

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 jessicad@nhsokla.org or #05-231-5137. If faxed documents are not clear we will ask you to use a courier service or have homebuyer deliver documents.

- Loan Estimate-NHSOKLA needs this upfront. DPA amount will be calculated in part, using the Loan Estimate.***
- Flood Certification-NHSOKLA needs this upfront. DPA funds cannot be reserved until Environmental Clearance is given which requires the flood certification.***
- Lender application
- Lender approval letter
- Underwriting Analysis
- Credit report
- Verification of Employment
- First two pages of appraisal
- 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 NHSOKC at least 45 days prior to closing. The 45 day time frame will begin with whichever documents are provided to NHSOKC last**
- 2. Assistance amount available under the OHFA HOME Program will be \$1,000 to \$14,999. Assistance can also be provided to reduce the monthly carrying costs of a loan for individuals purchasing affordable housing. NHSOKLA will provide direct financial assistance to eligible homebuyers through principal reduction (if needed), down payment (limited to 3.5%), closing costs and prepaids.**
- 3. Areas of assistance is as follows:**
 - Logan County
 - Pottawatomie County
 - **Cleveland County excluding the City of Norman, and the City of Oklahoma City**
- 4. Costs such as loan processing fees, loan underwriting fees AND origination fees must not exceed \$1,000 (section A of the Closing Disclosure)**
- 5. Total monthly housing payments must be at least 20% and cannot exceed 35% of NHSOKLA's income calculation.**
- 6. The homebuyer's maximum monthly housing and total debt to income ratio cannot exceed 50% of NHSOKLA's income calculation.**
- 7. Neighborhood Housing Services Oklahoma, Inc. will not be able to give Down Payment and Closing Costs Assistance for Adjustable Rate Mortgages (ARMS).**

8. 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 35% 50% based upon their income only. Co-Borrowers/Co- Mortgagors cannot be on the warranty deed. May only sign on mortgage and note.

9. Sales price cannot exceed 95% median purchase price limits

- Cleveland County \$173,000 existing \$251,000 new construction
- Logan County \$203,000 existing \$251,000 new construction
- Pottawatomie County \$158,000 existing \$251,000 new construction

10. NHSOKLA must be notified immediately if any changes in homebuyer application (gift funds, additional down pmt, etc.) Changes can affect the amount of DPA given and will have to be re-disclosed. Once NHSOKLA has approved the Closing Disclosure changes cannot be made.

Do not schedule loan closings before 10:00 am. Closing packet will be emailed to title company and DPA funds will be wired to title company after title company instructions are acknowledged.

Eligible Closing Costs

Items payable in connection with loan

- Loan Origination Fee _
 - Appraisal Report
 - Credit Report
 - Flood Certification Fee – Must show property is not in 100 yr flood zone
- Costs such as loan processing fees, loan underwriting fees AND origination fees must not exceed \$1,000***

Items Required by Lender to be Paid in Advance

- Interest from ____ to ____ Days
- Mortgage insurance Premium
- Hazard Insurance Premium

Reserves Deposited with Lender

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

Title Charges

- ½ Settlement/Closing Fee
- Abstract or Title Search – must be a seller's expense – no assistance applied
- Title Examination
- Document Preparation Fee
- Notary Fee
- Title Insurance

Government Recording and Transfer Charges

- Recording Fee Deed/Mortgage Releases
- City/County Tax/Stamp Deed/Mortgage
- State Tax/Stamp
- Mortgage Certificate/Documentary stamp

Additional Settlement Charges

- Property Survey – Pin Surveys are capped
- Pest Inspection
- Home Inspection
- Home Service Warranty (from buyers' contribution)

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

Other Borrower paid costs are not automatically non-eligible, but will be reviewed on a case-by-case basis