

LENDER INFORMATION

The lender must provide Neighborhood Housing Services Oklahoma (NHSOKLA) 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 fax 405-231-5137. If faxed documents are not clear we will ask you to use a courier service or have homebuyer deliver documents to our office.

- **Loan Estimate/or Fee Estimate NHSOKLA needs this upfront. The DPA amount will be calculated in part using the Loan estimate/Fee Estimate**
- Lender application
- Lender Approval letter
- Verification of Employment
- First two pages of appraisal
- 1008/MCAW/92900
- Evidence of Insurance
- Standard Flood Determination
- ***Approved Closing Disclosure must be provided a minimum of 48 hours prior to closing **An approved Closing Disclosure means all revisions are completed and the Closing Disclosure has been reviewed & approved by OHFA* Changes CANNOT BE MADE TO Closing Disclosure without permission from NHSOKLA.***

Guidelines for Lenders

1. Down Payment Assistance applications and/or purchase contract must be provided to NHSOKLA at least 30 days prior to closing. The 30 day time frame will begin with whichever documents are provided to NHSOKLA last.
2. Assistance amount available under the OHFA's HOME Program shall not exceed \$14,999. Property must be located in Cleveland County (excluding the City of OKC and Norman), Logan or Pottawatomie Counties.
3. Front-end ratio (PITI compared to gross monthly income) must be at least 15% and must not exceed 35% and the back- end ratio (total debt including PITI and other revolving debt compared to gross monthly income must be less than 50%.
4. All clients receiving **DPA** must secure a pt mortgage with a "fixed" interest rate (No Adjustable Rate Mortgages, Interest Only Payment Mortgages, Negative Amortizing Mortgages, Prepayment Penalties, Mandatory Arbitration, 1st Mortgages with a term greater than 30 years are allowed or any other similar mortgage), and property taxes and hazard insurance must be escrowed (no non-escrowed loans).
5. A detailed budget including all debt, proposed principal, interest, taxes and insurance (PITI) and household expenses must show the home purchase is sustainable.
6. Two months of PITI is required as reserve.
7. Minimum required investment is 1% of sales price. Any additional funds paid by buyer cannot be refunded at loan closing.

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

	Existing	New Construction
Cleveland County	\$209,000	\$273,000
Pottawatomie	\$209,000	\$273,000
Logan County	\$229,000	\$284,000

9. Homebuyer must complete HUD Certified Homebuyer Education workshop prior to closing.

10. One on one Housing Counseling with HUD certified Housing Counselor is required.

11. Homes must pass a Housing Quality Standards inspection prior to close. Required repairs must be completed within 45 days of initial inspection. If not completed within 45 days, the DPA reservation will be cancelled. Once repairs are complete, funds will be reserved, subject to funds availability.

12. The Affordability Period shall be five (5) years The forgiveness of the second mortgage is 1/60th per month, beginning when CITY OF OKLAHOMA CITY submits closeout information into HUD's IDIS system.

13. Co-Borrowers/Co-Mortgagors must be disclosed and approved at DPA application. If co-borrower/Co-mortgagor 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.

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