

Lender Information

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 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.

- Lender application
- Lender approval letter
- Verification of Employment
- First two pages of appraisal
- Loan Estimate-NHSOKLA needs this upfront. DPA amount will be calculated in part, using the Loan Estimate.***
- Flood Certification
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- 1008/MCAW/92900
- Evidence of Insurance
- Signed Closing Disclosure-must be provided a minimum of 48 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. Assistance amount available under the Oklahoma City's HOME Program will be \$1,000 to \$14,999. Property must be located in the target areas determined by the City of Oklahoma City (refer to Boundary Area Map). The amount of assistance will be calculated as follows: 10% of purchase price + UFMIP + eligible closing costs, less borrower required contribution, seller & lender credits, etc.
3. Two months PITI reserve is required.
4. Applicants are required to meet with NHSOKLA Housing Counselors. The applicant will be required to provide detailed budget. Applicant's monthly expenses cannot exceed applicants monthly net income earned.
5. Applicant must complete NHSOKLA's Homebuyer Education workshop. Attending homebuyer education at any other organization is **not** accepted.
6. Each DPA transaction will be underwritten to 90% LTV with no LTV >95%. Total monthly housing payments cannot exceed 30.99% of NHSOKLA's income calculation. Maximum monthly housing and total debt to income ratio cannot exceed 42.99%
7. Minimum required homebuyer investment is 1% of sales price. The amount will increase to 1.75% when the lender required 3.5% down payment on an FHA loan. Any additional funds paid by buyer cannot be refunded at loan closing.
8. Rehab/renovation loans are acceptable. The amount of Rehab/Renovation cannot exceed \$25,000 and cannot involve any structural changes. Applicant must occupy the residence during the Rehab/Renovation. Rehab/Renovation must be completed within 6 months of closing.
9. Neighborhood Housing Services Oklahoma will not be able to give Down Payment and Closing Costs Assistance for Adjustable Rate Mortgages (ARMS).
10. Loan closings must be held locally with cost to abstract title a seller's expense only

11. **Co-Borrowers/Co-Mortgagors must be disclosed and approved at DPA application. Adding a Co-Borrower/Co-Mortgagor after initial application is not allowed. If co-borrower is utilized, primary homebuyer must still qualify at ratios of 30.99%/42.99% based upon their income only. Co-Borrowers/Co-Mortgagors cannot be on the Warranty Deed. May only sign on mortgage and note.**
12. Sales price cannot exceed 95% median purchase price limits (\$140,000 existing \$200,000 new construction).
13. NHSOKLA must be notified immediately if any changes in homebuyer application (gift funds, additional down payment, etc.)

Do not schedule loan closings before 10:00am. Applicants need to pick up their DPA funds and closing documents the day of closing. NHSOKLA office hours are 8:30 – 5:00. NHSOKLA will not release DPA funds and/or closing documents before the day of closing.

OKLAHOMA CITY DOWN PAYMENT ASSISTANCE PROGRAM GUIDELINES
Exhibit 1

1.3 – Eligible Closing Costs

Items payable in connection with loan

801	Loan Origination Fee-no more than $\leq 1\%$ of principal (+\$200 on loans \leq \$80,000)
803	Appraisal Report
804	Credit Report
809	Flood Certification Fee – Must show property is not in 100 yr flood zone

Items Required By Lender to be Paid in Advance

901	Interest from ___ to ___ Days
902	Mortgage Insurance Premium
903	Hazard Insurance Premium

Reserves Deposited With Lender

1001	Hazard Insurance
1002	Mortgage Insurance (buyer may bring additional funds to avoid mortgage insurance)
1003	County Property Taxes

Title Charges

1101	½ Settlement/Closing Fee
1102	Abstract or Title Search – must be a seller's expense – no assistance applied
1103	Title Examination
1104	Document Preparation Fee
1105	Notary Fee
1106	Title Insurance

Government Recording and Transfer Charges

1201	Recording Fees Deed/Mortgage Releases
1202	City/County Tax/Stamp Deed/Mortgage
1203	State Tax/stamp
1204	Mortgage Certificate/Documentary stamp

Additional Settlement Charges

1301	Property Survey – Pin Surveys fees are capped
1302	Pest Inspection
1303	Home Inspection
1304	Home Service Warranty (from buyers' contribution)

NOTE: Fees must be reasonable and customary for the area.

Other Borrower paid costs are not automatically approved but will be reviewed on a case-by-case basis.

Appendix 2