Administrator's Guidelines

Southeast Texas Housing Finance Corporation 5 Star Texas Advantage Program for Conventional Loans

Published December 23, 2015
Revised 10/19/26

Revisions are shown on Page 4

EQUAL HOUSING OPPORTUNITY

eHOUSINGPLUS
Program Management Specialists

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Revisions Table - 2026

Archived revisions found on the last pages of this guide

Date	TOPIC (effective for new reservations unless otherwise noted	Page
03-13-26	Revised Manual Underwriting guidance for FHA loans Added MCC Grant of $3,500	10 11
06-12-26	Updated income limits	8
10-14-26	Revised assistance Updated Closing Documents	6 15
10-19-26	Added Travis County as an eligible area	8

CONTACT DIRECTORY
954-217-0817 or Toll Free (888) 643-7974
Select Option #2

Question	Option #	email
Lender Training (Program & System)	Option #4	Click here
Lender User Access (Credentials, Disabled Access, etc)	Option #1	Click here
eHPay - Digital Payment of Compliance Fees	Option #3	Click here
Program Eligibility Questions - READ THIS GUIDE FIRST	Option #2	Click here
Deficiencies - To view and upload compliance file deficiencies	View compliance and Servicer DEFI's in eHP FrontPorch using Digital Docs App, Deficient Compliance Files drop down menu.	
Loan Specific Questions - If you have any questions related to a specific loan already reserved/rate locked in the eHPortal.	Post note in Collaboration Station within eHP FrontPorch	
Credit underwriting questions, refer to their internal UW Department or US Bank	(800) 562-5165	Click here
System Errors - Technical Assistance	Option #6	Click here
U.S. BANK 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 mortgage closed loan files Questions regarding exceptions on first mortgage closed loan files	(800) 562-5165	Click here
U.S.Bank All Regs Site	Use this link, then select U.S. Bank HFA Lending Guide/500: Housing Finance Agency Programs/Texas/SETH.	

(Rev 05/20/24)

SOUTHEAST TEXAS HOUSING FINANCE CORPORATION TEAM



Southeast Texas Housing Finance Corporation (SETH)
Create and sponsor a first mortgage program and the down payment assistance program, solicit lender participation, conduct homebuyer education classes in portions of the state, **set the rate, term and points, and market the program**

Participating Lenders
Take applications, reserve in their own systems, process, underwrite, approve, fund, close and sell qualified loans to the program. Lenders are responsible for servicing program loans in accordance with Agency requirements until they're purchased by the Master Servicer.

US Bank
Master Servicer
Provides information on acceptable loan products, delivery and funding, receives all first mortgage files, reviews first mortgage files, notifies lenders of first mortgage file exceptions, approves first mortgage files, purchases pools and delivers loans, delivers certificate.

eHousingPlus
Program Administration
Maintains the program reservation system, websites, and posts Administrator's guide, forms, training materials, provides program and system training, answers program and system questions, receives compliance files, reviews, posts and notifies of exceptions and approves compliance file.

PROGRAM PRODUCTS

PLEASE NOTE THAT RATES AND ASSISTANCE AMOUNTS ARE SUBJECT TO CHANGE AT ANY TIME. With respect to reserved loans, the rate and assistance will not change as long as loans are delivered according to the timetable included in this Guide.

All loans in this program are Assisted Rate Loans. Current rates are displayed within the eHousingPlus system. PLEASE RELY ON THE SYSTEM FOR THE MOST CURRENT INFORMATION. Funds are available in a first-come, first-served pool that provides continuous funding.

The borrower receives a 30-year, fixed rate, fully amortizing first mortgage loan with 360 level monthly payments as well as an assistance payment equal to a max of 5.00% of the Note amount to apply toward down payment or closing costs. Current rates are available online within the system. Income limits apply. (Rev. 10/14/26)

Conventional Loans Charter Income
Conventional loans with income at or below 80% AMI. These loans will be provided FREE homebuyer education from SETH for purchase transactions and charter level MI coverage for all loan types. (Rev 03/02/21)

Conventional Loans with Standard Income
Conventional loans with income above 80% AMI. These loans will have higher income limits and will receive standard level MI coverage. (Added 07/06/20)

No DPA/Best Rate: This option provides a 30-year, fixed rate, fully amortizing first mortgage with 360 level monthly payments. There is no 2nd lien. The rate is superior to many regular market rates available. These loans are not subject to any Loan Level Price Adjustments. Borrowers can access additional benefits like lower MI coverage for conventional loans with income under 80% AMI. This can be combined with local assistance programs. US Bank and Agency guidelines apply. (Added 05/01/23)

DAILY RATE LOCK RESERVATION AVAILABILITY
Reservations in this program are available Monday - Friday 9:00 a.m. - 8:00 p.m. Central Time excluding holidays. Click here to view the Rates/Offerings chart for allowable FICO, Lock Mortgage Rate and DPA.

DOWN PAYMENT ASSISTANCE OPTIONS

Fannie Mae and Freddie Mac: 0% Interest, 3-year deferred forgivable 2nd lien

Fannie Mae and Freddie Mac with Enhanced 5% DPA Option: 0% Interest, 30-year deferred repayable 2nd lien

3-year Forgivable 2nd Lien

Assistance is in the form of a 0% Interest, 3-year, forgivable, deferred second mortgage (forgiven at the end of 3 years – NOT forgiven monthly). The Assistance is calculated on the Note amount. The Assistance may be used for down payment or closing costs and pre-paids. While there is no cash back in this program, the borrower may be reimbursed for any overpayment of escrow. Because the Assistance is a fixed percentage, any remaining Assistance must be applied as a principal reduction. The second mortgage is funded by SETH via electronic wire transfer by SETH's Custodial Agent Bank of Texas. The DPA second mortgage will only be due from the borrower if the first mortgage is prepaid, refinanced or if the borrower sells, transfers or otherwise disposes of the property, including foreclosure, before the end of the 36 month period. The assistance is reserved automatically with the first mortgage reservation. There is no additional reservation necessary. Second mortgage forms include: Partial Exemption disclosure, Deed of Trust and Promissory Note all signed at closing. The Notice of DPA (FHA Loan only) will be signed at closing. These forms can only be found in eHP FrontPorch using the eHProForms App.

30-year Repayable 2nd Lien (Use only with the Enhanced 5% DPA Option)

Assistance is in the form of a 0% Interest, 30-year, repayable, deferred second mortgage that is never forgiven. The Assistance is calculated on the Note amount. The Assistance may be used for down payment or closing costs and pre-paids. While there is no cash back in this program, the borrower may be reimbursed for any overpayment of escrow. Because the Assistance is a fixed percentage, any remaining Assistance must be applied as a principal reduction. The second mortgage is funded by SETH via electronic wire transfer by SETH's Custodial Agent Bank of Texas. The DPA second mortgage will be due from the borrower if the first mortgage is prepaid, refinanced or if the borrower sells, transfers or otherwise disposes of the property, including foreclosure and at the end of 30-years. The assistance is reserved automatically with the first mortgage reservation. There is no additional reservation necessary. Second mortgage forms include: Partial Exemption disclosure, Deed of Trust and Promissory Note all signed at closing. The Notice of DPA (FHA Loan only) will be signed at closing. These forms can only be found in eHP FrontPorch using the eHProForms App. (Added 05/01/25)

PROGRAM REQUIREMENTS

THE REQUIREMENTS

The program imposes requirements of Southeast Texas HFC (SETH), U.S. Bank, Fannie Mae and Freddie Mac. It is important that lenders are familiar with all three sets of requirements.

ELIGIBLE BORROWERS

- ✦ There is no first-time homebuyer requirement in this program.
- ✦ Follow Agency (Fannie Mae and Freddie Mac) and U.S. Bank guidelines for non-citizens.
- ✦ Buyers must occupy the property within 60 days of closing.
- ✦ Applicants must be considered irrespective of age, race, sex, color, religion, national origin
- ✦ The program will accept only new mortgage loans.

Minimum FICO 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** If an Agency (Fannie Mae, Freddie Mac) 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. For home buyers with NO FICO score, manual underwriting **WILL BE permitted.** (Rev 01/20/20)

DTI Requirement

Effective with new loan reservation 09/12/23

- The program maximum DTI ratio is 50% with 640 minimum FICO. NOTE: Manufactured housing will have a maximum DTI of 45% with 660 minimum FICO and AUS approval.
- Lenders must comply with Mortgage Insurance DTI requirements which may limit the maximum DTI for borrowers.
- Refer to US Bank product guidelines for manually underwritten loans.

(Rev 09/20/24)

QUALIFYING INCOME

Use 1003 Qualifying Income only. The income shown on the 1003 can't exceed the limits set forth above.

INCOME LIMITS

Charter Level and Standard income limits, click on this link.
(Rev 10/19/26)

ELIGIBLE AREAS

ENTIRE STATE OF TEXAS but not within the City Limits of: El Paso, Grand Prairie, McKinney. Travis County added as an eligible area effective 10/19/26.

LOAN LIMITS AND PROPERTY CRITERIA

- The SETh 5 Star program does not have a maximum or minimum loan amount or purchase price, effective02/01/24
- Lenders must comply with all applicable GSE loan limits, effective02/01/24.
- All properties must be single family one unit residences only (includes Attached PUDs/ Townhomes.) Manufactured homes* are permitted with a 660 FICO, US Bank overlays will apply. Condos are permitted. For condos with LTVs from 95.01% to 97% the project must be approved by USBHM, in addition to meeting Fannie Mae or Freddie Mac guidelines, as applicable. Review US Bank bulletin 2017-05 Condominium Guideline Expansion for complete details.

(Rev 09/12/23)

*Manufactured Homes (Rev 09/12/23)

- Borrower(s) must have a minimum 660 credit score
- Maximum DTI is 45%
- NO Manual Underwrites Allowed
- NO Single-Wide Manufactured Housing

•Fannie Mae HFA Preferred manufactured home loans have a maximum 95% LTV/105% CLTV.

•Fannie Mae "MH Advantage" manufactured home loans have a maximum 97% LTV/105% CLTV.

•Freddie Mac HFA Advantage manufactured home loans have a maximum 95% LTV/95% TLTV. Non-occupying borrowers are not eligible on manufactured homes.

- Lenders must follow Fannie Mae, Freddie Mac & U.S. Bank Manufactured Housing guidelines.

Please note that there are differences between manufactured housing, modular homes and mobile homes. Click on this link for definitions: http://www.nadaguides.com/Manufactured-Homes/Definitions.

HOMEBUYER EDUCATION

Required for all loans. Borrowers should visit www.seth5star.com and follow the link for our SETH Homebuyers Education Course. Only one borrower is required to attend but multiple borrowers may complete the course together. Buyers meeting Charter Level Income Limits will receive free education. For free HBE, Lenders must submit borrower's email address and lock confirmation to compliance@sethfc.com. A coupon code is sent directly to the borrower. (Revised 11/08/23)

ABOUT THE FINANCING

US Bank provides the specific loan product types permitted in the program.

Lenders are responsible for assuring that changes have not occurred to information in this Guide due to Agency changes or U. S. Bank changes. eHousingPlus does not receive notice of such changes directly from Fannie Mae, Freddie Mac or U.S. Bank. We rely on information provided by the program Issuer/Sponsor.

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 program funds are not being utilized **inappropriately.**

Appraisal must indicate that the home has at least a 30 year remaining useful life. Value must meet or exceed sales price. (Rev. 01/03/23)

Asset tests are not required to be used in this program.

AUS approval Freddie Mac options use LP and Fannie Mae options use DU. (Rev 07/06/20)

Buydowns - NOT PERMITTED.

Cash Back to the borrower is not permitted. However, borrowers are permitted a reimbursement of prepaids and overage of earnest money deposit as permitted by Agency guidelines and to the extent any minimum contribution, if any, has been satisfied.

Construction to perm is not permitted.

Co-signers are now eligible with our conventional options. Follow US Bank and Freddie Mac or Fannie Mae guidelines. (rev 09/12/2023)

Final Typed Loan Application (1003) - The typed application signed and dated by all parties is required.

Manual Underwriting - Loans may only be manually underwritten for erroneous credit, inaccurate credit, insufficient credit, or on loans with no FICO scores. Loans must comply with the requirements of the Freddie Mac guide and Home Possible requirements for HFA Advantage or Fannie Mae guide and HomeReady requirements for HFA Preferred.

This includes but is not limited to the following requirements for manual underwriting with non-traditional credit if one or more borrowers have no credit score. Not allowable: Manufactured Homes and Community Land Trusts. See the U.S. Bank product guidelines for overlays Use this link, then select U.S. Bank HFA Lending Guide/500: Housing Finance Agency Programs/ Texas/SETH/Product Guidelines. (Updated 03/13/26)

MI Required - Charter coverage required for options at or below 80% AMI. Standard coverage required for options above 80% AMI. (Rev 07/06/20)

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

Mortgage Credit Certificate (MCC) - The SETH 5 Star Program can be combined with any available MCC Program. Borrower will receive a $3,500 Grant when combining the SETH 5 Star with the SETH MCC. Click on this link for information about the grant. Borrowers will have to meet the MCC Program guidelines in addition to meeting SETH 5 Star guidelines. Follow the MCC Program guidelines, fees and reservation procedures for obtaining your MCC commitment. MCC benefits may be used to lower the borrower's DTI, follow Agency guidelines. (Rev. 03/13/26)

Prepayments - The first mortgage may be prepaid at any time without penalty.

Recapture Tax - There is NO RECAPTURE TAX IN THIS PROGRAM.

Remaining reserves are not established by the program. Follow Agency Guidelines.

Tax Returns or Tax Transcripts - IRS Transcripts will no longer be required for W-2/salaried borrowers for Conventional Conforming, USDA, FHA and VA loans. Delegated Correspondents may use your own process to manage income validation risk on loans you underwrite and deliver to USBHM for purchase. A fully executed 4506-T form will still be required in all loan files. Otherwise, loans must have the most recent year's tax transcripts in the file. (Rev 08/25/17)

SECOND MORTGAGE FAQ

1. **How do I determine the maturity date that is inserted on the note, by first payment date or Note date?** The Note date is the day of closing and the Maturity Date will be calculated from closing date. The DOT should be dated to match the Note.

2. **Will a separate Loan Estimate (LE) and Closing Disclosure (CD) be required for the second mortgage**? No, the program form, DPA Loan Disclosure, will serve as the LE/CD. The DPA Loan Disclosure is to be signed at closing.

3**. Can the DPA Loan Disclosure be e-signed?** Yes, the master servicer accepts e-signatures so long as the lender is set-up with US Bank to do so.

4**. How should the DPA be entered in AUS?** Follow FHA/VA/RD guidelines for correct input.

5**. Does the 2nd Deed of Trust need to be recorded?** Yes, the originating lender records the DOT (Deed of Trust) and returns it to U.S. Bank's Final Document department.

6**. Who endorses the 2nd Promissory Note to U.S. Bank?** The 2nd Promissory Note is in the name of SETH HFC.

7**. Will SETH subordinate the 2nd so my borrower can refinance?** No.

8**. Are there specific disclosures required for the 2nd mortgage recording fee?** The CFPB released a final rule regarding TILA and RESPA disclosures on HFA second mortgages in July. The Final tules amends the RESPA exemption to clarify that any transfer taxes borrowers pay at closing are an allowable fee. The rule also EXEMPTS state and local recording fees and taxes from being counted toward the 1% fee cap.

9**. Are the recording fees listed on the 1st mortgage CD?** eHousingPlus and US Bank do not provide information on where those fees are to be listed. Lenders should take direction from their internal compliance department on disclosing the 2nd lien recording fees.

10**. Are there any other fees for the 2nd mortgage?** No, just the recording fee.

11**. Does the lender fund the assistance at closing?** No. Follow existing funding request procedures. The wire request form must be submitted 2 business days prior to closing and will be created from the LOAN FORMS section in the eHousingPlus Lender Portal.

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 03/02/21)

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 for purchase transactions. (Rev 03/02/21)

RESERVE

To reserve funds use the eHousingPlus eHPortal. Log in and reserve the first mortgage that automatically provides Assistance. 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 click on this link to complete an online form the CLEAR FLAGS on a cancelled loan so the funds may be re-reserved with a new address. Until this process is complete, the lender will not be able to re-reserve funds for the borrower.



eHP Tip! *Need a reminder as to how to register a loan, complete the UW Certification, edit a loan or print forms?*
Log-in to eHP FrontPorch*, then click on the eHPlaylist to view a short video.*

PROCESS

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

UNDERWRITE AND CERTIFY

Lenders underwrite & are responsible for credit decisions of the loans in the program. Servicer does not re-underwrite loans. Following credit approval AND WITHIN 25 DAYS OF LOAN RESERVATION, Underwriter completes the online Underwriter Certification within the eHPortal. Once a loan is Underwriter Certified no further changes can be made. If a change needs to occur after the certification is complete, please Log-In Here > Collaboration Station and request for the underwriter certification to be removed.

REQUEST DOWN PAYMENT ASSISTANCE FUNDS
Minimum of Two (2) Business Days Prior to Loan Closing Date

DPA funds MUST be provided directly to the Closing Agent by SETH. Lenders may not advance these funds. These requirements apply to all loan types.

Lenders will email to Bank of Texas, N.A. at emails noted below a DPA Funding Wire Request Form. As a reference, please include the US Bank Loan Number assigned when the Loan Reservation was made through eHousing. This form is found in eHP FrontPorch using the eHProForms App.

- Jennifer.Aguilar@bokf.com AND TexasHousing@bokf.com
- Jennifer Aguilar 817-348-5783

Please make sure that the internal Processor/Closer and Title Company/Closing Agent receive instructions indicating that the Closing Disclosure should reflect the second mortgage as follows: "***SETH HFC Second Mortgage".*** Please remember, all the assistance must be used in the transaction. Borrowers can be refunded their earnest money and any prepaids. Remaining funds must be applied as a principal reduction. (Rev 06/23/23)

NOTE: To speed up the process of requesting funds, PLEASE REMEMBER THAT A Closing Disclosure IS NOT NEEDED WITH THE WIRE REQUEST.

CLOSE AND VERIFY

It is VERY important to note, if the loan amount changes, all of the forms listed below will need to change as well. As a reminder, the assistance amount is calculated on the Note amount. When the Note amount changes, so will the assistance amount on the forms. The following program forms are found within eHP FrontPorch using the eHProForms App.

- **Mortgagor's Acknowledgment (all conventional loans)**
- **Partial Exemption Disclosure (only with 2nd lien)**
- **Subordinate DOT (only with 2nd lien)**
- **Subordinate NOTE (only with 2nd lien)**

PROGRAM FORMS

The program forms MUST generated directly from eHPFrontPorch, using the eHProForms App, at the loan level. Any program forms printed anywhere other than the eHP FrontPorch will be deemed void and may cause a loan file to not be purchased.

This topic addresses the specific forms required for the program for originating, processing, closing and loan delivery.
Original, personal signatures of all borrowers and sellers are required and must match on all documents associated with the transaction. Whenever a party is known in any of the documents by more than a single name, a Name Affidavit Will Be Required. Powers of Attorney that meet Agency and US Bank guidelines are acceptable. Active Duty Military Personnel may provide an "Alive and Well" letter. (Rev 01/23/19)

PRE-CLOSING DOCUMENTS

DPA Wire Request
For loans with SETH DPA, Underwriter Certification must be completed prior to submission of the DPA Wire Request Form. The DPA Wire Request Form is available in eHP FrontPorch using the eHProForms App.

CLOSING DOCUMENTS

It is VERY important to note, if the loan amount changes, all of the forms listed below will need to change as well. As a reminder, the assistance amount is calculated on the Note amount. When the Note amount changes, so will the assistance amount on the forms. The following program forms are found within eHP FrontPorch using the eHProForms App.

- **Mortgagor's Acknowledgment**
- **Subordinate DOT**
- **Subordinate NOTE**
- **Partial Exemption Disclosure**
- **Mortgagor's Acknowledgment.**

(Rev 10/14/26)

No DPA/Best Rate Option requires only ONE form, the Mortgagor's Acknowledgment. This option does not provide assistance and there is no 2nd line NOTE or DOT to be created.
(Rev 06/28/23)

WHO SIGNS WHAT FORMS

Form	Signed When?	Borrower	Co-Borrower	Non Purchasing Spouse	Co-Signer
Co-Signer Affidavit	Closing	No	No	No	Yes
Partial Exemption Disclosure	Closing	Yes	Yes	No	No
Subordinate DOT	Closing	Yes	Yes	Yes	No
Subordinate NOTE	Closing	Yes	Yes	No	Yes
On Title	Closing	Yes	Yes	Yes	No

ASSEMBLE THE COMPLIANCE FILE

Compliance Files and Corrections to previously submitted files with erroneous or missing required documents will be managed through **eHP FrontPorch.** This 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. **eHP FrontPorch** is a secure, easy to use and efficient way for lenders to deliver the Compliance File, Correct DEFI's 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. The checklist is specific to this program and used to submit the compliance documents post-closing to eHousingPlus. Log-in here and use the eHProForms App to download the program forms.

Homebuyer Education Certificate

SETH 5 Star Texas Advantage Program Mortgagor Acknowledgment

FINAL SIGNED 1003

FINAL SIGNED CLOSING DISCLOSURE (TRID form)

Affidavit of Co-signer (if applicable)

Warranty Deed

UPLOAD THE COMPLIANCE FILE TO EHP DIGITAL DOCS

Log-in here and use the Digital Docs App to upload the compliance file.
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 eHPDigital Docs and from the drop down menu click on New Upload and follow the prompts.

SUBMIT THE REQUIRED COMPLIANCE REVIEW FEE

The Compliance Review Fee may be submitted separately from the Compliance File.

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 FrontPorch and process the compliance fees payment easily via the Digital Docs and eHPay apps.

Not sure of the required fee for your loan? Use the **FIND MY FEE** feature and get the instant answer by entering the eHP loan number or by Program.Compliance Files Uploaded are NOT ready for review until the Compliance Review Fee Payment has been received by eHP.

USE **PAYMENT CENTRAL** to determine any loan that may be pending fees, unidentified payments, files pending payment and short payments.

LOANS PENDING FEES 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.

PAID LOAN FILES lists compliance file that have been paid.

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

CLEAR A DEFICIENT COMPLIANCE FILE

LOAN DEFICIENCIES ARE NOT ACCEPTED VIA EMAIL.
Clearing files deficiencies is critical to your loan being approved and ultimately purchased. In the Deficient Compliance Files drop down, choose View/Upload Corrected DEFIs. This area will assist you in viewing what needs to be corrected, which documents are approved and complete, and you will have the ability to upload the correction and communicate with us in one simple area.

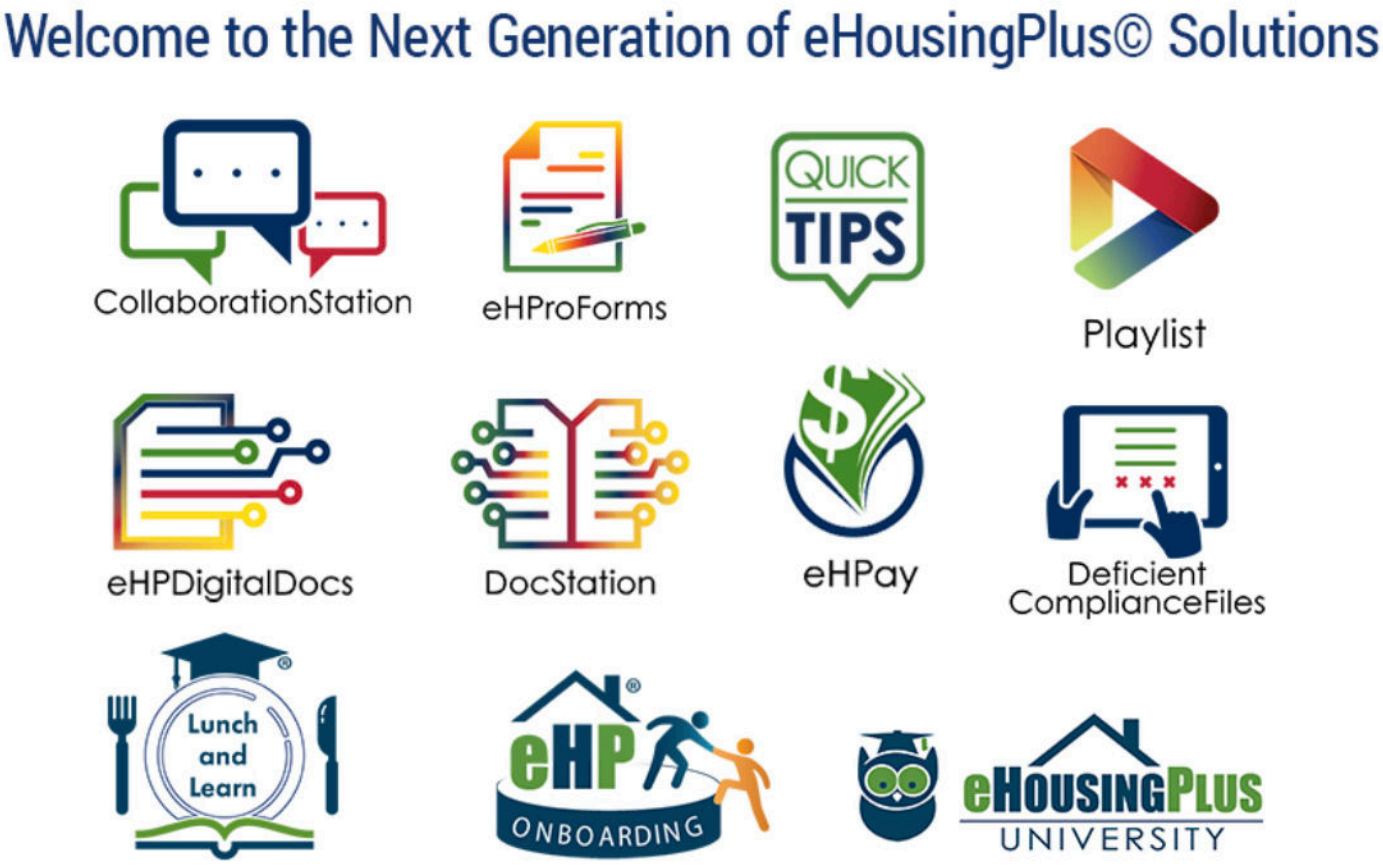
Is very helpful in resolving outstanding issues and having broader visibility for all of your post-closing staff who may need to work on resolving these discrepancies.
Please make sure that you're shipping and post-closing staff is very familiar with this area.
Remember your loan cannot be approved with outstanding deficiencies.

EHP COMPLIANCE APPROVAL

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

SUBMIT MORTGAGE FILE & CREDIT PACKAGE TO SERVICER

The Mortgage File including Credit Package and it is 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 Use this link, then select U.S. Bank HFA Lending Guide/500: Housing Finance Agency Programs/Texas/SETH. (Rev 05/20/24)



eHP FrontPorch Helpful Tips

Our new eHP FrontPorch graphical menu lets you access all apps and tools with one click. These apps were designed to assist you with the program requirements and workflow. In addition, eHP FrontPorch introduces new innovative tools such as Collaboration Station, Quick Tips, the eHPlaylist, and the Alerts and Notifications area. These NextGen Lender Platform tools have been designed to help you complete your tasks quick and easy.

eHProForms

eHProForms is our newly designed forms generation app where a lender will access all program related documents. Using a search feature to quickly access the loan file, it provides all of the program forms that are required for your specific loan.

The forms are now organized by purpose leading with compliance related forms which will be part of the compliance package you sent to eHousingPlus, the closing second lien assistance and other similar forms you will submit to the servicer and their package and two additional areas for special forms and documents that may apply to your loan. The forms instantly generate from your loan record so it's essential to make sure that you review the information for accuracy.

If something needs to be updated you can log into the eHPortal, edit the loan and you come back to eHP FrontPorch and regenerate the forms.
It is easy and you can create forms as many times as you need with just one click.
If your loan record has not been updated, your loans will be incorrect, and your file will be placed in deficient status. Clicking the waffle menu at the top of the page is an easy way to get back to the main menu.

eHP Front Porch Helpful Tips

Collaboration Station

Collaboration Station creates a history of any issue that has been communicated regarding a specific loan and provides certain status alerts.
In collaboration station you can create a note to save to the loan file or you can send a message to anyone in our compliance team.

Click the message icon and a menu of eHousingPlus staff will appear at the top with their role for you to make the appropriate selection. You may include your team members who have user credentials to eHP FrontPorch that may assist in expediting solutions for your loans.

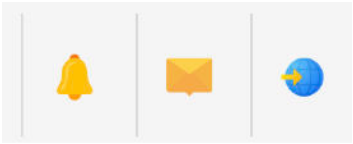
In Collaboration Station, you can also find the Servicer notes and exceptions that need to be addressed with them. By providing this view to you it gives you transparency to any problem that has to be resolved related to the mortgage or collateral submitted to the Servicer.
This view can be grouped, filtered, searched, and exported.

Quick Tips

Quick Tips is a library of useful tips to give you simple quick how to answers on common topics related to the process. It is a way to have short simple tips at your fingertips by roller subject where you can catch up and get you up to speed fast. These Quick Tips are a great place to search for frequent questions, concerns, or simply to educate yourself on a variety of topics.

eHPlaylist

The eHPlaylist is a newly created video platform with tutorials on where to perform tasks best practices and how-to's, all created to assist you with important information. Visual content is easy to access and understand and our playlist has a library of short concise and process-based learning topics. The video library has various categories and brief descriptions to easily build learning tools for your team. Together with Quick Tips, the eHPlaylist will provide you and your team with continuous learning resources to help you keep up to date with any platform or process changes.



Alerts and Notifications

The Alerts and Notifications area (bell and envelope icons) has been designed to provide you notifications of notes and messages related to your loans, with additional notification of status changes based on your role. When you send and receive messages using this app, you will receive a notification alert so you can easily see what's happening with your loans.
The last area on the notification panel (world icon) is made available to help you navigate to any of the program pages, guidelines, eHPUniversity and to view eHP News.

PROGRAM TIMETABLE

For purchase transactions, buyers MUST HAVE A FULLY- EXECUTED SALES CONTRACT FOR A SPECIFIC PROPERTY in order to have funds reserved. 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. Loans not purchased within the time frame below, cannot be purchased.

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

Loan Processing, Delivery and Purchase Timetable:
PLEASE DO NOT RESERVE EARLY -- loans must be underwriter certified within 25 days of reservation

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 25 days of loan reservation
2. compliance file delivered to eHousingPlus within 10 days of closing
3. purchased within 70 days of loan reservation.

Loan Purchase Extension Fee

Any loan not purchased within 70 days will automatically receive a 30-day extension. The cost of the extension is 25 basis points based on the total loan amount of the 1st lien. The extension fee is due whether or not loans are ultimately delivered and**/or** purchased. The 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 cost of the lock extension. 25 basis points based on the total loan amount of the 1st lien. (Rev. 01/03/23)

At 101 days, a loan that hasn't been delivered is cancelled and cannot be reinstated.

The extension is available once per loan and no further extensions will be allowed**.** Furthermore, regardless of choosing an extension, any loan not purchased within the approved timeframe will become the liability of the originating lender.

To be eligible for a re-lock, the current lock must be expired for 60 days. If the borrower changes the property address to be purchased, they are eligible to lock again and not subject to any waiting period. (Rev 07/18/16)

Participating lenders with a high loan cancellation rate or other behavior inconsistent with program goals, may be suspended if not terminated even if the lender is in good standing with the Servicer

PROGRAM FEES

First Mortgage Fees

Effective January 3, 3023 - 1% Origination or 1% Discount Fees may be charged for new locks on or after this date.

eHousingPlus Fees

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 submitted with the Compliance File via eHP FrontPorch using the eHPay App.

$275 loans reserved 06/16/25 and after

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.

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

$84 Tax Service fee.

Funding fee should reflect as “Investor Funding Fee” on the LE/CD.
$475 for loans reserved 09/15/25 and after

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 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 SETH Program Compensation

Effective with loan reservations January 3, 2023 and after, the SRP for conventional loans is 1.50%. Loans locked prior to this date will be purchased at 2.5% SRP.
(Rev. 01/03/23)

ARCHIVED REVISIONS TABLE 2015 - 2024

Date	TOPIC (effective for new reservations unless otherwise noted	Page
12-1-15	Revised loan products, Revised FICO, manufactured housing and manual underwriting	9, 11, 12,22
12-23-15	Throughout deleted references to non HFA Advantage loans Revised loan product grid. FICO requirements clarified. Purchase Price Limits updated Manual underwriting not permitted Change “HUD-1” to “Closing Disclosure;” Borrowers sign Mortgagor Acknowledgment at closing; Added submission of Compliance File within 10 days of closing Added system Availability Fees updated Added Mortgagor’s Acknowledgment	 8 9 10 12 14 15 16
3-1-16	Highlighted the need for the Mortgagor’s Acknowledgment	13
4-11-16	Revised income limit link	10
07-18-16	Added DTI requirements to heading and added detail regarding LTV at or below 95% Added Property Criteria to heading and added property information Clarified that borrower’s may not own other property under Eligible Borrower Added AUS Approval Added MI Requirement Added Special Note Regarding Delegated Underwriting Added language regarding where to generate wire request Added information regarding earnest money deposit and principal reduction Clarified re-lock language Clarified extension language Added tax service fee and delegated underwriting language under US Bank Fees Clarified language in Pre-Closing and Closing documents Added Mortgagor Acknowledgment to Compliance Checklist	10 10 10 11 11 13 14 14 15 15 17 18 18
08-22-16	Revised conventional loan minimum FICO Removed US Bank overlay for delegated underwriting Clarified tax return requirement Clarified eHousingPlus Fee	9 13 & 17 12 17
01-01-17	Added language regarding non-citizens Revised Freddie Mac purchase price limit Added Mortgage Credit Certificate information	9 9 11
02/17/17	Added Manual Underwriting information Update homebuyer education link Revised AUS approval language	9 & 10 11 10
03/20/17	Revised WHO TO CONTACT grid Revised DTI Requirement for conventional loan Added US Bank Condo guideline expansion language City of McKinney no longer excluded from eligible area	6 9 9 9

05/09/17	Revised Income Limit link Revised US Bank Funding Fee Revised US Bank Lender Compensation Revised US Bank Web Site Link	9 16 17 19
07/27/17	Updated Link to Income Limits	9
08-25-17	Added Freddie Mac Affordable Income Subsidy Added Freddie Mac Affordable Income Subsidy under Eligible Borrowers Added Freddie Mac Affordable Income Subsidy link	8 9 9
09-07-17	Revised Freddie Mac Income Link	9
10-02-17	Revised Freddie Mac Income Link	9
11-06-17	Revised Freddie Mac Income Link	9
11-30-17	Removed all old fee information.	17 & 18
12-15-17	Revised purchase price limit, effective 12-15-17	11
12-21-17	Added 1% DPA loan option	8
01-28-18	Revised Affordable Income Subsidy language	9 & 10
04-18-18	Revised AIS Grant information Revised Freddie Mac HFA Advantage Income Limits Revised US Bank Fees - added tax service fee	9 10 18
06-18-18	Revised SETH link to AIS Grant income limits	9
06-26-18	Removed reference to HUD Manual	8
07-30-18	Revised AIS Grant Income Limit link to SETH web page	9
08-13-18	Revised eHP Fee to $250, effective 08/15/18	
09-19-18	Revised Freddie Mac allowable AUS	10 & 11
11-13-18	Added disclaimer on rates/offerings chart Removed Freddie Mac borrower eligibility requirement & Added AIS Grant instructions Added Homebuyer Education information for AIS Grant Buyers Revised AUS Approval to be LP only	8 10 11 11
12-3-18	Revised info Revised Income limits link NEW LIMITS	8 10
12-10-18	Changed eHousingPlus Lender Portal to eHPortal Added eHP Digital Docs	Throughout 13, 15-19, 22
01-23-19	Corrected purchase price limit, effective 01/01/19	11
03-04-19	Revised Origination Fee to zero effective 03-04-19 Revised SRP to 2.50% effective 03-04-19 Added Documents Required for the Compliance File	22 23 24
07-08-19	Corrected Income Limit revision date to 12-03-18	10
07-27-19	Revised Freddie Mac HFA Advantage Income limits Revised AIS Grant Income Limit link	10 9

01-06-20	Added Special Note for Freddie Mac HFA Advantage loans Revised Maximum DTI Revised AIS Grant Revised Homebuyer Education Revised Manual Underwriting Guidance Added note about Freddie Mac HFA Advantage AIS Grant Revised US Bank Webs Site information Added note to timeline regarding Freddie Mac HFA Advantage loans Added Archived Revisions Table 2015 - 2018	8 9 10 10 11 14 20 21 26
01-20-20	Added link to view Lock Rate, Minimum FICO and DPA Added link to view minimum FICO Added links to new Income Limits	7 9 10
01-29-20	Revised Freddie Mac HFA Advantage notice Removed income limits prior to 01/21/20	8 9
06-22-20	Added Fannie Mae to guide	throughout
07-06-20	Revised Contact Directory Remove Freddie Mac AIS Grant from guidelines Revised Charter Level and Expanded Level income links Removed McKinney from eligible areas Revised SETH Homebuyer Education link Updated AUS Approval, Manual Underwriting guidance and MI Requirement	5 throughout 9 10 10 11
07-13-20	Updated Cover of Guide Updated Rate Loan Reservation Availability Time Corrected Forgivable Lien heading with - Freddie Mac Charter Level Income Limits Revised Charter Level and Expanded Level income links Updated titles of closing forms	Cover 7 8 9 14 & 24
12-14-20	Revised MCC Benefits language	12
02-02-21	Added Refinance loan requirements	8
02-05-21	Removed Freddie Mac from Forgivable 2nd Lien option	
03-02-21	Changed Refinance Requirements formatting Added No DPA Option Added refinance conventional loan maximum loan limit note Revised Compliance Origination Process - Lender Onboarding	7 7 9 12
04-12-21	Updated Refinances	11
05-23-21	Revised logo on cover	Cover
06-02-21	Updated expanded income limit link	8
06-08-21	Updated income limit links to SETH5Star web site	8
01-19-22	Revised links to Purchase Price limits Revised links to Income limits	9 8
03-17-22	Updated Homebuyer Education requirement	9
05-13-22	Updated Tax Service Fee	21
08-15-22	Revised second mortgage repayment terms	7
08-22-22	Updated Income limit link	8

Date	TOPIC (effective for new reservations unless otherwise noted	Page
01-03-23	Added manufactured homes requirements Updated Appraisal requirements Renamed Compliance Process to: Process Summary from Training to Loan Purchase Added Who Signs What Revised link to US Bank web site Revised Loan Purchase Extension Fee Revised Origination and Discount Revised Lender Compensation	9 10 12 14 17 18 19 20
02-16-23	Revised Minimum FICO and Maximum DTI loan products	8
05-01-23	Revised DPA Freddie Mac Grant - Discontinued as of 05/01/23 Added No DPA/Best Rate Option	7 6 & 14
06-12-23	Revised link to income limits effective 06/12/23	8
06-23-23	Removed Refinance homebuyer education Removed Refinance Updated DPA Wire Request contacts	9 10 13
06-28-23	Removed reference to refinance Revised No DPA Option required form	13 14
07-19-23	Revised Maximum DTI and Minimum FICO	8
09-12-23	Rev DTI requirements Revised FICO requirements Revised C0- Signors requirements Revised contact info and Closing Forms Revised verbiage	8 9 10 13 14
10-03-23	Revised contact directory Added eHP FrontPorch	

Date	TOPIC (effective for new reservations unless otherwise noted	Page
01-29-24	Revised purchase price limits to GSE limits effective 02-01-24	9
05-20-24	Revised income limits	9 - 12
09-16-24	Added Refinance Option	7 & 12
09-20-24	Revised DTI = Effective retroactive 09/12/23	8
11-8-24	Revised Refinance information	9

Date	TOPIC (effective for new reservations unless otherwise noted	Page
05-01-25	Removed Refinance Option from Program Added Enhanced 5% DPA Option Added Second Mortgage FAQ	 7 12
05-19-25	Revised Income limits.	8

06-15-25	Revised eHP Fee effective 06/16/25	22
08-27-25	Revised U.S. Bank Funding fee	22