve, fund, close and sell qualified loans to the program. Check with your company on how to reserve a program loan rate in your own system so that you have funds available for closing. Lenders are responsible for servicing first second program loans in accordance with GNMA requirements until they're purchased by the Master Servicer.

### **U S Bank Master Servicer**

Provides information on acceptable loan products and delivery and funding, receives all mortgage files, reviews mortgage files, notifies lenders of mortgage file exceptions, approves mortgage files, purchases first and second mortgage loans.

### **US Bank, National Association Trustee**

This is a different US Bank division that is providing the service of wiring the Authority's funds for down payment/closing cost assistance to each closing. Please **do not** contact US Bank in Ohio regarding the wiring of these funds. Detailed instructions are provided in these Guidelines. The wire request form is found on the ehousingplus webpage for the program.

### **Program Administration**

Maintains the program reservation system, websites, and posts guides, forms, training materials, provides training on compliance issues and system, answers program compliance questions, receives compliance files, reviews, posts and notifies of exceptions and approves compliance file.

**Contact Directory**  
**954-217-0817 or Toll Free (888) 643-7974**

Question	Option #	email
Lender Training (Program & System)	Option #4	<a href="#">Click here</a>
Lender User Access (Credentials, Disabled Access, etc)	Option #1	<a href="#">Click here</a>
eHPay - Digital Payment of Compliance Fees	Option #3	<a href="#">Click here</a>
Program Eligibility Questions - READ THIS GUIDE FIRST	Option #4	<a href="#">Click here</a>
Deficiencies - Access the Deficiencies/Exceptions Report on the eHPortal, under Reports. If you have a specific question related to a missing or incorrect delivery, you can contact us.	Option #5	NO EMAIL Upload <u>ONLY</u> to Digital Docs
Loan Specific Questions - If you have any questions related to a specific loan already in our system, need to make changes that are locked or other borrower issues.	Option #6	<a href="#">Click here</a>
Questions about the Compliance File, Deficiencies and Missing Documents (do <u>NOT</u> email deficiency or missing documents, upload <u>ONLY</u> to Digital Docs)	Option #7	<a href="#">Click here</a>
Credit underwriting questions, refer to their internal UW Department or US Bank	(800) 562-5165	<a href="#">Click here</a>
Shipping Compliance File to eHousingPlus Questions	Option 2	<a href="#">Click here</a>
System Errors - Technical Assistance	Option #7	<a href="#">Click here</a>
DU Findings, DTI, Insurance, Collateral and Purchase of the loan questions all need to be addressed by the Servicer directly. eHousingPlus cannot assist you with questions related to these items.		
Shipping First or Second mortgage closed loan files	(800) 562-5165	<a href="#">Click here</a>
Questions regarding exceptions on first and second mortgage closed loan files		
U.S. Bank		

## THE PRODUCTS

### **Own a Home Opportunity First Mortgage**

(Rates are subject to change, for current rate please visit [ehousingplus.com](http://ehousingplus.com))

No defined limit for first mortgage funds -- continuously funded pool to be replenished and/or supplemented as loans are pooled and delivered. The borrower receives a 30-year, fixed rate, fully amortizing first mortgage loan with 360 level monthly payments.

The following mortgage products are offered in this program: FHA, VA, USDA-RD and Freddie Mac HFA Advantage. US Bank provides the types of government and conventional loan products permitted. [To view the Lock Rate, Minimum FICO and DPA click on this link \(Click on the RATES/OFFERINGS tab\).](#) The program offers down payment and closing cost assistance in the form of a second mortgage. (Rev 03/22/21)

### **Freddie Mac HFA Advantage Conventional Loan - Income at or below 80% AMI**

These loans will have lower income limits (determined by Freddie Mac and already calculated in this guide) and receive charter level reduced MI coverage. (Updated 02/24/23)

### **Freddie Mac HFA Advantage Conventional Loan - Income OVER 80% AMI**

Effective with new loan reservation 02/27/23

These loans will receive standard MI rates, no Charter Level Reduced MI coverage. (Added 02/24/23)

### **Own a Home Opportunity Second Mortgage**

As of June 1, 2015, the amount of down payment assistance shall be an amount up to \$7,500 secured by a second mortgage. However, Palm Beach County will continue funding seconds of up to \$10,000. The second mortgage proceeds may be used for down payment and closing cost assistance. Second Mortgage Loans bear interest at a rate of 0%, 30 year, deferred (or due upon sale, re-financing, transfer of title, or rental of the home if done within first 30 years). This loan is never forgiven. The Second Mortgage offered with the program's First Mortgage Loans can provide up to 100% of the homebuyer's cash to close. Proceeds may be used for any eligible use associated with the Mortgage Loan closing process, including but not limited to closing costs, Lender fees, Servicer fees, doc stamps and intangible tax, pre-pays, mortgage insurance premiums, discounts, and the reimbursement of earnest money and pre-close fees, such as credit report and appraisal fees. The second mortgage proceeds may not be used to pay off debt, nor may any surplus funds from the Assistance Grant be paid to the homebuyer over and above any reimbursable fees paid prior to the close of escrow.

### **Funding of Downpayment Assistance**

THE DOWN PAYMENT ASSISTANCE AMOUNT IS SUBJECT TO CHANGE AT ANY TIME.

The Lender will fund the second mortgage at closing and US Bank will reimburse the lender at loan purchase. (Rev 04/28/18)

### **SECOND MORTGAGE DISCLOSURE REQUIREMENTS**

The determination has been made that the Own a Home Opportunity Second Mortgage, as non-amortizing 0%, 30-year deferred subordinate loans, IS NOT SUBJECT TO TILA or RESPA and lenders may NOT use the new TRID forms (Loan Estimate and Closing Disclosure) for these loans. Lenders are required to use a DPA Loan Disclosure Form created to further clarify the terms of the Second Mortgage for the borrower. The disclosure is generated from the eHPortal and is signed at closing by the borrower.

**OWN A HOME OPPORTUNITY  
FIRST MORTGAGE PROGRAM REQUIREMENTS**

**ELIGIBLE BORROWERS**

- ❖ Buyers and spouses must be first-time buyers
- ❖ With regard to citizenship requirements, follow applicable Agency (Freddie, FHA, etc) and US Bank guidelines. (Rev 02/15/21)
- ❖ Buyers must live in the property they purchase as their principal residence.
- ❖ All applicants must be considered irrespective of age, race, color, religion, national origin, sex, marital status, military status or physical handicap.
- ❖ Buyers must occupy the property purchased within 60 days of closing.
- ❖ The past three years federal income tax returns/transcripts required for all buyers and spouses.
- ❖ Lender must follow, The HFA of Lee County Program requirements AND Agency (FHA, VA, RD, Freddie Mac) guidelines regarding ownership of other property. (Corrected 02/09/19)

**ELIGIBLE AREAS**

Includes all of Charlotte, Collier, DeSoto, Lee, Palm Beach and Sarasota Counties  
(As of 05/22/14 Broward County is no longer an eligible area)

**FIRST TIME BUYER EXCEPTIONS**

**Veterans Exception**

Qualified Veterans do not have to be first-time buyers. And do not need to submit the past three years tax transcripts. For the Veterans Exception, "Veteran" is defined as "a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable." The Veteran cannot have previously obtained a loan financed by single family mortgage revenue bonds utilizing the veteran exception to the first-time homebuyer requirement set forth in Section 416 of the Tax Relief and Health Care Act of 2006. Borrower must provide true and correct copies of discharge or release papers, which demonstrate that such discharge or release was other than dishonorable.

**Targeted Areas**

Borrowers purchasing in targeted areas do not need to be first-time buyers. And do not need to submit the past three years tax transcripts. Targeted areas are determined by census tract number provided by HUD specifically for this program. Targeted areas are considered either economically distressed or have very low loan origination.

Targeted Area census tract numbers:

**Collier** 0112.04, 0112.05, 0113.01, 0113.02

**Lee** 0003.02, 0006.00, 0007.00, 0011.02, 0012.01, 0208.00, 0403.14

**Palm Beach** 0014.02, 0014.03, 0015.00, 0019.10, 0019.13, 0022.00, 0024.00, 0029.00, 0031.02, 0040.13, 0044.02, 0045.00, 0059.39, 0082.01, 0082.02, 0083.01

Charlotte and Sarasota Counties have no Targeted Areas.

**Get free census tract information** <http://www.ffiec.gov/Geocode/default.aspx>

### **Homebuyer Education**

Any party appearing on the Note must complete a Program-approved pre-purchase homebuyer education course even if the borrower(s) is a Veteran or purchasing in a Targeted Area. The HFA will accept face-to-face homebuyer education if provided by a HUD approved counseling agency, a unit of local government that provides pre-purchase homebuyer education in FL, or a counseling agency designated by a unit of local government to provide homebuyer education on their behalf. Refer to HUD link below for a list of approved education providers by county. Online HBE is permitted if provided by a HUD approved agency, a unit of local government that provides pre-purchase homebuyer education in FL, a mortgage insurance provider, or an Agency or GSE sponsored course. (Rev 02/24/23)

Homebuyer education provided over the phone or by the lender is NOT acceptable.

Certificates of completion are acceptable for 2 years from the date of completion.

Helpful links to provide to homebuyers:

#### **Approved Face-to-Face education providers:**

- Face to face from a [HUD approved education provider](#)

#### **Approved Online education providers:**

- Online education from eHomeAmerica [www.eHomeAmerica.org](http://www.eHomeAmerica.org)
- Freddie Mac Credit Smart <http://www.freddiemac.com/creditsmart/tutorial.html>
- HomeTREK online education: <https://www.hometrek.org>
- Framework Online Homebuyer Education: <https://hpn.frameworkhomeownership.org>
- Online education from MGIC
  - English <https://homebuyers.mgic.com>
  - Spanish: <https://compradoresdecasa.mgic.com>

### **Minimum Credit Score**

The Program requires a minimum FICO credit score for various products, the mid score must be the minimum or above. [Click here to view the Rates/Offerings chart for allowable FICO](#) (click on RATES/OFFERINGS tab). If an Agency (FHA, etc) has a higher minimum, follow Agency guidelines. If a participating lender has a higher minimum for other loans and wishes to require a higher minimum for loans, then lenders must use the higher minimum. Manual underwriting is NOT permitted in this program for FHA loans. (Rev 01/20/20)

### **Maximum Debt to Income Ratio**

- The program maximum DTI ratio is 45% for all loan products with 640 - 679 FICO.
- The program maximum DTI ratio is 50% for all loan products with a 680+ FICO.
- Lenders must comply with Mortgage Insurance DTI requirements which may limit the maximum DTI for borrowers.

(Rev 02/24/23)



**Household Income Calculation**

Include income of borrower(s) and spouse and any person who will live in the household who is 18 years of age or older. Program income is not averaged. It is annualized. That's different from income used for credit underwriting. More detailed guidance for calculating program income is located in this guide on pages 25-29. (Rev 02/15/21)

**IN THE EVENT MORTGAGE CREDIT CERTIFICATES ARE UTILIZED IN CONNECTION WITH THE UNDERLYING MORTGAGE LOAN, THE INCOME LIMITS LISTED BELOW WILL NOT BE APPLICABLE, AND INSTEAD THE INCOME LIMITS DESCRIBED FOR THE MCC PROGRAM WILL GOVERN (MCC INCOME LIMITS LISTED ON PAGE 12 OF THIS GUIDE. (Added 05/18/18)**

**HOUSEHOLD INCOME LIMITS OWN A HOME OPPORTUNITY  
 FIRST MORTGAGE AND ASSISTANCE**

**FHA, VA, RD Loans Effective with new loan reservation 06/01/23**

**Freddie Mac HFA Advantage Loan Effective with new loan reservations 06/08/23**

<b>County</b>	<b>FHA, USDA-RD and VA Freddie Mac above 80% AMI</b>	<b>Freddie Mac HFA Advantage At or below 80% AMI</b>
Charlotte	\$128,250	\$61,840
Collier	\$151,050	\$80,560
DeSoto	\$128,250	\$52,640
Lee	\$128,850	\$68,720
Palm Beach	\$147,450	\$67,600
Sarasota	\$148,050	\$78,960

(Rev. 07/27/23)

**ACQUISITION LIMITS (Sales Price Limits)  
 FOR ALL LOANS**

**Effective for all new loan reservations 06/01/23 and after**

The sales price must include everything paid by the buyer or on the buyer's behalf.

<b>County</b>	<b>Non-Targeted</b>	<b>Targeted</b>
Charlotte	\$481,176	\$588,104
Collier	\$685,786	\$838,182
DeSoto	\$481,176	\$588,104
Lee	\$481,176	\$588,104
Palm Beach	\$568,557	\$694,903
Sarasota	\$515,804	\$630,428

(Rev. 07/27/23)

## **PROPERTY REQUIREMENTS**

(Rev. 03/22/21)

- New or existing, one to four units\*, detached or attached, condos, townhomes.
- \*Freddie Mac Loans - One Unit property ONLY.
- Homes are considered new if never previously occupied.
- Manufactured homes, mobile, recreational, seasonal or other types of vacation or non-permanent homes are not permitted. (Rev 12/01/15)
- Land may not exceed the size required to maintain basic livability.
- Properties purchased in the program must be residential units.
- No more than 15% of the square footage of the home being purchased may be used in connection with a trade or business including Child Care services (other than incidental rental from eligible multi-unit structures).

\* When using the Freddie Mac HFA Advantage conventional loan for a condo, LTVs from 95.01-97% are acceptable, the project must meet Freddie Mac guidelines as well as U.S. Bank. Please reference U.S. Bank bulletin 2017-05 and HFA lending guide Section 800 for complete details on condo project review/approval requirements. (Rev 03/22/21)

**Industry changes apply to program loans. There are no variances for program loans.** For example, FHA flipping rules apply to program loans as they do to any other FHA loans.

## **FINANCING FACTS**

It's expected that lenders have reviewed some **preliminary documentation and believe that applicants will also qualify for credit. Excessive cancellations will be reviewed** to assure that allocation is not being utilized **inappropriately**.

FHA, VA, RD and Freddie Mac HFA Advantage conventional loans are permitted. Find the specific government and conventional loan products permitted on the US Bank website. (Rev 12-07-16)

Check with your underwriter for updates to information for Freddie Mac HFA Advantage. Such information is provided by a third party (i.e.Freddie Mac, U.S. Bank, etc) who do not provide updated information to eHousingPlus. (Added 12-07-16)

[Freddie Mac HFA Advantage Fact Sheet](#)

[Freddie Mac HFA Advantage LPA Instructions](#)

(Rev 03/2/21)

**Appraisal** must indicate that the home has at least a 30 year remaining useful life.

**Buydowns** Limited to 1 or 2 years with a maximum change of 1.00% per year. Cannot be paid by borrower or any of their assistance.

**Cash Back** Cash Back to the borrower is not permitted. If there is less than \$500 in remaining Second Loan proceeds available at the close of escrow, the Lender MUST use such proceeds to reduce the Second Loan principal balance. If the remaining Second Loan proceeds is \$500 or greater, the Second Loan Amount must be recalculated and reduced before settlement and the Lender should draw new Second Loan documents and disclosures. It is the Lender's responsibility to assure that Second Loans close in compliance with these requirements. (Rev 07/27/19)

**Construction to perm** is not permitted.

**Co-signers (FHA, VA, USDA-RD)**- Are permitted to the extent allowed by applicable Agency (FHA,etc). Treat co-signer income as directed by agency. A co-signer cannot have any ownership interest in the property (they cannot be on the mortgage/deed/warranty deed). And a co-signer may not live in the property. (Added 12-07-16)

**Co-signers (Freddie Mac)** - Not allowable.  
(Added back to guide 03/22/21)

**Documentary Stamp Tax** With all new loan reservations 11/01/18 and after, the first mortgage and second mortgage are exempt from documentary stamps. To qualify for the exemption, an affidavit must be recorded IMMEDIATELY AFTER the first mortgage and the second mortgage as a separate document (see pages 30 - of this guide for details). The following should be typed at the bottom of the first mortgage: "This mortgage is exempt from documentary stamp tax pursuant to section 159.621(2), F.S."

**Final Typed Loan Application (1003)** The typed application signed and dated by all parties is required. Loan interviewer must complete and sign page 3 of 4 of the 1003. If this is not possible, then an Officer must sign in place of the interviewer. All persons taking title to the property must execute all program documents. The income disclosed on the Affidavit must be the same or more than that shown on the 1003. The purchase price, loan amount, and other financial details must be the same as shown on all other documents.

**Intangible Tax** There is **NO** exemption in the program for the first mortgage and note. See Second Mortgage Intangible Tax Exemption. (Added 04/10/17)

**Manual Underwriting** - See U.S. Bank bulletin 2015-07. With new reservations as of December 1, 2015, FHA loans may NOT be manually underwritten. Rev 12/01/15

**Manufactured Homes** - As of December 1, 2015, U. S. Bank will not purchase loans for manufactured housing. U.S. Bank considers manufactured housing a mobile home built entirely offsite on a permanent chassis that is pulled on the highway to a permanent location. Modular, panelized or prefabricated homes are not considered manufactured housing. Rev 12/01/15

**Minimum Loan Amount** There is no minimum loan amount in this program.

**Maximum Loan Amount** Follow Agency (FHA, VA, etc) guidelines. Must also meet program maximum purchase price limits. Also considered, loans cannot exceed appraised value. DPA cannot be used as borrowers funds make up the difference between appraised value and purchase price. Prepayments The first and second mortgage may be prepaid at any time without penalty.

**Mortgage Credit Certificate**

The **HFA of Lee County** has authorized the issuance of Mortgage Credit Certificates (MCCs), a federal income tax credit that is a portion of the mortgage interest paid each year. The credit offers a dollar for dollar decrease in federal income tax liability. So the MCC has value only if the MCC recipient has tax liability after all other deductions and credits have been applied.

The federal income tax credit offered is 50% (the credit rate). When the credit rate is over 20%, the maximum MCC benefit is capped at \$2,000 per year. So 50% of the mortgage interest paid each year up to \$2,000 is the maximum tax credit amount that may be claimed. The other 50% of mortgage interest continues to be a federal income tax deduction.

A Mortgage Credit Certificate (MCC) is not a first mortgage or a down payment assistance (\*DPA) program. It is a federal income tax credit for qualified first-time homebuyers. It may be issued in conjunction with the Own a Home Opportunity Program in Charlotte, Collier, DeSoto, Lee, Palm Beach and Sarasota counties.

The Mortgage Credit Certificate program has stricter income limits than the Own a Home Opportunity Program. When combining the MCC with the Own a Home Opportunity Program, the MCC stricter income limits apply.

**Mortgage Credit Certificate Income Limits (Effective 06/01/23)**

<b>County</b>	<b>Non-Target 1-2 Person</b>	<b>Non-Target 3 + Person</b>	<b>Targeted 1-2 Person</b>	<b>Targeted 3 + Person</b>
Charlotte	\$86,837	\$99,862	\$104,204	\$133,513
Collier	\$125,656	\$144,504	\$150,787	\$175,918
DeSoto	\$91,797	\$105,567	\$110,156	\$128,515
Lee	\$85,900	\$98,785	\$103,080	\$120,260
Palm Beach	\$101,213	\$116,396	\$121,456	\$141,699
Sarasota	\$98,700	\$113,505	\$118,440	\$138,180
St. Johns	\$95,485	\$109,807	\$114,581	\$133,678
Volusia	\$86,557	\$99,540	\$103,868	\$121,179

More detailed guidance for calculating program income is located in this guide.

**Real Estate Purchase Contract** The full address of the property, full names of all sellers and buyers, total purchase price of the property must be included. If there is not an address for new construction, a lot number and subdivision name are required. All named persons must sign. Include the name and title whenever a representative is signing for a corporation.

**Refinances** This program is for new mortgage loans. Refinances are not permitted. However, temporary, construction or bridge financing with a term of 2 years or less may be taken out with a program loan.

**Remaining reserves** are not established by this program. If any, these are determined by the type of financing used (i.e. FHA, VA.).

**Second Mortgage Intangible Tax Exemption** Effective with all loan closings April 10, 2017 and after, the second mortgage is exempt from Intangible Tax pursuant to Section 199.183, Florida Statutes. The exemption language appears at the top of the Second Mortgage that is generated from the eHousingPlus lender portal. The first mortgage and note AND second note are NOT exempt from Intangible Tax. (Added 04/10/17)

**Second Mortgage Proceeds** Effective with all loan closings April 10, 2017 and after, if there is less than \$500 in remaining Second Loan proceeds available at the close of escrow, the Lender MUST use such proceeds to reduce the Second Loan principal balance. If the remaining Second Loan proceeds is \$500 or greater, the Second Loan Amount must be recalculated and reduced before settlement and the Lender should draw new Second Loan documents and disclosures. It is the Lender's responsibility to assure that Second Loans close in compliance with these requirements. (Added 04/10/17)

**Tax Returns or Tax Transcripts or any combination** Tax returns or tax transcripts or any combination of returns or transcripts for the preceding year are due April 15 of the current year. The past three years tax returns/transcripts are required for borrowers and spouses. Not required for those buying in Targeted Areas or those purchasing under the Veteran's Exception. Requests for Extensions are not acceptable in lieu of tax returns/transcripts.

## **PROCESS SUMMARY FROM TRAINING TO LOAN PURCHASE**

### **LENDER ONBOARDING**

Our On-Boarding process is designed to provide all participating lenders and their staff web-based training related to the Program, Technical and Workflow requirements of each program.

Based on your role, there are certain training requirements prior to adding a new Program and Features. These are determined based on which modules you have completed in the past, and which Programs you want to add to your Portfolio.

Once you have submitted the eHP On-Boarding Registration, the eHP On-Boarding Team will create a specific training program for you based on the role(s) you selected, and you will receive an email confirmation with relevant information. Upon completion, your User Credentials will be created (if you are new User) or updated (if you are a current user) and you will receive a system generated email with this notification. [Click on this link to register for training.](#) (Rev 08/22/22)

### **QUALIFY**

Lenders use program requirements to qualify applicants for the program. Buyers must present an executed sales agreement before being entered into the program reservation system.

### **RESERVE FIRST MORTGAGE FUNDS**

To reserve funds, use the [eHousingPlus eHPortal](#). Log in and reserve the first mortgage. To reserve funds in the program, the borrower is required to have a signed real estate purchase contract for a specific address. You will need a 1003 and the Real Estate Purchase contract in order to make a reservation. If the reservation is successful, you will receive a loan number and a message that you've completed the reservation successfully.

**IMPORTANT** - A reservation is for a borrower with a real estate purchase contract for a specific property. If the property needs to change, the loan must be cancelled and re-reserved. The lender is responsible for cancelling the loan within the eHousingPlus Lender Portal. And then, the lender must email ([services@eHousingPlus.com](mailto:services@eHousingPlus.com)) or call the eHousingPlus Compliance office at 954-217-0817 to have the borrower permanently removed from the eHousingPlus Lender Portal. Until this process is complete, the lender will not be able to re-reserve funds for the borrower. (Added 12/12/18)

### **RESERVE SECOND MORTGAGE ASSISTANCE**

Immediately following reservation of the first mortgage click on the "Add Additional" button found on the main menu to reserve the second mortgage funds. All fields will populate except for the second mortgage loan amount. Enter the loan amount and then click on the "Update" button to add the second mortgage assistance to the first mortgage loan reservation.

### **RESERVE MORTGAGE CREDIT CERTIFICATE (OPTIONAL)**

The Mortgage Credit Certificate is a completely separate reservation. Log in and choose the HFA of Lee County MCC program (available in Charlotte, Collier, DeSoto, Lee, Palm Beach and Sarasota counties) and reserve the MCC. To reserve funds in the MCC program the borrower is required to have a signed real estate purchase contract for a specific address. You will need a 1003 and the Real Estate Purchase contract in order to make a reservation. If the reservation is successful, you will receive a loan number and a message that you've completed the reservation successfully. (Rev 02/24/23)

**PRINT PRE-CLOSING MORTGAGE CREDIT CERTIFICATE FORM**

The program forms may only be found within the eHousingPlus eHPortal. Forms generated from any other source may void the loan making it not purchasable in the program. A lender will need user credentials for the eHPortal to access the forms. Provide the borrower(s) with the following MCC forms that need to be signed pre-closing: MCC - Notices to Buyers & Recapture (Added 02/24/23)

**PROCESS**

Lenders process the loan as they would normally keeping in mind the program timelines.

**UNDERWRITE AND CERTIFY**

(Rev 12/12/18)

Lenders underwrite & are responsible for credit decisions of the loans in the program. Servicer does not re-underwrite loans. Following credit approval AND WITHIN 15 DAYS OF LOAN RESERVATION, an Underwriter will complete the Underwriter Certification for (2) TWO separate reservations:

- 1) Underwriter Certification for the Own a Home Opportunity Program
- 2) Underwriter Certification for the Mortgage Credit Certificate

**PRINT CLOSING FORMS - OWN A HOME OPPORTUNITY & MCC (IF APPLICABLE)**

The program forms may only be found within the eHousingPlus eHPortal. Forms generated from any other source may void the loan making it not purchasable in the program. A lender will need user credentials for the eHPortal to access the forms. Provide the borrower(s) with the following forms that need to be signed at closing:

<b>OWN A HOME OPPORTUNITY Closing Forms</b>	<b>MCC Closing Forms</b>
Borrower Affidavit	MCC Affidavit (Mortgagor, Seller, Lender)
First Mortgage Doc Stamp Affidavit	
DPA Loan Disclosure	
Lee 2nd Mtg Doc Stamp Lender Letter (informational only for the lender)	
DPA Award Letter	
Lee Subordinate Lien DOT	
Lee Subordinate Line Note	
Palm Beach 2nd Mtg Doc Stamp Letter (informational only for the lender)	
Palm Beach DPA Award Letter	
Palm Beach Subordinate Mortgage & Note	

(Rev 02/24/23)

**WHO SIGNS THE PROGRAM DOCUMENTS?**

<b>FORM</b>	<b>BORROWER</b>	<b>CO-BORROWER</b>	<b>NON PURCHASING SPOUSE</b>	<b>CO-SIGNER</b>
MCC Affidavit	Yes	Yes	Yes	No
Borrower Affidavit	Yes	Yes	Yes	No
First Mortgage Doc Stamp Affidavit	Yes	Yes	Yes	No
DPA Loan Disclosure	Yes	Yes	Yes	No
Lee 2nd Mtg Doc Stamp Lender Letter	Yes	Yes	No Signature Informational only	No
DPA Award Letter	Yes	Yes	Yes	No
Lee Subordinate Lien DOT	Yes	Yes	Yes	No
Lee Subordinate Line Note	Yes	Yes	No	Yes
Palm Beach 2nd Mtg Doc Stamp Letter	Yes	Yes	No Signature Informational only	No
Palm Beach DPA Award Letter	Yes	Yes	Yes	No
Palm Beach Subordinate Mortgage & Note	Yes	Yes	Yes - 2nd Mortgage No - 2nd Note	No - 2nd Mortgage Yes - 2nd Note

(Added 02/24/23)

**WHO NEEDS TO SUBMIT TAX RETURNS?**

<b>BORROWER</b>	<b>CO-BORROWER</b>	<b>NON-PURCHASING SPOUSE</b>	<b>CO-SIGNER</b>
YES	YES	YES	NO

(Added 02/24/23)

**FUND THE DOWN PAYMENT ASSISTANCE**

The lender will fund the down payment assistance. US Bank will reimburse the lender at loan purchase. (Rev 04/28/18)



### **RECORD THE DOCUMENTARY STAMP AFFIDAVITS**

There will be 2 Documentary Stamp Affidavits to be recorded.

- 1) Own a Home Opportunity First Mortgage Documentary Stamp Affidavit

Every loan closed in the program will use this form. It should be recorded Immediately prior to OR immediately following the first mortgage as a separate document.

- 2) Second Mortgage Documentary Stamp Affidavit (see below).

Within the eHPortal a lender may view the instructions and sample forms provided by each HFA in the LOAN FORMS.

### **RECORD THE SECOND MORTGAGE AND NOTE**

The following second mortgage forms must be recorded IMMEDIATELY following recordation of the First Mortgage:

- 1) HFA Second Mortgage & Note
- 2) Second Mortgage Documentary Stamp Affidavit

### **COMPLIANCE FILE DELIVERY INSTRUCTIONS** **ASSEMBLE THE COMPLIANCE FILE**

Compliance Files and Corrections to previously submitted files with erroneous or missing required documents will be managed through the **eHousingPlus Digital Docs Portal**. This Digital Docs Portal provides lenders with all the tools necessary to deliver the required documents for the approval of the originated loan(s) in their respective affordable homebuyer programs. This Portal is a secure, easy to use and efficient way for lenders to deliver the Compliance File, Correct DEFIs and pay the required Compliance Review Fees via our **eHPay** on-line fee approval, and related tools.

To assemble the compliance file, you will need a checklist found in the eHPortal. This checklist is used to submit the compliance documents post-closing to eHousingPlus. [Log-in to the eHPortal](#) for the Own a Home Opportunity Program to print the Compliance File Checklist.

Items to be uploaded in the compliance file include:

- Homebuyer Education Certificate
- Borrower Affidavit
- Taxes for Borrower(s) - 3 years IRS Transcripts or Signed 1040
- Real Estate Purchase Contract
- FINAL Signed 1003
- FINAL Signed Closing Disclosure (CD)
- Warranty Deed
- Discharge Papers (DD214) Only if Veteran

## **UPLOAD THE COMPLIANCE FILE TO EHP DIGITAL DOCS**

[Log-in to eHP Digital Docs](#) to upload the compliance file.

eHP Digital Docs works best with the Chrome web browser. The Compliance File should be a PDF file uploaded upright and in a clear legible format, composed of all required documents on the Checklist. Don't upload a compliance file until everything is included in the package. The more complete the file, the quicker the review and approval, and the file AND fee must be received to start the review process. Be aware that Loans will go straight to deficient status if items are missing, or if the fee was not received or properly identified. Once you are ready to upload your documents select the NEW UPLOAD button. Next, determine the file type of what you are uploading. Currently, there are three file types you will upload into the new DD Portal: Compliance Files, DEFI's, and/or pre-closing documents as required. Additional uploads after the Compliance File are identified as Defis. There is a **NOTES** Feature in case there is any pertinent information you want to add to the compliance documents. Once Submitted, the System will confirm that the document was uploaded successfully, or it will present an error. All Files Uploaded, can be seen immediately in **UPLOADED DOCS**. All documents must be a PDF format and must not be locked or encrypted.

## **SUBMIT THE REQUIRED COMPLIANCE REVIEW FEE AND ISSUANCE FEE**

The Compliance Review Fee and Issuance Fee are submitted after the compliance file has been uploaded to eHP Digital Docs.

eHPay is a secure, efficient method for lenders to pay the fees ON-LINE. Loans managed through eHPay are processed faster, without fee errors or other unnecessary delays. The Lenders Accounting Staff can access eHP Digital Docs and process the compliance fees payment easily via eHPay.

Not sure of the required fee for your loan? Use the **FIND MY FEE** feature under **PAYMENT CENTRAL** and get the instant answer.

Compliance Files Uploaded are NOT ready for review until the Compliance Review Fee Payment has been received by eHP.

**FILES PENDING PAYMENT** lists Compliance Files that have been uploaded successfully, but whose fee payment is still pending. Lenders can monitor this area to ensure their fees have been delivered in a timely manner.

**UNIDENTIFIED PAYMENTS** are payments received from your company without the proper identification to apply it to the intended loan. Lenders can monitor this area to ensure that payments made are being properly identified with the eHP LOAN NUMBER.

**SHORT PAYMENTS** If an incomplete payment is submitted, it will be displayed indicating the amount paid and the correct fee amount.

(Rev 07/27/23)

## **CORRECT A DEFICIENT COMPLIANCE FILE**

### **LOAN DEFICIENCIES ARE NOT ACCEPTED VIA EMAIL**

The eHPortal has various tools that alert Lenders when a Compliance File is delivered DEFICIENT. These multiple tools assist you, the lender, in easily correcting these deficiencies and allow your file to be Compliance Approved in a timely manner.

System generated DEFI emails sent at time of review with corrective actions.

Loan's **TIMELINE** Tab depicts pending deficiencies ANYTIME you log in and view your loan.

**EXCEPTIONS/DEFICIENCY** Reports are available on the **REPORTS** Menu in the eHPortal.

The **Corrected DEFI's** are submitted and **UPLOADED** via **eHP Digital Docs**, using the same easy method the Compliance File is delivered.

Log in to **eHP DIGITAL DOCS**

Search for your loan

**NEW UPLOAD:** select your file(s), and if prompted select Corrected DEFI as 'Type'.

The **NOTES** Feature is available to add any relevant information if needed.

**YOU'RE DONE!**

Defi's may be uploaded as a lender receives a document.

Corrected Defi's may be view in eHP Digital Docs under, Uploaded Docs.

## **EHP COMPLIANCE APPROVAL**

Following approval of Compliance File by eHousingPlus, lenders are notified and reminded of the purchase deadline.

## **DIGITAL DOCS HELPFUL TIPS**

**Sign up for eHPay.** This is a secure solution for the payment of fees. [Talk to one of our eHousingPlus Business Representatives about how you can sign up](#), and to answer any questions related to this service. Make sure that every payment made is properly identified with the eHP Loan NUMBER. This is particularly a problem with Wires and ACH payments, as well as bundled payments. [ACH/Wires do not properly identify loans in most cases and hold up the processing of your loans!](#)

Save time by trying to consolidate corrections to your loan files.

Working on DEFI's might be easier if grouped by loan & Program; typically, the same types of errors occur based on varying Program Criteria.

Use the reports available on the [eHPortal](#) (EXCEPTIONS/DEFICIENCIES) as a guide and deliver them easy using **eHP Digital Docs**.

### **SUBMIT MORTGAGE FILE & CREDIT PACKAGE TO SERVICER**

The Mortgage File including Credit Package are sent to US Bank. The US Bank Delivery and Funding Checklist is found within the US Bank web site.

To locate the US Bank product guidelines and checklist [click on this link](#).

You may need to enable pop-up windows on your web browser. Please contact your IT Department for assistance with this. If you experience any technical difficulty, please contact US Bank HFA Division directly at 800-562-5165. (Rev. 02/24/23)

US BANK notifies lenders of Exceptions, posts exceptions online and sends a weekly summary of outstanding exceptions.

### **eHP COMPLIANCE APPROVAL**

Following approval of Compliance File by eHousingPlus, lenders are notified and reminded of the purchase deadline.

### **FINAL DOCUMENTS**

The recorded mortgage documents, for both the first and second mortgages, should be sent to U.S. Bank.

### **ISSUANCE OF MORTGAGE CREDIT CERTIFICATE**

Upon receipt of uploaded documents and fee(s), the MCC will be processed. Once, approved, the Lenders Authorized Officer will receive a "confirmation of approval" secure email with the MCC. The Lender shall be responsible to provide the MCC to the borrower(s).

## **PROGRAM TIMELINE**

Buyers must have a fully executed sales contract for a specific property in order to have funds reserved or be on a waiting list. The contract may be dated prior to the date of the loan application. Buyers may be pre-qualified. However, if the buyer does not have a contract on a property, program funds cannot be reserved for the buyer until such time as the buyer presents a valid contract.

To assure that loans are purchased, please follow the Processing, Delivery and Purchase Timetable below. Please **DO NOT** reserve loans that cannot meet the timetable. **This is particularly important with respect to new construction, foreclosures and short sales.** Please wait to reserve funds until loans can meet the timelines below. Loans not purchased within the timeframe below, cannot be purchased.

The revolving pool of funds assures continuous funding. Fund availability makes it unnecessary to rush to reserve funds.

### **Loan Processing, Delivery and Purchase Timetable**

Once a loan is reserved in the eHousingPlus system and is provided the Servicer's Loan number, the loan must be

1. Underwriter certified within 15 days of loan reservation;
2. Closed and delivered to the Servicer within 45 days of loan reservation; and
3. Purchased within 70 days of loan reservation.

Any loan not purchased within 70 days will automatically receive a one-time only 30-day extension. The cost of the extension is \$375. The \$375 extension fee is due whether or not loans are ultimately delivered and/or purchased. The \$375 will be netted by the Servicer when loans are purchased. The extension fee will be netted by the Servicer when loans are purchased. If the loan is not purchased, the originating lender will be billed for the extension fee. Any outstanding fees owed by the Lender may result in that Lender becoming ineligible to participate in the program.

At 101 days, a loan that hasn't been delivered is cancelled. Reinstatement is not guaranteed and, if allowed, is subject to additional penalties in addition to the extension fee.

Again, the extension is offered once per loan and no further extensions will be allowed. Furthermore, any loan not purchased within the approved timeframe may become the liability of the originating lender, including any down payment assistance provided at closing.

To the extent that Assistance is advanced on loans that do not close, are not purchased by the Servicer under the program or are to be repurchased by the lender prior to being pooled into a mortgage-backed security, the lender will be required to reimburse the Authority with respect to such Assistance so advanced.

## **PROGRAM FEES**

### **FIRST MORTGAGE FEES**

Lenders may charge 1.00% Origination AND ZERO DISCOUNT.  
(Rev 11/22/16)

### **HFA of Lee County MCC Issuance Fee**

Effective with all new loan reservations 06/01/23

The HFA of Lee County will collect an MCC Issuance Fee of \$200. The fee is made payable at the same time you pay the the eHousingPlus fee via eHPay as a lump sum. The CD should reflect: HFA MCC Issuance Fee (Rev. 07/27/23)

### **eHousingPlus Fee**

The program includes a first mortgage Compliance/Admin Fee and a penalty fee of \$100 for files that are chronically deficient. The Compliance/Admin Fee is collected at closing, payable to eHousingPlus and submitted with the Compliance File.

Own a Home Opportunity First Mortgage (with or without the second mortgage)  
\$300

Own a Home Opportunity First Mortgage (with or without the second mortgage) AND a Mortgage Credit Certificate  
\$725 (this includes the \$200 MCC Issuance Fee for the HFA)

The **Compliance/Admin Fee** is the fee charged by the Program Administrator/Compliance Agent to process the applicant/borrower from Origination to Compliance Approval, and to assess that the lenders originating such loans are following Program guidelines for the benefit of the eligible borrower(s). The Program Administrator/Compliance Agent tracks the loan via its web-based system, and assists the lender in processing the loan ensuring eligibility to the program available offerings, which can include various rate options, and down payment assistance. (Added 10/15/15)

The Compliance/Admin fee includes the review of information and documents delivered in the form of a Compliance File by the originating lender, on behalf of the borrower. Additionally the Compliance review verifies that the lender has charged only the fees allowed by the Program. Contrary to this, approval may be denied and/or fees may have to be reimbursed to the borrower. The compliance file processing consists of required affidavits, application, closing documents, certain non-mortgage documents, tax returns where applicable and other pre-defined Program documents that are disclosed to the potential borrower(s). This is required to ultimately receive Compliance Approval. These documents can support both the first mortgage and any down payment assistance available, and are required to ensure eligibility to the Program, Federal, State and Local requirements, where applicable. The Compliance review verifies that the data and documents submitted meet all requirements, and may include those for first-time homebuyer, income limits, sales price limits, targeted areas, homebuyer education, rate, term, points, fee limits, LTV, FICO score, special state, city, county program requirements for qualified military, first responders, teachers, etc.). (Rev 08/22/16)

**US Bank Fees**

\$400 Funding Fee.

\$84 Tax Service Fee (07/17/22)

These fees will be netted at time of loan purchase by U.S. Bank. See US Bank Bulletin SEL-2022-021-Tax Service Fee Update 05-13-22. (Rev. 08/22/22)

**LENDER FEES**

Lenders are permitted to charge reasonable and customary charges for out of pocket expenses and costs. Other financing costs such as legal fees and underwriting fees may be charged and courier fees may be charged if such fees are normally charged. Lenders may charge the usual and reasonable settlement costs. Settlement costs include titling and transfer costs, title insurance, survey fees or other similar costs. Other allowable fees include doc stamp and intangible taxes, doc prep fees, notary fees, hazard, mortgage and life insurance premiums, recording or registration charges, prepaid escrow deposits and other similar charges allowable by the insurer/guarantor. "Junk" fees are not a defined term and may not be charged. Excessive fees are not permitted in the program.

**LENDER COMPENSATION**

For FHA, RD and Freddie Mac Loans closing Feb 20, 2018 and after, 1.50% SRP from US Bank upon loan purchase plus 1.00% Origination Fee. Total of 2.50% Lender compensation.

For VA Loans closing Feb 20, 2018 and after, 1.00% SRP from US Bank upon loan purchase plus 1.00% Origination Fee. Total of 2.00% Lender compensation. (Rev 02/20/18)

## CALCULATING INCOME

When calculating Program Eligibility Income, there are two types of income to consider – income from an employer and income from all other sources. **Include all income unless specifically listed as excluded in this guide.**

### Part 1 – Calculating Income from an Employer

Determine whether the Borrower receives **base pay only** or a combination of **base pay and additional income** from an employer.

#### Calculate “Base Pay from an Employer”

##### Regular Hours/Pay

1. Determine frequency of income - weekly, bi-weekly, semi-monthly, etc.
2. Identify documentation needed to support payment frequency and calculation.
3. Apply Calculation - (*Base Wage x Hours Worked in a Pay Period*) x (*# of Pay Periods Per Year*)
4. This should approximate the annualized YTD on VOE or paystubs. If not, check for additional pay, such as overtime, bonus, shift differential, etc. (Employers don't always break this out on the VOE).
5. See additional guidance on calculating base pay from an employer.

Hourly pay	Bi-weekly pay	Semi-Monthly pay
Multiply the pay per hour by the number of hours worked per week. Multiply total by 52 weeks a year.	Multiply the bi-weekly pay by 26.	Multiply the semi-monthly pay by 24.
<i>Example:</i> 1. \$15 per hour x 40 hours a week = \$600 2. \$600 x 52 weeks a year = \$31,200 3. \$31,200 / 12 = \$2,600 gross monthly base pay	<i>Example:</i> 1. \$1,200 every two weeks x 26 pay periods a year = \$31,200 2. \$31,200 / 12 months = \$2,600 gross monthly base pay	<i>Example</i> 1. \$1,300 semi-monthly pay x 24 pay periods a year = \$31,200 2. \$31,200 / 12 months = \$2,600 gross monthly base pay

##### Irregular Hours/Pay

1. Annualize YTD Earnings total.
2. Average prior year's earnings total, if available, (or provide documentation and explanation to support not using the prior year's earnings.) Divide the resulting number by the number of months and days worked, and then multiply that number by 12 months to get total average pay from an employer.
3. See additional guidance on calculating base pay from an employer.

#### Calculate “Additional Pay from an Employer”:

1. In the Earnings section of paystub or VOE, look for additional income earned that is not included in **base**. (Sick, vacation, holiday, etc. is generally included in **base**.)
2. Add up all additional income that is included in the YTD Earnings Total and not part of **base**.
3. Average prior year's earnings total, if available, (or provide documentation and explanation to support not using the prior year's earnings.). Divide the resulting number by the number of months and days worked, and then multiply that number by 12 months to get an average of **additional pay from an employer**.
4. See additional guidance on calculating additional pay from an employer.



**Part 2 – Calculating Income from Other Sources****TYPES OF INCOME**

Determine if there are other sources of income, apart from wages from an employer.

**Wages from an Employer – Part 1****Base Pay**

Definition/Inclusions	Exclusions
<u>Regular Hours/Pay:</u> Borrower is scheduled for the same number of hours per pay period. Gross salary or wage income from part-time, full-time, or seasonal work with regular hours/pay  <u>Irregular Hours/Pay:</u> Variable hours, seasonal work, etc., such as nursing, restaurant, construction, retail or part-time work with varied hours or pay.	Income no longer available

**Guidance**

- Borrowers can't manipulate income (quit job, etc.) to become eligible.
- Include all income, including sick, holiday and vacation pay.
- Average current YTD and prior year's earnings total, if available, (or provide documentation and explanation to support not using the prior year's earnings.). The most recent federal income tax return may also be used for this purpose.
- Income documentation is required, and could include, but is not limited, to, paystubs, VOE, tax returns, W-2's, etc.
- Seasonal work requires the same documentation for variable pay as outlined above, but should also include any unemployment benefits, if applicable.
  - 1099s, tax returns, and/or verification from unemployment office to verify unemployment benefits

**Additional Income from an Employer**

Definition/Inclusions	Exclusions
Income over and above base pay, such as overtime, shift differential, bonuses, profit-sharing, tips, commissions, etc.	One-time (non-recurring) income; i.e., income received once that does not have a history and is unlikely to reoccur in the future.

**Guidance**

- Documentation of additional pay could include, but is not limited to, paystubs, VOE, etc.
- Average current YTD and prior year's earnings total, if available, (or provide documentation and explanation to support not using the prior year's earnings).
- Always use an average for overtime (unless employer and income history verifies OT was for one-time, special project, etc.), commissions, bonuses, shift differentials, and sick/vacation/holiday pay (if not already included in base pay).
- Include all income that is included in the YTD Earnings Total on a paystub or on a VOE.
- Any income that is determined to not be included in YTD Earnings Total (for example, employer-paid benefits or matches, such as an HSA match) does not have to be included in the Program Eligibility Income calculation.

## Other Sources of Income – Part 1

### Self-Employment/Business Income

Definition/Inclusions	Guidance
<p>Individuals who earn their income through conducting a trade or business that they directly operate instead of working for an employer who pays them a salary or a wage.</p>	<ul style="list-style-type: none"> <li>• Determine gross annual income.</li> <li>• Use a two-year average from the most recent federal income tax returns.</li> <li>• Self-employment income documentation is required, and may include, but is not limited, to:               <ul style="list-style-type: none"> <li>○ Tax form Schedule C, most recent two years</li> <li>○ YTD Profit &amp; Loss Statement</li> <li>○ Tax form Schedule K-1 (Form 1120S)</li> </ul> </li> <li>• Request additional supporting documentation (i.e., current balance sheet and income statement) when necessary.</li> <li>• Deduct out-of-pocket business expenses such as office rent, telephone, etc., which are generally tax-deductible items.</li> <li>• Include all entertainment and travel expenses, private retirement contribution plans, and property or equipment depreciation. These items are generally tax-deductible, but must be added back for the Program Eligibility Income calculation if starting with the net income amount.</li> <li>• If a net loss, use \$0. Do not subtract the loss from the Program Eligibility Income calculation.</li> <li>• Use caution with large variations in income (whether increase or decrease) when averaging two years' income. The determination in these cases should be documented and supported by the underwriter.</li> </ul>

### Income from Financial Assets

Definition/Inclusions	Exclusions	Guidance
<p>Income from: trusts, annuities, dividends, royalties, interest earned from non- retirement accounts (savings, checking, money market, investments, mutual funds, etc.)</p>	<ul style="list-style-type: none"> <li>• One-time lump sum payments</li> <li>• Investments in retirement accounts (IRAs, VIPs, 403(b)'s, 401(k)'s)</li> <li>• Any cash withdraws from retirements accounts</li> </ul>	<ul style="list-style-type: none"> <li>• Always check tax returns for income from financial assets.</li> <li>• Include average of periodic payments, including recurring, lump-sum payments.</li> <li>• Where assets after closing exceed \$5,000, calculate interest income based on the greater of actual income or imputed income based on the current passbook savings rate, as determined by HUD.</li> </ul>

**Insurance or Benefit Payments**

Definition/Inclusions	Exclusions	Guidance
Periodic payments derived from: <ul style="list-style-type: none"> <li>• Long-term care insurance</li> <li>• Disability insurance</li> <li>• Pensions</li> <li>• Death benefits</li> </ul>	Do not include one-time, lump-sum payments.	Include periodic insurance or benefit payments at current level.

**Government Transfer Payments**

Definition/Inclusions	Exclusions	Guidance
Government transfer payments involve payments for which no current services are performed and are a component of personal income. <ul style="list-style-type: none"> <li>• Retirement benefits</li> <li>• Disability benefits</li> <li>• Income maintenance benefits</li> <li>• Pensions</li> <li>• Veterans benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Federal education &amp; training assistance</li> <li>• Public assistance</li> <li>• Worker's Compensation</li> <li>• Social Security benefits</li> <li>• Unemployment insurance compensation</li> </ul>	<ul style="list-style-type: none"> <li>• Food stamps</li> <li>• Government-paid child care paid directly to the provider</li> <li>• Foster care income</li> <li>• Section 8 vouchers</li> </ul>
		<ul style="list-style-type: none"> <li>• Include all sources of this income at current level. Do not gross up.</li> </ul>

**Investment Property Net Rental Income**

Definition/Inclusions	Exclusions	Guidance
Income from an Investment Property	Potential roommate income or rental income of future duplex or accessory dwelling unit	Calculate investment property net rental income <ul style="list-style-type: none"> <li>• Monthly Gross Rent - Vacancy Loss = Gross Adjusted Rent</li> <li>• Gross Adjusted Rent – PITI and maintenance costs = Net Rental Income. If rental income is negative, enter \$0. In addition, an operating statement may be used in lieu of using the above-referenced formula.</li> </ul>

**Child/Spousal Support**

Definition/Inclusions	Exclusions	Guidance
Child support, child care, medical support, alimony, spousal maintenance	Court-ordered support not received; must document support was not received	<ul style="list-style-type: none"> <li>• Use average of actual support received.</li> <li>• Review divorce/child support agreement.</li> <li>• Check with county social service agency to determine whether any payment adjustments have been made since the original payment schedule.</li> <li>• Cross-check payment schedule with bank statements, etc.</li> </ul>

**Regular Cash Contributions**

Definition/Inclusions	Exclusions	Guidance
Regular cash contributions from non-resident(s)		Check bank statements for regular cash contributions. Include all regular cash contributions from non-residents.

**Employee Allowances**

Definition/Inclusions	Exclusions	Guidance
Car, cell phone, per diems, etc.	<ul style="list-style-type: none"> <li>Do not include any car, cell phone, travel per-diem, etc.</li> </ul>	

**Custodial Account Income**

Definition/Inclusions	Exclusions	Guidance
Unearned income paid to children age 20 or younger, who live with the Borrower(s) 50% of the time or more	<ul style="list-style-type: none"> <li>529 plans</li> <li>Accounts where someone other than the parents are named as custodian.</li> <li>Unearned income of adult dependents age 21 or older</li> </ul>	Include all custodial account income.

**Other Sources of Income**

Definition/Inclusions	Exclusions	Guidance
<ul style="list-style-type: none"> <li>Contract-for-deed interest income</li> <li>Any other sources of income as identified or represented in the loan file and applicable documentation.</li> </ul>	<ul style="list-style-type: none"> <li>Loans; scholarships; grants and tuition reimbursement;</li> <li>Earned Income Tax Credit refund payments; health insurance premium reimbursements (deducted from gross pay) and any out-of-pocket expense (co-pays, etc.) reimbursements</li> <li>One-time lump sum (non-reoccurring) payments from: <ul style="list-style-type: none"> <li>Inheritances</li> <li>Insurance settlements</li> <li>Lottery winnings</li> <li>Gambling winnings</li> <li>Capital gains</li> <li>Liquidation of assets</li> <li>Settlements for personal loss</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Always include other sources of income not specifically excluded.</li> <li>For contract-for-deed interest income, include interest portion of payments per the terms of the agreement/contract.</li> </ul>

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4-2-15	Homebuyer Education required for Palm Beach New second mtg/note combo form all to be recorded and Lee Compliance Checklist includes requirement for homebuyer ed cert for Palm Beach Buyers only	7 20
4-10-15	Added reminder regarding maximum loan amount and consideration of both the purchase price limit, not exceeding the appraised value and not using DPA to make up difference between appraised value and purchase price limit.	8, 10
4-21-15	Added that copy of homebuyer ed certificate must accompany DPA request for Palm Beach	12
6-1-15	<b>FHA products include 203(ks)</b> and lenders must notify U.S. Bank if they are intending to originate 203(ks) loans. Loans cannot be purchased if U.S. Bank not notified. <b>For loans reserved as of June 1, 2015, the maximum second mortgage amount will be up to \$7,500 except in Palm Beach County where the maximum will remain at \$10,000.</b> Non-Traditional Credit - lenders referred to U.S. Bank Bulletin.	6 10
7-22-15	Income and Sales Price Limits effective with new reservations 7-22-15 Old Income and Sales Price Limits for reservations dated 7-21-15 and before	8 9
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10-15-15	Added eHP fee information & revised US Bank fee	16
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12-01-15	Revised minimum FICO Manufactured homes no longer permitted in program Language added regarding non-traditional credit and manual underwriting Language added regarding credit documentation for the Master Servicer	7 9 & 10 11 18
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05-11-16	Revised income and purchase price limits for Palm Beach County effective with new loan applications dated 06/14/16 and after	8, 9
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06-02-16	Revised income & purchase price limits for Charlotte, Collier, DeSoto, Lee & Sarasota counties effective 06/14/15 and after	8 & 9
08-10-16	Revised income limits for Charlotte, Lee & Sarasota counties effective 08/10/16 and after	8

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12-07-16	Included Freddie Mac HFA Advantage Loan Product Information	7, 8, 10, 11
12-07-16	Revised lender compensation effective with new loan reservations 12/19/16 and after	17
12-07-16	Added Homebuyer education requirement for all eligible areas effective 12/19/16	8
04-10-17	Updated Who To Contact Directory Added DPA Loan Disclosure information for Second Mortgage Revised DTI requirement information (US Bank conventional AUS approval policy change) Added US Bank condominium guideline expansion language Added Second Mortgage Intangible Tax exemption language Added Second Mortgage Proceeds policy Revised US Bank tax service fee effective 04/17/17 Revised US Bank Web Site link	6 8 10 11 13 13 19 27
05-15-17	Removed 203Ks from list of approved loan products Revised language for non-citizens Revised DTI Requirement language	7 9 10
06-07-17	Revised income Limits Revised Sales Price Limits	10 11
08-13-17	Added MCC Fee Information to Program Fees Section Added US Bank lender help desk number	19 27
11-15-17	Added Freddie Mac Affordable Income Subsidy Grant Information Added Freddie Mac Credit Smart to approved homebuyer education providers Revised conventional loan DTI to 50% Added Affordable Income Subsidy step-by-step reservation process Added Affordable Income Subsidy Closing instructions Revised Program Fees	7, 11, 17 10 10 16 & 17 19 21
02-20-18	Revised SRP for VA loans	22
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04-28-18	Revised the funding of the down payment assistance	7, 18
05-18-18	Revised income limits	11
07-23-18	Revised AIS Grant Income Limits Effective 07/29/18 Revised Purchase Price Limits Effective 05/23/18	12 13
10-29-18	Added First Mortgage & Second Mortgage Doc Stamp Exemption Effective 11-01-18	13 30 -

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12-12-18	Changed eHousingPlus Lender Portal to, eHPortal Removed screen shots of eHPortal for AIS Grant reservation Added language for a lender to contact Agency (FHA, VA, RD, Freddie Mac) regarding ownership of other property Added Mortgage Insurance language under DTI requirement Added eHP Digital Docs	Throughout 10 11 17 - 23, 26, 33
02-09-19	Removed reference to the HFA of Hillsborough County	10
05-01-19	Revised Purchase Price Limits Effective 05-01-19 Revised Freddie Mac Income Limits Effective 05-13-19	13 12
07-27-19	Corrected Cash Back policy Revised AIS Grant Income Limits effective 07/28/19	15 13
01-06-20	Removed AIS Grant Information Added Special Note for Freddie Mac HFA Advantage Loans Revised maximum DTI Revised income limits Revised US Bank web site information Added note to timeline regarding Freddie Mac HFA Advantage loans Added archived revisions table	6, 15, 16 6 9 10 22 23 33
01-20-20	Added link to view Lock Rate, Minimum FICO and DPA Added link to view minimum FICO Corrected FHA minimum FICO to 660 with maximum 45% DTI Revised Freddie Mac Condo Review/Approval Requirements	6 9 9 11
05-18-20	Revised Contact Directory Added US Bank COVID-19 Guidance Revised Income and Purchase Price Limits	5 8 10
07-19-20	Added Note: Freddie Mac loan suspension Revised Freddie Mac 80% AMI & lower income limits	6 & 10 10

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01-11-21	Revised FHA, VA, USDA-RD minimum FICO to 640 effective 01/11/21	8 & 9
02-15-21	Revised Citizenship requirement Added Calculating Income guidance Added MCC Program information Revised Compliance Origination Process Added the MCC is not available in Palm Beach County Added eHPay information to eHPCompliance Fee	7 9 11 & 12 14 15 23
03-22-21	Added Freddie Mac HFA Advantage loan product back to the Program Added Freddie Mac HFA Advantage to DTI Ratio requirements Added Freddie Mac HFA Advantage 80% AMI and lower income limits Added Freddie Mac HFA Advantage property overlay Added Freddie Mac HFA Advantage links to Fact Sheet and LPA Instructions Added Freddie Mac HFA Advantage loan product cosigner guidance	6 8 9 10 10 11
05-13-21	Revised Acquisition and Income limits	9 & 12
09-16-21	Revised Freddie Mac HFA Advantage 80% AMI Income Limits	9

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05-19-22	Revised Hilltop mailing address	23
08-22-22	Revised Contact Directory Revised Income & Acquisition Limits for OAHO Revised Income & Acquisition Limits for MCC Revised ehp training link Revised US Bank Fees	5 9 12 14 24