

## WSHFC/IHFA Program Matrix - All House Key Loans

*Overlays to Investor guidelines are underlined and in italics. Red indicates change from previous matrix.*

Further guidance can be found in the Commission's manuals: <https://heretohome.org/loans/first-mortgage-programs/#238-239-house-key-manuals>

### Owner-Occupied transactions only

	Investor	Property Type	FICO	LTV	CLTV
Maximum FICO, LTV/CLTV	Fannie Mae HFA Preferred	1-Unit	<i>Per agency guidelines &amp; AUS loan approval</i>	97%	105%
	Fannie Mae Standard Manufactured Home	1-Unit	<i>Per agency guidelines &amp; AUS loan approval Manual Underwrite Not Permitted</i>	95%	105%
	Fannie Mae MH Advantage Manufactured Home	1-Unit	<i>Per agency guidelines &amp; AUS loan approval Manual Underwrite Not Permitted</i>	97%	105% <a href="#">Refer to Fannie Guide</a>
	Freddie Mac HFA Advantage	1-Unit	<i>Per agency guidelines &amp; AUS loan approval Manual Underwrite Not Permitted</i>	97%	105% Refer to <a href="#">Freddie Mac Guide</a>
	Freddie Mac HFA Advantage Manufactured Home	1-Unit	<i>Per agency guidelines &amp; AUS loan approval Manual Underwrite Not Permitted</i>	95%	95% Refer to <a href="#">Freddie Mac Guide</a>
	FHA	1 Unit	<i>Per agency guidelines &amp; AUS loan approval</i>	96.5%	Refer to <a href="#">HUD Handbook 4000.1</a>
	VA	1-Unit	<i>Per agency guidelines &amp; AUS loan approval</i>	100% <sup>1</sup>	Refer to <a href="#">VA Lenders Handbook</a>
	USDA	1-Unit	<i>Per agency guidelines &amp; AUS loan approval</i>	100% <sup>1</sup>	Refer to <a href="#">USDA SFH Guaranteed Loan Program Handbook (3555)</a>

<sup>1</sup> Exclusive of Financed Guaranty Funding Fees

Eligible Products/Programs	<ul style="list-style-type: none"> <li>• Fannie Mae – 30 Year Fixed</li> <li>• Freddie Mac—30 Year Fixed</li> <li>• FHA 30 Year Fixed                             <ul style="list-style-type: none"> <li>• HUD 184</li> <li>• Limited 203(K)</li> </ul> </li> <li>• VA 30 Year Fixed</li> <li>• USDA 30 Year Fixed</li> </ul>
Loan Purpose	<ul style="list-style-type: none"> <li>• Purchase only.</li> </ul>
Ineligible Products/Programs	<ul style="list-style-type: none"> <li>• FHA:                             <ul style="list-style-type: none"> <li>• <u>Standard 203(k) Loans</u></li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• <b>USDA:</b> <ul style="list-style-type: none"> <li>• <a href="#">Rural Energy Plus Loans</a></li> <li>• <a href="#">Temporary Buydowns</a></li> <li>• <a href="#">Interest Only Loans</a></li> <li>• <a href="#">Section 504 Repair Pilot Program</a></li> </ul> </li> <li>• <b>VA:</b> <ul style="list-style-type: none"> <li>• <a href="#">Alteration and repair loans.</a></li> </ul> </li> </ul>
<b>Loan Limits/Acquisition Cost</b>	Refer to <a href="https://heretohome.org/loans/first-mortgage-programs/#238-239-house-key-manuals">https://heretohome.org/loans/first-mortgage-programs/#238-239-house-key-manuals</a>
<b>Income Limits</b>	• Refer to <a href="https://heretohome.org/loans/first-mortgage-programs/#238-239-house-key-manuals">https://heretohome.org/loans/first-mortgage-programs/#238-239-house-key-manuals</a> for income limits
<b>Borrower Eligibility</b>	<ul style="list-style-type: none"> <li>• A U.S. citizen or Non-US Citizen(s) who are lawfully present in the United States. This includes both Permanent Qualified Resident Aliens and Non-permanent qualified alien. See Section 3 of the House Key manual. <a href="https://heretohome.org/loans/first-mortgage-programs/#238-239-house-key-manuals">https://heretohome.org/loans/first-mortgage-programs/#238-239-house-key-manuals</a></li> <li>• <u>Loans to Limited Liability Corporations (LLC) are not permitted.</u></li> <li>• <u>Loans to a Trust or closing in a trust is not permitted.</u></li> </ul>
<b>AUS/Underwriting</b>	<ul style="list-style-type: none"> <li>• Fannie Mae Desktop Underwriter (DU) with ‘Approve/Eligible’ recommendation, Freddie Mac Loan Product Advisor (LPA) with ‘Accept’ or GUS with ‘Accept/Eligible’ findings are required. For Freddie Mac HFA Advantage program, Loan Product Advisor (LPA) findings must be used.</li> <li>• Other customized automated underwriting systems are not permitted</li> <li>• ‘Approve/Eligible or Accept findings for escrow holdback/repair escrow.</li> <li>• For Fannie Mae HFA Preferred conventional mortgages secured by manufactured homes must be underwritten by DU as required by the Selling Guide. Manual underwrite not permitted for manufactured home.</li> <li>• Fannie Mae Conventional, FHA, VA, &amp; USDA: Manual Underwriting is permitted, see Section 2 of House Key manual. Follow agency guidelines. Manual underwrite for Freddie Mac is not permitted.</li> <li>• Freddie Mac HFA Advantage for manufactured homes are permitted, must use LP, follow agency guidelines. Manual underwrite is not permitted for Freddie manufactured homes.</li> </ul>
<b>DTI</b>	• <u>Maximum Debt-to-Income ratio per AUS &amp; underwriter loan approval.</u>
<b>Credit Requirements</b>	<ul style="list-style-type: none"> <li>• All borrowers with a credit score must meet the minimum representative credit score per agency guidelines, unless further restrictions apply.</li> <li>• Fannie Mae-A borrower with no credit score may be eligible, follow agency guidelines.</li> <li>• Use of non-traditional credit is permitted for FHA, VA, USDA &amp; Fannie Mae. Lender to follow agency guidelines.</li> <li>• Freddie Mac-If all borrowers lack credit scores, loan can be submitted to LPA provided for a decision provided LTV is not greater than 95% with “Accept” findings.. If none of the borrowers have a usable credit score they are not eligible under the program. Manual underwriting is not permitted.</li> </ul>
<b>First Time Homebuyer</b>	• <u>The Borrower(s) must be a First-Time Homebuyer unless the Single-Family Residence is located within a Targeted Area or the Borrower is a Veteran. A First-Time Homebuyer is defined as someone who has not owned and occupied a primary residence at any time in the three years preceding the closing of the Mortgage Loan.</u>
<b>Employment/Income Verification</b>	• <b>House Key and Specialty DPA Programs:</b> <u>Full written VOE required for all household members. 2 recent paystubs within 45 days.; 3 years of tax returns required for Borrower and Spouse.</u>
<b>Tax Liens</b>	• Follow specific investor guidelines (FHA, VA, USDA, Fannie Mae or Freddie Mac)
<b>Flipping</b>	• Follow specific investor guidelines (FHA, VA, USDA, Fannie Mae or Freddie Mac)
<b>Assets</b>	• Allowed per investor guidelines. <u>*Further restrictions apply when using some specialty dpa programs.</u>
<b>Eligible Properties</b>	<ul style="list-style-type: none"> <li>• 1-Unit Single Family Residence including approved condo/townhome/PUD. For FHA: Single-unit condominium project is acceptable under the program, follow agency guidelines.</li> <li>• Manufactured homes permitted for Fannie Mae HFA Preferred and Freddie Mac HFA Advantage Conventional, FHA, VA, and USDA. Follow agency guidelines.</li> </ul>
<b>Ineligible Properties</b>	<ul style="list-style-type: none"> <li>• <u>Cooperatives</u></li> <li>• Mobile Homes (not attached to permanent foundation)</li> <li>• Group Homes</li> <li>• 2-4 Units</li> <li>• Condotels</li> <li>• Hotel Condominiums</li> <li>• Timeshares</li> <li>• Geodesic Domes</li> <li>• Working Farms and Ranches</li> <li>• Unimproved Land</li> <li>• Community Land Trust (CLT)—Freddie Mac</li> </ul>
<b>Sales Concessions/IPC’s</b>	• Permitted in accordance with Fannie Mae, Freddie Mac, FHA, VA and USDA guidelines.
<b>Tax Transcripts/Tax Returns</b>	<ul style="list-style-type: none"> <li>• Tax Transcripts are required if required per underwriting findings. Follow Agency guidelines.</li> <li>• Most recent 3 years federal tax returns (all pages) are required under the program. See Section of the House Key manual.</li> </ul>

<b>Homebuyer Education</b>	<ul style="list-style-type: none"> <li>• Homebuyer Education is required for all borrowers listed on the Note and Deed of Trust</li> <li>• Refer to Section 6 of the House Key manual for approved homebuyer education.</li> </ul>
<b>Underwriting Authority</b>	<ul style="list-style-type: none"> <li>• Delegated Underwriting only</li> </ul>
<b>Buydowns</b>	Permanent rate buydowns are not permitted. See section 2 of the House Key manual for temporary buydowns.
<b>Co-borrowers/Co-signers</b>	<ul style="list-style-type: none"> <li>• <b>Non-occupant co-borrowers or co-signers are not allowed.</b></li> </ul>
<b>Subordinate Financing</b>	<ul style="list-style-type: none"> <li>• Refer to Downpayment Assistance manual for subordinate financing requirements</li> </ul>
<b>Income Calculation</b>	<ul style="list-style-type: none"> <li>• <b>House Key and Specialty DPA programs:</b> <ul style="list-style-type: none"> <li>• <i>Future projected household income used for all household members 18 years and older. Further information can be found in the Commission manuals located at: <a href="https://heretohome.org/loans/first-mortgage-programs/#238-239-house-key-manuals">https://heretohome.org/loans/first-mortgage-programs/#238-239-house-key-manuals</a></i></li> </ul> </li> </ul>
<b>High Cost Loans</b>	<ul style="list-style-type: none"> <li>• IHFA will not purchase High Cost Loans, as defined by the CFPB</li> </ul>
<b>High Priced Mortgage Loans</b>	<ul style="list-style-type: none"> <li>• Permitted in accordance with Fannie Mae, Freddie Mac, FHA, VA or USDA's guidelines.</li> </ul>
<b>Assignment of Mortgage</b>	<ul style="list-style-type: none"> <li>• All first mortgage loans must be registered with MERS at the time of delivery to IHFA.</li> </ul>
<b>Flood and Hazard Insurance Policies</b>	Please follow guidelines listed in Section 2 of House Key manual: <a href="https://heretohome.org/loans/first-mortgage-programs/#238-239-house-key-manuals">https://heretohome.org/loans/first-mortgage-programs/#238-239-house-key-manuals</a>
<b>Seasoning</b>	<ul style="list-style-type: none"> <li>• All loans must be purchased by IHFA within 60 days of the note date.</li> <li>• Extension fees apply as applicable.</li> </ul>
<b>Fees</b>	<ul style="list-style-type: none"> <li>• IHFA will collect the following fees upon loan purchase: <ul style="list-style-type: none"> <li>• Tax Service Fee \$85.00</li> <li>• Flood Certification Transfer Fee \$10.00</li> <li>• Electronic Upload Fee \$40.00;</li> <li>• Program Application Fee for Second Mortgage (as applicable) - \$40.00</li> </ul> </li> </ul>
<b>Escrow Repairs</b>	<p>Escrow repairs are permitted in accordance with all WSHFC loan program guidelines.</p> <ul style="list-style-type: none"> <li>• Escrow is permitted for outstanding minor repairs for incomplete construction or for alterations and repairs that cannot be completed prior to loan closing provided the subject property is habitable and safe for occupancy at the time of closing.</li> <li>• Follow investor guidelines regarding reason, type of improvements, time to complete, quality, disbursements, and post-closing documentation.</li> <li>• Loans with outstanding escrow repairs must not impact IHFA's ability to deliver/sell the loan to Fannie Mae or Ginnie Mae.</li> <li>• The correspondent lender or designated escrow company will be responsible for managing and disbursing the escrows.</li> <li>• The correspondent lender shall deliver loans that were originated in accordance with the first mortgage investor guidelines.</li> <li>• Correspondent lender or designated escrow company is to retain the escrow funds until all improvements have been completed. Lender to provide IHFA confirmation of all work completed and that escrow funds have been released.</li> </ul>
<b>Limited 203(k)</b>	<ul style="list-style-type: none"> <li>• IHFA must handle all disbursements still owing post-purchase.</li> <li>• Not permitted on manufactured housing</li> <li>• May only be used for minor remodeling and non-structural repairs.</li> <li>• Does not require the use of a 203(k) Consultant, but a Consultant may be used.</li> <li>• The total rehabilitation cost must not exceed \$75,000. There is no minimum rehabilitation cost.</li> <li>• All improvements to existing Structures must comply with HUD's Minimum Property Requirements and meet or exceed local building codes.</li> <li>• Time frame for completion of repairs not to exceed six months.</li> <li>• Work completed must be on the Limited 203(k) Eligible Improvement/Repairs list</li> <li>• Follow FHA Handbook 4000.1, Limited 203(k) guidelines regarding reason, type of improvements, time to complete, quality, disbursements, and post-closing documentation</li> </ul>

\*Seller shall deliver loans that were originated in accordance with the FHA, VA, USDA, Fannie Mae, Freddie Mac and WSHFC Handbooks, unless otherwise noted in this matrix