

## ***Lender Information***

***Maximum amount of Assistance available under the City of Moore Down Payment Assistance Program is \$40,000.00. Amount of Assistance provided is based on a Determination of Need calculation performed by NHSOKLA and verified by the City of Moore. The lender pre-approval **should NOT** be based on the assumption the applicant will receive the entire amount of assistance.***

The lender must provide Neighborhood Housing Services Oklahoma, with copies of the following documents in order to process applications for Down Payment and Closing Cost Assistance. Please send copies of the following to NHSOKLA as soon as possible via e-mail [lindar@nhsokla.org](mailto:lindar@nhsokla.org) or fax 405-231-5137. If faxed documents are not clear we will ask you to use a courier service or have homebuyer deliver documents.

***Executed purchase contracts will not be accepted prior to Applicant receiving Conditional DPA Approval from the City of Oklahoma City and NHSOKLA.***

- Lender approval letter – pre-approval letters must be provided to applicant prior to their Down Payment Assistance Interview appointment and must include the following based on the Lender income calculations:**
  - **A housing expense ratio that is at least 25% but does not exceed 32% of income.**
  - **A debt to income ratio that does not exceed 42%**
  - **Type of financing applicant is approved for (FHA, Conventional, VA, etc.)**
  - **Required down payment for loan program.**
- Lender application signed by applicant(s).
- Underwriting Analysis
- Uniform Residential Loan Application (URLA/1003)
- Credit report
- Appraisal
- Evidence of Insurance
- Correspondence on Company Letter Head addressed to the City of Moore stating that a requirement of loan closing is one year homeowner insurance must be paid.
- Signed Closing Disclosure-must be provided a minimum of 72 hours prior to closing***

### **Guidelines for Lenders**

- 1. Down Payment Assistance applications and/or purchase contract must be provided to NHSOKLA at least 45 days prior to closing. The 45 day time frame will begin with whichever documents are provided to NHSOKLA last**
2. *Buyers minimum required contribution is expected to be 1% of the purchase price of the home which will be given as the earnest deposit when negotiating the purchase contract for the home.*
3. ***Prepaid tax escrows & daily interest cannot be included in the amount of assistance given.***
4. Areas of assistance is as follows:
  - *Located in the tornado impacted areas designated by the City of Moore (see area descriptions and maps on [www.nhsokla.org](http://www.nhsokla.org) website)*
  - *Residential single family detached homes constructed AFTER June 30, 2013 that:*
    - *Meet all applicable zoning requirements;*
    - *Meet the City of Moore Building Code;*
      - *All units must meet or exceed Ordinance: 768(14) 3/17/14 Dwelling code 5-204 C*
    - *Have a shelter or safe room that meets or exceeds the FEMA standard established at FEMA P-320 and FEMA P-321*

5. Loan Origination fees and Closing Costs
  - **Loan origination fees cannot exceed 3% of total cost of home.**
  - **Closing costs should not exceed 4% of the price of home. Closing costs in excess of 4% will be paid by applicants at closing.**
7. Total monthly housing payments must be at least 25% and cannot exceed 32% of NHSOKLA's income calculation.
8. The homebuyer's maximum monthly housing and total debt to income ratio cannot exceed 42% of NHSOKLA's income calculation.
9. Ineligible Types of Financing
  - Balloon Financing
  - Variable Rate Financing
  - Co-signors who are not or will not be primary residents of the home
  - Piggyback loans
  - Any loan type where the buyer(s) receive a payout at closing
  - Financing which requires additional subordination below the City of Moore's second lien position

**10. Co-Borrowers/Co-Mortgagors other than a married spouse are not allowed.**

11. Sales price cannot exceed the following purchase price limits
  - \$138,000 existing                      \$180,000 new construction

**12. Reserve of three months mortgage payments (PITI) are required to be in a verified Savings account two weeks prior to closing. Gift funds in the form of Grants or Contributions from third parties not associated with the seller, realtor, contractor, developer, or City of Moore are permitted including:**

- Family donations
- Foundations
- Religious or ecumenical groups
- State or Federal government
- Eligible contributions are subject to first mortgage lender's requirements.
- All eligible contributions require a Gift Affidavit from the giver.

**13. Homebuyer Education workshop is required. Applicants must attend Homebuyer Education Workshop at NHSOKLA or take NHSOKLA's ehome America on-line course. Homebuyer must be completed prior to executing a purchase contract.**