# AFFORDABLE MORTGAGE LENDING GUIDE

A Resource for Community Bankers

Part II: State Housing Finance Agencies

FDIC

FEDERAL DEPOSIT INSURANCE CORPORATION

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*The Federal Deposit Insurance Corporation (FDIC) does not endorse the programs described in this publication or any particular approach to their use. The overviews and program information included in this Guide are designed to illustrate the broad range of options available to financial institutions. Each institution is responsible for assessing whether the resources presented here are appropriate for the bank to pursue given factors such as the institution's existing mortgage, Community Reinvestment Act, or community development strategies, as well as business focus, financial condition, and market.*

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# ABOUT THIS PUBLICATION

## Economic Inclusion and Opportunity

Mortgage lending is an important element of many community banks' business strategies. Community banks offer mortgage products and services designed to meet the particular needs of their communities, including rural and low- and moderate-income (LMI) areas. Offering affordable mortgage loans to a wide range of customers deepens bank-customer relationships and provides an important pathway for borrowers to own their own homes and build wealth. At the Federal Deposit Insurance Corporation (FDIC), we recognize that mortgage lending is also an important way for insured institutions to promote access and participation in the mainstream banking system. Broad participation in the products and services offered by insured institutions promotes stability and confidence in the financial system, which is the core mission of the FDIC.

Many banks, including community banks, take advantage of the opportunities to serve the particular mortgage credit needs of their communities. The Affordable Mortgage Lending Guide (Guide) provides information to help make community bankers aware of the wide range of current affordable mortgage products. It is a series of three publications: Part I: Federal Agencies and Government Sponsored Enterprises; Part II: State Housing Finance Agencies; and Part III: Federal Home Loan Banks (forthcoming). Bank management should understand the terms of these programs, the risks they pose, and the impact on banks' financial condition to ensure that they are serving their communities with prudently underwritten and affordable mortgage products. These programs are important resources for community banks when properly managed.

## Outreach and Communication

To determine how the FDIC could contribute to efforts by banks to offer prudently underwritten, affordable, and responsible mortgage credit for LMI households, FDIC staff met with community banks individually and in small roundtables. Bankers provided valuable insights into the need for affordable mortgage credit in the communities they serve. They also discussed the opportunities and obstacles to using various lending programs, as well as the pros and cons of holding loans in portfolio versus selling loans on the secondary market.

Some bankers described how they have harnessed federal programs, sometimes in combination with other financial mechanisms like Federal Home Loan Bank and State Housing Finance Agency products, to expand their capabilities and serve a broader customer base. Many banks had relationships with neighborhood housing counseling organizations, which helped provide financial education to potential customers.

Some bankers noted that very small banks do not have specialized staffing or departments to offer complex mortgage products. They decided that the risk and cost of origination was not worth taking without more resources or additional risk mitigation. Some bankers said that while they want to be involved in mortgage lending, it was difficult to find the time to research potential products and programs, and that it was challenging to find and retain trained mortgage staff, especially in rural areas.

From these meetings, we concluded that community banks might benefit from a practical reference tool to compare affordable housing products and programs so they could make an informed decision about which products might be the right fit for their business plans and strategies to improve lending options available for

their communities. In addition, the experience of other lenders who have found ways to use limited resources to harness federal, state, and other resources could provide practical examples that may be instructive to institutions considering these opportunities.

## Scope and Coverage

The Affordable Mortgage Lending Guide, Part II: State Housing Finance Agencies, describes programs offered by State Housing Finance Agencies across the country. This part of the Guide focuses on first-lien mortgage products, down payment and closing assistance, mortgage tax credit certificates, and homeownership education and counseling programs that can facilitate mortgage lending by insured depository institutions. Many of these products can be used in conjunction with other federal and government-sponsored enterprise programs,[1] as well as Federal Home Loan Bank products.[2]

In the main body of this Guide, we provide an overview of the types of products that State Housing Finance Agencies offer. Since each State Housing Finance Agency has different products, we provide a state-by-state overview of the products available and how to access them in Appendix A.

## Suggestions for How to Use This Guide

This Guide is a one-stop resource for institutions to gain an overview of a wide variety of product resources, to compare different products, and to identify the next steps for participation. Both the main report and the appendix are organized primarily by products offered by State Housing Finance Agencies.

Each overview in the main body of the report includes insights into the product's or program's purpose, technical assistance on how to participate, and identifies potential benefits and challenges for community banks.

Material for specific states contained in Appendix A includes the types of products offered, targeted populations, as well as loan delivery and servicing options. A quick review of the criteria will help you identify whether the product is suitable for a particular client or a population that you are trying to serve, such as low- and moderate-income borrowers or other hard-to-reach populations.

### TIPS ON USING THE AFFORDABLE MORTGAGE LENDING GUIDE

- Review the contents page for a list of the products offered by State Housing Finance Agencies.
- Review the overviews of each product of interest to determine different options and other criteria.
- Review the state-by-state overview for your state to determine which products are offered.
- Select a product that best suits your needs and use the State Housing Finance Agency contact information to get started.

Each state overview also includes contact information and web links for easy access to program staff that can provide additional information about the product, guide you through getting started, and address other specific requirements for starting product use at your bank.

Because products and criteria are subject to change, the Guide provides the most recent information available. To meet the need for accurate and timely information, each state overview includes a list of web links where updates can be found.

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[1] For more information on federal and government-sponsored enterprise programs, see Affordable Mortgage Lending Guide, Part I: Federal Agencies and Government Sponsored Enterprises. (Washington, DC: Federal Deposit Insurance Corporation, 2016), https://fdic.gov/mortgagelending

[2] For more information on Federal Home Loan Banks, see forthcoming FDIC publication, Affordable Mortgage Lending Guide, Part III: Federal Home Loan Banks. (Washington, DC: Federal Deposit Insurance Corporation, 2016), https://fdic.gov/mortgagelending

## Banker Conversations

In addition to the individual meetings with community banks and small roundtable discussions, the FDIC also spoke with community bankers about their participation in particular State Housing Finance Agency programs to gather their feedback. These conversations are summarized in the relevant sections of this Guide to illustrate how bankers are using these programs to meet their business objectives in "a community banker conversation."

## Supporting strong Community Reinvestment Act (CRA) performance

Affordable mortgage lending activities, including to low- and moderate-income borrowers; to low- and moderate-income census tracts; and to serve people in underserved rural communities, on tribal lands, and in disaster areas can be responsive ways for financial institutions to meet the credit needs of their communities. The mortgage products and programs featured in this Guide, whether they result in Home Mortgage Disclosure Act (HMDA) reportable loans or originations reported by another lender, can help lenders reach their business objectives in their communities, as well as contribute to their CRA performance.

## Conclusion

In many parts of the country, community banks play an important role in meeting the demand for mortgage credit. The products and programs outlined in the Affordable Mortgage Lending Guide can provide community bankers with additional pathways to provide homeownership opportunities for creditworthy borrowers in their communities, particularly those with affordability challenges. These products may also represent business opportunities for community banks looking for prudent, sustainable financial products to incorporate into their mortgage business line.

While homeownership continues to be a goal for most Americans, many people struggle to gain access to affordable homeownership opportunities that will enable them to build a stable future for their families. Community banks can and do play a valuable role in meeting the needs for affordable mortgage credit, and we hope this Guide provides useful information to assist bankers in considering all the options to serve their communities with prudently underwritten and affordable mortgage products.

## STATE HOUSING FINANCE AGENCY PRODUCTS

(See Appendix A: State Summaries of HFA Products and Resources for specific product information.)

| | First-Lien Mortgage Loans | Eligible Uses For Special First-Lien Mortgage Products | Down Payment/ Closing Cost Assistance | Mortgage Tax Credit Certificate | *Targeted Populations For Special Products | Homeownership Education/ Counseling | Individual Development Accounts (IDAs) |
|---|---|---|---|---|---|---|---|
| **AL** | 1 Product | Purchase | Offered (loan) | Offered | First-time homebuyers | Required | Not offered |
| **AK** | 8 Products | Purchase<br>Refinance<br>Rehabilitation<br>Manufactured housing<br>Rural properties | Offered (loan) | Not offered | First-time homebuyers, active military and veterans | Not required | Not offered |
| **AZ** | 1 Product | Purchase | Offered (grant) | Not offered | Veterans receive additional down payment assistance of 1% | Required | Not offered |
| **AR** | 2 Products | Purchase | Offered (loan and deferred payment loan) | Offered | None | Required | Not offered |
| **CA** | 5 Products | Purchase | Offered (deferred payment loan) | Offered | First-time homebuyers, teachers | Required | Not offered |
| **CO** | 6 Products | Purchase<br>Refinance | Offered (loan and grant) | Offered | Persons with a permanent disability, Section 8 recipients | Required | Not offered |
| **CT** | 10 Products | Purchase<br>Refinance<br>Rehabilitation<br>Manufactured housing | Offered (loan) | Not offered | First-time homebuyers, active military and veterans, police, teachers, Section 8 recipients | Required | Not offered |
| **DE** | 2 Products | Purchase | Offered (loan and grant) | Offered | First-time homebuyers, educators (members of DE Talent Cooperative) | Required | Not offered |
| **DC** | 6 Products | Purchase<br>Rehabilitation | Offered (deferred loan) | Not offered | None | Required for some programs | Not offered |
| **FL** | 4 Products | Purchase | Offered (deferred payment loan) | Offered | First-time homebuyers, active military or veterans | Required | Not offered |
| **GA** | 1 Product | Purchase | Offered (deferred payment loan) | Not offered | First-time homebuyers, public protection, health care and education employees, members of the military, and persons with a disability | Required | Not offered |
| **HI** | Not offered | N/A | Not offered | Offered | N/A | Not required | Not offered |
| **ID** | 1 Product | Purchase<br>Refinance<br>Rehabilitation | Offered (loan) | Offered | Homebuyers with a credit score of 700+ | Required | Not offered |
| **IL** | 4 Products | Purchase<br>Refinance | Offered (loan) | Offered | First-time homebuyers, active military or veterans | Required | Not offered |

*Most states that offer programs targeted to special populations also offer programs with wider eligibility standards for all state residents who meet income guidelines.

## STATE HOUSING FINANCE AGENCY PRODUCTS

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|---|---|---|---|---|---|---|---|
| **IN** | 4 Products | Purchase | Offered (loan) | Offered | First-time homebuyers | Required | Offered |
| **IA** | 3 Products | Purchase | Offered (grant) | Offered | First-time homebuyers, active military or veterans | Required for conventional first loan products only | Not offered |
| **KS** | Not offered | N/A | Offered (loan) | Not offered | First-time homebuyers | Not required | Not offered |
| **KY** | 10 Products | Purchase<br>Refinance | Offered (loan) | Offered | First-time homebuyers | Not required | Not offered |
| **LA** | 2 Products | Purchase | Offered (grant) | Not offered | Active military or veterans | Not required | Not offered |
| **ME** | 5 Products | Purchase<br>Rehabilitation<br>Manufactured housing<br>Tribal land | Offered (grant) | Not offered | First-time homebuyers, active military or veterans, member of Passamaquoddy Tribe or Penobscot Nation | Required if using down payment assistance | Not offered |
| **MD** | 7 Products | Purchase<br>Refinance | Offered (grants, deferred loans, and forgivable loans) | Not offered | First-time homebuyers, active military or veterans | Required | Not offered |
| **MA** | 5 Products | Purchase<br>Rehabilitation | Offered (loan) | Not offered | First-time homebuyers, active military or veterans | Required | Not offered |
| **MI** | 2 Products | Purchase<br>Foreclosure prevention loans | Offered (loan) | Offered | First-time homebuyers | Required for MI First Home Program | Offered through Michigan IDA partnership |
| **MN** | 3 Products | Purchase<br>Refinance | Offered (loan and deferred loan) | Offered | First-time homebuyers | Required for some programs | Not offered |
| **MS** | 1 Product | Purchase | Offered (loan and grant) | Offered | First-time homebuyers | Required for down payment assistance program | Not offered |
| **MO** | 1 Product | Purchase | Offered (grant) | Offered | First-time homebuyers, veterans | Not Required | Not offered |
| **MT** | 7 Products | Purchase<br>Rehabilitation<br>Reverse mortgage | Offered (loan) | Offered | First-time homebuyers, active military or veterans, persons with a disability, homeowners 68+ | Required | Not offered |
| **NE** | 4 Products | Purchase | Offered (loan) | Not offered | First-time homebuyers, active military or veterans | Required | Not offered |
| **NV** | 2 Products | Purchase | Offered (grant) | Offered | First-time homebuyers, active military or veterans | Required | Not offered |
| **NH** | 7 Products | Purchase<br>Refinance<br>Rehabilitation | Offered (grant) | Offered | First-time homebuyers, Section 8 recipients | Required | Not offered |

*Most states that offer programs targeted to special populations also offer programs with wider eligibility standards for all state residents who meet income guidelines.

## STATE HOUSING FINANCE AGENCY PRODUCTS

(See Appendix A: State Summaries of HFA Products and Resources for specific product information.)

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|---|---|---|---|---|---|---|---|
| **NJ** | 4 Products | Purchase<br>Refinance | Offered (loan) | Not offered | First-time homebuyers, police and firefighters | Not Required | Not offered |
| **NM** | 2 Products | Purchase | Offered (loan and grant) | Not offered | First-time homebuyers | Required | Not offered |
| **NY** | 7 Products | Purchase<br>Refinance<br>Rehabilitation<br>Newly constructed energy efficient<br>Manufactured home parks | Offered (loan) | Not offered | First-time homebuyers, active military or veterans | Required | Offered |
| **NC** | 1 Product | Purchase | Offered (loan) | Offered | First-time homebuyers | Required for first-time homebuyers | Not offered |
| **ND** | 5 Products | Purchase<br>Rehabilitation | Offered (forgivable loan) | Not offered | First-time homebuyers, single-parents, active military or veterans, disabled household members, elderly household members | Not required | Not offered |
| **OH** | 5 Products | Purchase<br>Rehabilitation | Offered (loan) | Offered | First-time homebuyers, recent college graduates, active military or veterans, firefighters/emergency medical and health care professionals, police officers, teachers | Required | Not offered |
| **OK** | 5 Products | Purchase | Offered (grant) | Offered | First-time homebuyers, firefighters, police officers, teachers | Required on conventional first loan products only | Not offered |
| **OR** | 3 Products | Purchase | Offered (grant) | Not offered | First-time homebuyers | Required for some programs | Not offered |
| **PA** | 9 Products | Purchase<br>Refinance<br>Rehabilitation | Offered (loan and deferred loan) | Offered | First-time homebuyers, persons with a disability | Required | Not offered |
| **PR** | 1 Product | Purchase | Offered (subsidy) | Not offered | N/A | Not required | Not offered |
| **RI** | 4 Products | Purchase<br>Refinance<br>Rehabilitation | Offered (loan and grant) | Offered | First-time homebuyers | Required | Not offered |

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## STATE HOUSING FINANCE AGENCY PRODUCTS

(See Appendix A: State Summaries of HFA Products and Resources for specific product information.)

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|---|---|---|---|---|---|---|---|
| **SC** | 1 Product | Purchase | Offered (loan) | Offered | First-time homebuyers | Required if borrower receives forgivable down payment and closing cost assistance or receives a conventional first loan product | Not offered |
| **SD** | 2 Products | Purchase | Offered (grant) | Offered | First-time homebuyers, active military or veterans | Not required | Not offered |
| **TN** | 2 Products | Purchase | Offered (deferred loan) | Not offered | First-time homebuyers, active military or veterans | Required | Not offered |
| **TX** | 1 Product | Purchase | Offered (deferred loan) | Offered | First-time homebuyers | Required | Not offered |
| **UT** | 5 Products | Purchase<br>Refinance | Offered (loan) | Not offered | First-time homebuyers | Required for some programs | Not offered |
| **VT** | 3 Products | Purchase | Offered (deferred loan) | Offered | None | Required on conventional loan products and down payment assistance programs | Not offered |
| **VA** | 2 Products | Purchase | Offered (loan) | Offered | First-time homebuyers | Required | Not offered |
| **VI** | 3 Products | Purchase<br>Rehabilitation<br>Land acquisition<br>Refinance | Offered (loans and grants) | Not offered | First-time homebuyers, active military or veterans | Required | Not offered |
| **WA** | 2 Products | Purchase | Offered (deferred and traditionally amortizing loans) | Offered | First-time homebuyers | Required | Not offered |
| **WV** | 3 Products | Purchase<br>Refinance (for current WV Housing Development Fund homeowners only) | Offered (loan) | Not offered | First-time homebuyers | Required | Not offered |
| **WI** | 4 Products | Purchase | Offered (loan) | Offered | First-time homebuyers, military veterans with an honorable discharge or release | Required | Not offered |
| **WY** | 7 Products | Purchase<br>Refinance<br>Rehabilitation | Offered (loan and deferred loan) | Offered | First-time homebuyers | Required | Not offered |

*Most states that offer programs targeted to special populations also offer programs with wider eligibility standards for all state residents who meet income guidelines.

Visit FDIC's Affordable Mortgage Lending Center at

https://fdic.gov/mortgagelending

# Products Offered by State Housing Finance Agencies

## OVERVIEW

State Housing Finance Agencies (HFAs) are state-chartered, nonprofit organizations that provide financing and services for affordable housing and related community development activities. Most are quasi-governmental entities that operate as financially independent organizations and are governed by a state-appointed board of directors. HFAs generally have the mission to provide funding to increase and sustain affordable rental options and homeownership opportunities, most often targeted toward low- and moderate-income renters and homebuyers, and/or special populations such as first-time homebuyers, active military and veterans, police and teachers, individuals with disabilities, and homeless individuals. HFAs operate in every state, as well as the District of Columbia, Puerto Rico, and the Virgin Islands.

### Homeownership Programs

HFA homeownership programs vary by state, but all are aimed at promoting homeownership and increasing mortgage affordability for first-time homebuyers and low- and moderate-income households. These programs include low interest-rate, low down payment mortgage products, as well as down payment and closing cost assistance (distributed by the HFAs as well as local municipal and nonprofit organizations with whom they work), and mortgage tax credit certificates, which are dollar-for-dollar federal tax credits in connection with home loans.

Other HFA homeownership programs are designed to help sustain homeownership by lowering homeownership costs and increasing the livability of homes for low- and moderate-income homeowners. These include refinance products, home repair and rehabilitation programs, and programs designed to increase the energy efficiency of homes. Some HFAs offer an Individual Development Account (IDA), which is a matched-savings program or other saving programs to prospective borrowers to help them save for down payment and closing costs. Many HFAs also offer homebuyer education and foreclosure prevention counseling either directly, or by providing sponsorship and training opportunities for housing educators and counselors in their states. Some HFAs offer private mortgage insurance options for first-lien mortgage loans.

### Other Programs

HFAs also work to increase the supply of affordable rental units in their states by working with developers that build or rehabilitate housing for rent to low- and moderate-income families. Rental programs include below market financing options for developers and/or subsidy funds allocated directly to projects. Housing tax credits allow developers to raise private equity by selling federal tax credits to investors. Some HFAs offer lending and subsidy funding for other community development activities, such as small business lending to underserved businesses in the state. In this Guide, we focus on single-family mortgage-related HFA programs.

### Sources of Funds

HFA programs are funded primarily through three funding sources: tax exempt bonds, The U.S. Department of Housing and Urban Development HOME Investment Partnerships Program, and Low-Income Housing Tax Credits. However, decisions about which programs are offered and at what funding amount are made at the state level.

HFA Bonds are generally Private Activity Bonds (PABs), which are bonds used to attract private investment for projects that have some public benefit. Each state's

allowance for PABs is capped using a federal formula based on state population. States often designate some portion of their PABs as Housing Bonds. As separate financial entities, HFAs issue the Housing Bonds directly, with no financial liabilities tied to the states. Depending on the purpose for the revenue that is raised, the bonds are known as Mortgage Revenue Bonds (MRBs) or Multifamily Housing Bonds. HFAs use Housing Bonds to fund first-lien mortgage programs and mortgage tax credit certificate programs. In recent years, the low interest rate environment has limited the value of the tax advantage of MRBs to purchasers causing HFAs to seek alternative sources of funding, including an expansion of their secondary market activity.

The second source of funding is the U.S. Department of Housing and Urban Development's Federal HOME Investment Partnerships program, which is a federal block grant designed to meet each state's diverse affordable housing needs from rental assistance to homeownership down payment assistance.

The final source of funding comes through Low-Income Housing Tax Credit (LIHTC) funds, which are used to finance the development and preservation of affordable rental units and are allocated to the state, which then awards the credits to project sponsors/developers for affordable rental housing projects for low-income households.

## Guide Coverage

Each HFA creates and offers its own set of homeownership programs uniquely designed to meet the needs of its state. Therefore, not all programs discussed in this Guide are offered by all HFAs. However, HFA programs usually share many of the same requirements and characteristics. For this reason, this publication focuses on providing an understanding of the types of state programs with an overview of the key elements found in many HFA programs. The Guide also provides a quick overview of HFA programs in the State Housing Finance Agency Products matrix, and finally, it provides individual program summaries and contact information by state in Appendix A.

**A COMMUNITY BANKER CONVERSATION**

### Working with a State Housing Finance Agency

A bank representative from the east coast said that her bank looks to its State Housing Finance Agency (HFA) as its first choice to sell loans to low- and moderate-income borrowers into the secondary market. "They have really good pricing. The loan level price adjustments on credit scores are advantageous to our borrowers. And they have good benefits when it comes to mortgage insurance pricing and loans with no mortgage insurance."

A banker from the south central part of the country said that she consistently uses the first mortgage products offered by her HFA. "I have been processing or originating HFA loans for as long as I have been originating loans. It's always been a program that has really helped my state's homebuyers."

The banker said that her bank delivers loans to the HFA as a direct lender so they are able to underwrite and approve loans on behalf of the HFA. The banker said that although an HFA product combined with a FHA loan might carry a slightly higher interest rate than if the loan product originated for another investor, there are other significant advantages. The banker explained that the down payment and closing cost loan that can be combined with the HFA/FHA loan is worth the additional cost in rate because, in most cases, the borrower would otherwise be unable to purchase the home.

Because HFAs are state agencies, each with its own set of products and programs, bank experiences vary. For example, a banker on the west coast suggested that, while she would like to do business with her HFA, the structure of the programs in the state presents some challenges. The representative said that the first mortgage products offered are not competitive with the portfolio product that her bank offers, primarily due to the cost of mortgage insurance (the HFA does not offer a product that does not require mortgage insurance). In addition, many of the affordable units in the area come with deed restrictions that are not approved by Fannie Mae, so they are not acceptable to the HFA.

### This Guide covers the following State Housing Finance Agency programs, products, and services:

**First-Lien Mortgage Products:** HFAs offer first-lien mortgage products for low- and moderate-income borrowers with low down payments, reduced interest rates, and/or down payment and closing cost assistance, which they purchase from participating lenders within their states. Participating lenders are financial institutions that are approved by the HFA to offer these products to borrowers with the assurance that the HFA will purchase the mortgage at a set price. In addition to the HFA products, they may purchase conventional products from the Federal Housing Administration (FHA), the U.S. Department of Veterans Affairs (VA), and the U.S. Department of Agriculture (USDA).[3] HFAs may offer products that serve a variety of purposes including purchase, refinance, and rehabilitation.

**Down Payment and Closing Cost Assistance:** HFAs offer assistance in the form of a grant or a second mortgage loan, which covers down payment and/or closing costs for low- and moderate-income, first-time homebuyers or other targeted populations. Most HFAs require that the vast majority of HFA down payment assistance programs be used in combination with a first mortgage product offered by the HFA.

**Mortgage Tax Credit Certificates (MCC):** HFAs manage a tax credit program, which is designed to help first-time homebuyers offset a portion of their mortgage interest on a new mortgage. MCCs reduce the borrower's federal tax liability, dollar for dollar, by a specific percentage of the mortgage interest paid by the borrower. MCCs can be combined with a variety of mortgage loan products including conventional and government low-down payment products.

**Homeownership Education/Counseling:** HFAs participate in homebuyer education and counseling in their states in a variety of ways, from developing programs and offering the education to sponsoring education classes and providing training to regionally-based housing counselors within their states. Many HFAs also partner with online homebuyer education providers to offer online homebuyer classes. Homeownership classes are required for many HFA programs.

**Other Homeownership Programs:** Individual Development Accounts (IDAs) are offered by some HFAs to provide matching funds to borrowers saving for a down payment and/or closing costs. Many HFAs also offer foreclosure prevention services and other counseling services and may also offer refinance products. A few HFAs offer mortgage insurance products for use in combination with their own mortgage products or with third party, affordable loans made to low- and moderate-income borrowers.

## DOING BUSINESS WITH STATE HOUSING FINANCE AGENCIES

HFAs rely on lender partners to promote and deliver their products and services to customers. Since each state has its own HFA, programs are generally targeted to the specific housing markets and the needs of the low- and moderate-income borrowers in each state. Utilizing these HFA program offerings helps lenders meet their business development and Community Reinvestment Act (CRA) goals for community-oriented and affordable lending.

Many HFAs offer multiple execution options to allow banks to choose a method of delivery that best fits their internal capacity and delivery preference, i.e., deliver as a Third-Party Originator (TPO) where the loans are approved by the HFA, or as a direct lender where the bank approves the loan on the HFA's behalf.

[3] See *Affordable Mortgage Lending Guide: Part I: Federal Programs and the Government Sponsored Enterprises* (Washington, DC: Federal Deposit Insurance Corporation, 2016), https://fdic.gov/mortgagelending for detailed information about products and services.

### Bank Eligibility and Application Process

Bank eligibility requirements and application processes vary by program type and by HFA. Lenders do not join HFAs as members, but rather apply and become approved to utilize specific HFA products. See Appendix A: State Summary of HFA Programs and Resources for more details.

### System Requirements and Quality Control

System and quality control requirements vary by program or type of service and by state.

## RESOURCES

**National Council of State Housing Finance Agencies**
https://www.ncsha.org/

**See Appendix A:** State Summaries of HFA Products and Resources

Commonly Offered HFA Products, Programs, and Services

# First-Lien Mortgage Products

## OVERVIEW

State Housing Finance Agencies (HFAs) offer first-lien mortgage products (often called first mortgages by HFAs) to help low- and moderate-income first-time homebuyers and other targeted populations become homeowners. In most cases, HFAs do not originate loans. Instead, State Housing Finance Agencies design loan products offered by participating lenders. The HFAs then purchase these mortgages from participating lenders. These loans are either held on the balance sheet of the HFA or sold into the secondary market. HFA mortgages are originated, processed, and closed by a state-wide network of approved lender partners. HFA first-lien mortgage loans are typically purchased as servicing released and are serviced by the HFA or by a master servicer chosen by the HFA. Sometimes HFA loans close in the name of the lender, and other times, they close in the name of the HFA.

HFAs offer first-lien mortgages designed to serve their communities with features that may include competitive or lower-than-market interest rates; down payment and closing cost assistance; and flexible underwriting guidelines designed to meet the needs of low- and moderate-income homebuyers, which can include lower-than-standard minimum borrower contributions.

While some HFAs offer a single first-lien mortgage product, others offer a variety of first-lien mortgage programs and products, each with different eligibility, underwriting, and pricing structures aimed at different target populations. For instance, some programs are geared specifically to active military personnel or veterans or persons with disabilities. Often, these targeted programs are more deeply subsidized versions of other available HFA products. Other product offerings include conventional mortgage product options with and without mortgage insurance.

Traditionally, HFA first-lien mortgage programs are funded by Mortgage Revenue Bonds (MRB). MRB-funded loans must meet certain conditions: the borrower must be a first-time homebuyer, have an income below 115 percent of the area median income, and the home price cannot exceed 90 percent of the average area sales price (110 percent in targeted areas).[4] In addition, the total amount of MRB funds each state can receive is capped annually using a formula based on the state's population.

Increasingly, HFAs are looking to broaden their sources of funding, such as the use of Fannie Mae and Freddie Mac secondary market products designed exclusively for the HFAs, mortgage-backed securities (MBS) sales, and Federal Home Loan Bank funding to expand their lending programs and offer alternatives to the standard MRB-funded products. Consequently, many HFAs now have both MRB and "secondary market" first-lien mortgage product offerings. This allows HFAs to continue operating their traditional programs and offer alternative product executions to serve the needs of the lender, as well as new types of borrowers, such as non-first-time homebuyers and borrowers with incomes above the MRB limits. Common HFA first-lien mortgage product offerings include loans originated for the Federal Housing Administration (FHA), the U.S. Department of Veterans Affairs (VA), the U.S. Department of Agriculture (USDA),[5] Fannie Mae, and Freddie Mac, as well as conventional low-down payment products.

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[4] These are Mortgage Revenue Bond standards. Specific income and price restrictions vary by state and in some cases may be more restrictive than the federal standards.

[5] See Affordable Mortgage Lending Guide: Part I: Federal Programs and the Government Sponsored Enterprises (Washington, DC: Federal Deposit Insurance Corporation, 2016), https://fdic.gov/mortgagelending for detailed information about products and services.

## MORTGAGE PURPOSE

**Purchase:** Most HFAs offer at least one first-lien mortgage purchase program. Often these programs are targeted to first-time homebuyers (homebuyers who have not owned a home within the previous three years), but many also offer programs for repeat borrowers. Often these purchase programs are designed for use in combination with specific HFA down payment and closing cost programs. First-lien mortgage purchase products vary by state, but often include conventional and government-insured low down payment options (FHA, VA, and USDA).

**Refinance:** Some HFAs offer refinance products. Refinance products include conventional, FHA, or in some cases, USDA loans. Some refinance programs are limited to existing HFA borrowers, while others are open to all homeowners within the state who meet specific eligibility requirements.

**Rehabilitation:** Many HFAs provide financing options for the purchase and repair or rehabilitation of a home with one loan. HFA rehabilitation loans can be offered with FHA 203(k), FHA Streamline 203(k), or USDA rural development loans. Eligible improvements generally include repairs to improve the accessibility, livability, or safety of a home, energy improvements, or water or sewer system improvements. (Many HFAs also offer rehabilitation products for existing homeowners.)

## MORTGAGE PRODUCT TYPES

**HFA conventional portfolio loans:** Most HFAs offer low down payment conventional loans (typically 95 percent to 97 percent loan to value) with flexible underwriting guidelines, often designed for use in combination with an HFA down payment and closing cost assistance program.

**Government loans:** Many HFAs offer low down payment government-insured or guaranteed loan products, often designed for use in combination with an HFA down payment and closing cost assistance program. HFA government loans must meet the eligibility and underwriting guidelines of the federal agency that offers the program, as well as any HFA eligibility and underwriting overlay requirements. For instance, many HFAs have minimum credit score and/or debt-to-income ratios that are more restrictive than federal program guidelines. HFA government mortgage products include the Federal Housing Administration's 203(b) Mortgage Insurance Program for low down payment loans, which is the core FHA homeownership program; the Federal Housing Administration's 203(k) low down payment loan, designed to finance both the purchase of a home and renovation costs in a single, low down payment mortgage; the Federal Housing Administration's Streamline 203(k), which is a low down payment loan designed to finance both the purchase of a home and repairs or renovations up to $35,000 in a single, low down payment mortgage; the U.S. Department of Veterans Affair's Home Purchase Loan, which is a zero down payment loan guarantee to service members, veterans, and surviving spouses;

## POTENTIAL BENEFITS

HFA first-lien mortgage products provide lenders with the ability to sell conventional and/or government mortgage loans and transfer the liquidity, interest rate, prepayment, and servicing risks to the HFAs.

Loans originated through HFA first-lien mortgage products may be positively considered under the Community Reinvestment Act, depending on the geography or incomes of the participating borrowers.

HFA first-lien mortgage products offer reduced rates and/or down payment and closing cost assistance.

Many HFAs offer flexible servicing options that allow banks to retain or sell servicing rights.

## POTENTIAL CHALLENGES

Many HFA first-lien mortgage products have credit and under writing overlays that may make government loan products more restrictive than those delivered directly by a lender to the agencies.

A limited pool of borrowers is eligible for these products due to specific income limits and other limited flexibilities for borrower and loan characteristics.

Funding for HFA programs is subject to availability and funds may be limited.

and the U.S. Department of Agriculture's Section 502 Single Family Loan, which is a zero down payment loan for rural low- and moderate-income borrowers.

**Fannie Mae's HFA Preferred (Low MI):** Fannie Mae designed a low mortgage insurance product for eligible HFAs. The 30-year, fixed rate, 97 percent loan-to-value product provides low interest rates and reduced mortgage insurance coverage requirements. Fannie Mae's loan level price adjustments[6] are waived. Minimum contributions from the borrower's own funds are also waived. This product is often allowed to be coupled with HFA down payment and closing cost assistance.

**Fannie Mae's HFA Preferred Risk-Sharing (No MI):** Fannie Mae designed a no mortgage insurance product for eligible HFAs. This 30-year, fixed rate, 97 percent loan-to-value product provides lower interest rates and no mortgage insurance coverage requirements. HFAs retain a limited repurchase obligation to Fannie Mae in lieu of mortgage insurance. The lender does not retain credit risk beyond standard Fannie Mae's representations and warranties.

**Freddie Mac's HFA Advantage:** Freddie Mac designed a product for eligible HFAs. The 30-year, fixed rate, 97 percent loan-to-value, 105 percent total loan-to-value product provides low interest rates and reduced mortgage insurance coverage requirements. There are no reserves required and HFA Advantage offers flexible funding options for down payment and closing costs.

## TARGETED POPULATIONS

Many HFAs either offer special programs or more deeply subsidized versions of their traditional programs to targeted populations within their states. For example, the Oklahoma Housing Finance Agency (OHFA) offers several different OHFA Advantage first-lien mortgage products, including the OHFA Dream, a product available to all income-qualified borrowers; the OHFA Gold, a product available to first-time homebuyers only; the OHFA Shield, a product available to law enforcement professionals only; and OHFA 4 Teachers, a product available exclusively to educators. Targeted programs and products can vary by eligibility requirements as well as by underwriting and loan subsidy features. In many cases, products geared toward targeted populations might receive a deeper subsidy than that offered to the wider population. For instance, some products might restrict down payment and closing costs assistance to targeted populations. In other cases, the difference might be in the interest rate of the loan. In the OHFA example, the interest rates on the targeted populations products were .25 percent to .375 percent lower than comparable products offered to the wider population. Targeted populations generally still must meet income and sales price eligibility requirements.

**Targeted populations may include:**

- first-time homebuyers (generally defined as having not owned a home in the previous three years);
- active military or veterans;
- people with disabilities;
- elderly;
- section 8 housing voucher recipients;
- teachers;
- police, firefighters, health workers;
- Native Americans; and
- economically impacted or underserved locations, often referred to as "targeted communities." Programs in these areas may have broader eligibility requirements to include non-first-time homebuyers or higher income and sales price limits.

## LOAN DELIVERY

HFAs offer a variety of funding and delivery options. In some cases, lenders fund the HFA loans and sell them to the HFA after closing. In others, HFAs provide the option of table funding the loans, where the HFA provides the funds to close the loan. HFA mortgages must be originated and sold to meet applicable investor and guarantor requirements, as well as those of the HFA. Each HFA has its own policies and procedures

[6] Loan level price adjustments (LLPAs) are risk-based pricing adjustments that vary based on credit score, loan-to-value ratio, type of product, and various other factors that are charged at the time of origination. Fannie Mae and Freddie Mac charge both annual guarantee fees and upfront LLPAs. Most lenders convert LLPAs into the interest rate on the mortgage, which the borrower pays over time.

with regard to registering, locking interest rates, underwriting, and submitting loan application packages. HFAs often use Fannie Mae's Desktop Underwriter® or Freddie Mac's Loan Prospector® for electronic underwriting purposes. Many programs also allow manual underwriting. Training is often available to assist lenders and help them get started.

## SERVICING OPTIONS

Generally, HFAs purchase loans under a servicing-released contract. HFA servicing-released loans are usually serviced by the HFA or by a master servicer chosen by the HFA. Many HFAs specialize in high touch servicing by focusing on early delinquency borrower outreach and maintaining low numbers of case files per staff member. The HFA, therefore, provides another servicing option for a bank that does not have this capacity, but wishes to originate mortgages for its local customers.

## BORROWER ELIGIBILITY

While some HFA borrower eligibility requirements are driven by individual HFA program rules, many are tied to the use of their federal exempt bond authority (which must follow the rules established by the Internal Revenue Service) and by the federal or government sponsored enterprise program that is used. The tax-exempt bond rules apply to all HFA programs funded with federal exempt bonds and include income and sales price limits, first-time homebuyer requirements, and occupancy restrictions.

**Income and sales price limits:** All HFA products have income and/or sales price or loan amount limits since they are targeted to low- and moderate-income households. Often these limits vary by product. For instance, for those HFAs that offer multiple products, the most deeply subsidized products might require that borrowers meet lower income and sales price limits than limits set for less subsidized products. Underserved or targeted counties or areas are often granted higher income and sales price or loan limits.

**Credit and debt-to-income limits:** Credit score and debt-to-income limits vary by state and by program.

### A COMMUNITY BANKER CONVERSATION

### Using Fannie Mae's HFA Preferred Low Mortgage Insurance Product

One bank representative from Kentucky said that she likes the conventional no mortgage insurance (no MI) product that the HFA offers, which she says is "very competitive" with FHA monthly premiums. This is a 30-year, fixed rate, 97 percent loan-to-value product that provides low interest rates and has no mortgage insurance coverage requirements. HFAs retain a limited repurchase obligation to Fannie Mae in lieu of mortgage insurance. The no-MI product has a minimum credit score of 680, but for those borrowers who qualify, it is a good option.

Another banker from Illinois said that her bank also offers FHA loans in conjunction with HFA products. Sometimes, however, she finds that Fannie Mae's HFA Preferred low mortgage insurance product is a better fit for the borrower. It is a 30-year, fixed rate, 97 percent loan-to-value product that provides low interest rates and reduced mortgage insurance coverage requirements. Fannie Mae's loan level price adjustments (LLPAs) are waived. The private mortgage insurance can be dropped from the loan when a certain loan-to-value is reached, whereas in most cases the FHA loan's mortgage insurance premium stays with the mortgage for the life of the loan.

HFA Preferred has a maximum allowable combined loan-to-value ratio (CLTV) of 105 percent and allows customers to take advantage of the "Community Seconds®" available through HFAs and other sources. These housing finance agency programs, used in combination with HFA Preferred, can help those borrowers who are in a strong position to purchase a home, but do not have enough funds saved to cover a down payment and/or closing costs.

The banker said that her HFA has a credit score overlay of 640, even though the HFA Preferred product can have a lower credit score threshold (scores as low as 620 are allowed). Additionally, all first-time homebuyers must attend mandatory pre-purchase homeownership counseling, either through a HUD-approved counselor or through an approved online provider.

The bank specializes in combining multiple assistance programs when available, increasing affordability. For borrowers who are able to use the HFA funds toward down payment, these programs may increase their equity since the assistance is either forgiven over time, offered at zero percent, or provided as a grant.

Credit score and debt-to-income overlays[7] are common on HFA first-lien products that make use of government or GSE programs. Often if the HFA offers multiple loan products, different limits will apply for each product. HFA credit score and debt-to-income limits can also depend on the type of underwriting mechanism utilized. For instance, many HFAs will allow a lower minimum credit score for those loans that are successfully underwritten through Fannie Mae's Desktop Underwriter® or Freddie Mac's Loan Prospector® than if they are manually underwritten. Other underwriting overlays may also apply.

**Targeted populations:** Many first-lien mortgage programs are targeted to first-time homebuyers. In most cases, the definition of first-time homebuyer is a person who has not owned a home within the previous three years. Other first-lien mortgage programs target specific populations, such as active military personnel or veterans, police, firefighters or teachers, or recent college graduates. Many HFAs offer multiple first-lien mortgage programs, usually with one or more designed for specific populations and others for the general public.

**Occupancy:** HFA first-lien mortgage programs are typically restricted to owner-occupied properties.

**Property type:** The property types allowed under each first-lien mortgage program vary by state, but often include single-family detached homes, two- to four-unit properties in which the owner will occupy one of the units, condominiums, and townhomes. Many programs allow manufactured housing and modular homes as long as they are permanently affixed to the foundation and are titled as real estate.

**Homeownership counseling:** Most, but not all, states require some form of pre-purchase homebuyer education in order to qualify for down payment and closing cost assistance. HFAs offer a variety of in-person and online options. For buyers purchasing two- to four-unit properties, landlord education is also typically required. The specific delivery channels and program requirements vary by state.

## LOAN CRITERIA

In all cases, loans must meet the underwriting and eligibility criteria of the HFA as well as any applicable insuring agency. The ability to use other HFA programs in combination with a first-lien mortgage program varies by program and by state. For instance, in some states, a borrower might be able to receive an HFA first-lien mortgage product, as well as down payment and closing cost assistance and a mortgage tax credit certificate for the same purchase transaction. In other states, the mortgage tax credit certificate might not be allowed to be combined with another HFA program.

Lender compensation and allowable lender fees vary by state. In some cases, the HFA will pay lenders a specified amount, and lenders are not allowed to charge the borrowers directly. In others, lender fees are capped at a specific percentage or amount. For example, many programs cap lender origination fees at 1 percent and other service-related fees at $1,000.

## BANK LENDER ELIGIBILITY AND APPLICATION PROCESS

HFA bank eligibility requirements to deliver first-lien mortgage loans often include minimum net worth benchmarks, a fidelity bond, and mortgage omissions insurance coverage, as well as a determination that the bank is in good standing with its regulatory agency. Many HFAs offer multiple execution options to allow banks to choose a method of delivery that best fits their internal capacity and delivery preference, i.e., deliver as a Third-Party Originator (TPO) where the loans are approved by the HFA, or as a direct lender where the bank approves the loan on the HFA's behalf. Eligibility requirements may vary depending on the type of execution agreement chosen by the bank.

Generally, banks are required to provide evidence that they have the capacity to process, underwrite, and close loans. If operating as a direct lender, a lender must also have the capacity to fund loans in its own name, using its own funds. In addition, HFAs often require that a bank is an approved originator of one or more of the following entities: Federal Housing Administration (FHA), U.S. Department of Veterans Affairs (VA), U.S. Department of Agriculture's Rural Development (RD), Fannie Mae, or Freddie Mac.

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[7] Debt-to-income overlays are underwriting guidelines that supersede those of the underlying government or government sponsored enterprise loan product and are generally more restrictive. For example, an HFA might require a minimum credit score of 680 on an FHA loan even though the FHA product guidelines allow a lower score.

### Number of HFAs that Offer First-Lien Mortgage Loans

Of the 53 HFAs covered in this Guide, 51 HFAs offer first-lien mortgage loans.

### Potential Benefits

- HFA first-lien mortgage products provide lenders with the ability to sell conventional and/or government mortgage loans and transfer the liquidity, interest rate, prepayment, and servicing risks to the HFAs.
- Loans originated through HFA first-lien mortgage products may be positively considered under the Community Reinvestment Act, depending on the geography or incomes of the participating borrowers.
- HFA first-lien mortgage products offer reduced rates and/or down payment and closing cost assistance.
- Some HFA products offer underwriting flexibilities beyond traditional low down payment products.
- Many HFAs offer flexible servicing options that allow banks to retain or sell servicing rights.

### Potential Challenges

- Many HFA first-lien mortgage products have credit and underwriting overlays that may make government loan products more restrictive than those delivered directly by a lender to the agencies.
- A limited pool of borrowers is eligible for these products due to specific income limits and other limited flexibilities for borrower and loan characteristics.
- Funding for HFA programs is subject to availability and funds may be limited.

## RESOURCES

See individual state HFA descriptions in Appendix A for helpful first-lien mortgage resources related to the housing finance agency in each state.

# Down Payment and Closing Cost Assistance

## OVERVIEW

For many low- and moderate-income people, the most significant barrier to homeownership is the down payment and closing costs associated with getting a mortgage loan. For that reason, most HFAs offer some form of down payment and closing cost assistance (DPA) to eligible low- and moderate-income homebuyers in their states. The vast majority of HFA down payment assistance programs must be used in combination with a first-lien mortgage product offered by the HFA. A few states offer stand-alone down payment and closing cost assistance that borrowers can combine with any non-HFA eligible mortgage product. Some DPA programs are targeted toward specific populations, such as first-time homebuyers, active military personnel and veterans, or teachers. Others offer assistance for any homebuyer who meets the income and purchase price limitations of their programs. These programs are structured in a variety of ways including forgivable grants; zero interest, deferred payment second mortgages (sometimes called "soft seconds"); and full interest, fully amortizing second loans.

Many HFAs also distribute federal funds to municipalities or nonprofits within their states to be used for local or regional down payment and closing cost assistance programs. Often these funds do not have to be coupled with HFA first-lien mortgage products. However, this Guide focuses on those down payment and closing cost assistance programs that are offered directly through the HFAs.

The details of each down payment assistance program, including whether the funds are offered as a grant or a loan, the terms of the loan, the amount of assistance provided, and borrower eligibility criteria all vary by state. Many states offer multiple down payment assistance programs with different structures and terms. A general description follows.

## STRUCTURE

The structure of down payment assistance programs varies by state with some programs offering fully amortizing, repayable second mortgages, while other programs offer deferred payment and/or forgivable second mortgages, and still other programs offer grant funds with no repayment requirement.

## DPA SECOND MORTGAGES (AMORTIZING)

A second mortgage loan is subordinate to the first mortgage and is used to cover down payment and closing costs. It is repayable over a given term. The interest rates and terms of the loans vary by state. In some programs, the interest rate on the second mortgage matches that of the first mortgage. Other programs offer more deeply subsidized rates on their second mortgage down payment assistance. Some HFAs offer more than one down payment assistance program with alternative structures or terms. For example, the Kentucky Housing Corporation currently offers one down payment assistance program that provides up to $6,000 for eligible borrowers, repayable over 10 years, at 5.5 percent interest (Regular DPA), and another more deeply subsidized program that provides up to $4,000 for eligible borrowers, repayable over 10 years, at 1 percent interest. Each program has separate eligibility criteria.

### Potential Benefits

- HFA down payment and closing cost assistance products can help lenders expand their market.
- HFA down payment and closing cost assistance products may be positively considered under the Community Reinvestment Act, depending on the geography or incomes of the participating borrowers.

- Down-payment assistance second mortgages provide borrowers with financial assistance to pay for the required down payment and closing costs associated with purchasing a home and makes it possible for those who do not have sufficient savings to meet standard program requirements to own a home.
- Subsidized interest rates on the down payment assistance second mortgage can increase the affordability of the housing payment and the likelihood that the borrower will qualify for the loan.

### Potential Challenges

- HFA down payment assistance is often limited to use in combination with an HFA first-lien mortgage product so lenders can't use this product with portfolio or other non-HFA first-lien mortgage products.
- Funding for HFA programs is subject to availability.
- Down-payment assistance second mortgages must be fully repaid by the borrower, unlike grant funds.
- A limited pool of borrowers is eligible for these products due to specific income limits and other limited flexibilities for borrower and loan characteristics.

## DPA "SOFT SECOND" MORTGAGES

A "soft second" is a type of second, subordinate mortgage loan that is used to cover down payment and closing costs. The soft second has a deferred payment schedule in which the borrowers do not have to make any payments until/unless they sell their home or refinance their mortgage. Many, but not all, soft seconds are also forgivable over a specified term. For example, the Indiana Housing and Community Development Authority offers down payment assistance in the amount of 3 percent to 4 percent of the purchase price of the home at zero percent interest with no monthly payments. The loan is fully forgiven after two years if the borrower remains in the home.

### Potential Benefits

- Soft second mortgages provide borrowers with financial assistance to pay for the required down payment and closing costs associated with purchasing a home and makes it possible for those who do not have savings sufficient to meet standard program requirements to own a home.
- Soft second mortgages generally do not add to the monthly cost of owning a home, thus increasing housing affordability.
- Soft second mortgages may be positively considered under the Community Reinvestment Act, depending on the geography or incomes of the participating borrowers.

DPA Second Mortgages

## POTENTIAL BENEFITS

HFA down payment and closing cost assistance products may be positively considered under the Community Reinvestment Act, depending on the geography or incomes of the participating borrowers.

Down-payment assistance second mortgages provide bor rowers with financial assistance to pay for the required down payment and closing costs associated with purchasing a home and makes it possible for those who do not have sufficient savings to meet standard program requirements to own a home.

Subsidized interest rates on the down payment assistance second mortgage can increase the affordability of the housing payment and the likelihood that the borrower will qualify for the loan.

## POTENTIAL CHALLENGES

HFA down payment assistance is often limited to use in combination with an HFA first-lien mortgage product so lenders can't use this product with portfolio or other non-HFA first-lien mortgage products.

Down-payment assistance second mortgages must be fully repaid by the borrower, unlike grant funds.

### Potential Challenges

- The terms of soft seconds can be difficult to understand. If not disclosed properly, borrowers may misunderstand the terms of the soft second or forget that it exists until they are faced with repayment responsibility.
- Some soft seconds may have restrictions regarding transfers or selling of the home.
- This product adds a layer of complexity to the loan process.
- A limited pool of borrowers is eligible for these products due to specific income limits and other limited flexibilities for borrower and loan characteristics.

## DOWN-PAYMENT ASSISTANCE GRANTS

Grant funds are provided for the purpose of down payment and closing cost assistance. Grant funds do not have to be repaid. For example, the Arizona Department of Housing offers a non-repayable down payment assistance grant in the amount of 2 percent to 5 percent of the principal loan amount, depending on the type of mortgage the borrower receives.

### Potential Benefits

- Grant funds provide borrowers with financial assistance to pay for the required down payment and closing costs associated with purchasing a home and makes it possible for those who do not have sufficient savings to meet the requirements of standard programs to own a home.
- Grant funds do not have to be repaid by the borrower.

### Potential Challenges

- HFA down payment assistance grant programs may run out of funds more quickly than loan programs, which are replenished by loan repayments.
- A limited pool of borrowers is eligible for HFA down payment assistance grant programs.

### Number of HFAs that Offer Down-Payment Assistance

Of the 53 HFAs covered in this Guide, 52 HFAs offer first mortgage loan down payment and closing cost assistance.

## BANK ELIGIBILITY AND APPLICATION PROCESS

Generally, banks must follow the same eligibility requirements and must follow the same application process as for HFA first-lien mortgage loan programs since most down payment assistance programs are coupled with HFA first-lien mortgage programs. Thus, only approved HFA lenders can offer HFA down payment and closing cost assistance to their borrowers.

HFA bank eligibility requirements to provide down payment and closing cost assistance may include minimum net worth benchmarks, a fidelity bond, and mortgage errors and omissions insurance coverage, as well as a determination by the HFA that the bank is in good standing with its regulatory agency. Banks are required to provide evidence that they have the capacity to process, underwrite, and close loans. In many cases, lenders must also have the capacity to fund loans in their own names using their own funds. This requirement depends on the types of loan delivery offered by the HFA. For instance, if an HFA allows table-funded deliveries in which the HFA funds the loan at closing, then a lender's capacity to fund loans may not be an eligibility requirement. In addition, HFAs often require that banks are an approved originator of one or more of the following entities: the Federal Housing Administration (FHA), U.S. Department of Veterans Affairs (VA), U.S. Department of Agriculture's Rural Development (RD), Fannie Mae, or Freddie Mac.

Only approved HFA lenders can offer HFA down payment and closing cost assistance to their borrowers.

## BORROWER ELIGIBILITY

**Income and sales price limits:** Most HFA down payment assistance programs have income and sales price limits. HFAs usually have greater restrictions on their down payment assistance programs than on their first loan products, so borrowers who qualify for an HFA first-lien mortgage loan will not necessarily qualify for a down payment assistance program. Exemptions to income and purchase price limits may apply for targeted underserved areas within a state.

**Targeted populations:** Many down payment assistance programs are targeted to first-time homebuyers. In most cases, the definition of a first-time homebuyer is a person who has not owned a home within the previous three years. Other down payment assistance programs are targeted to specific populations, such as active military or veterans, police, firefighters, teachers, or recent college graduates. Many HFAs offer multiple down payment assistance programs, one or more for specific populations, and others for the general public.

**Occupancy:** HFA down payment assistance programs are typically restricted to owner-occupied properties.

**Property type:** Allowable property types vary by state and by program.

**Homeownership counseling:** Many, but not all, states require that applicants attend pre-purchase homebuyer education to be eligible for down payment and closing cost assistance. Program requirements vary by state.

## LOAN CRITERIA

**First loan purpose:** Down payment assistance programs are typically designed for use with mortgage purchase products.

**Allowable first loan types:** Most HFA down payment assistance programs must be combined with an HFA first-lien mortgage product. Programs that allow non-HFA first-lien mortgages have some restrictions on the types and terms of eligible mortgage products. These restrictions vary by state.

**Lender down-payment assistance fees:** Generally, lender fees are capped based on a percentage of the first mortgage amount (the origination fee of the first mortgage).

## A COMMUNITY BANKER CONVERSATION

### Using HFA Down Payment and Closing Cost Assistance

One east coast bank often combines an HFA first mortgage loan with programs from other organizations, such as the FHLBank of Boston's Equity Builder program, which is a $15,000 down payment and closing cost assistance grant. "Our HFA offers a 30-year fixed mortgage product with an affordable interest rate combined with a 3 percent down payment requirement that can come from a gift, if needed. When you combine this loan with a $15,000 FHLBank grant for down payment assistance and closing costs, it makes it even more affordable." The bank also utilizes municipal down payment and closing cost assistance programs. "It really depends on where the borrower is buying and what kind of assistance there is to help. In the Boston area, because of high housing costs, it's very typical to see more than one lien in our markets."

According to a banker in the Midwest, over the past four years, her bank has experienced a significant increase in the number of mortgage loans originated to low- and moderate-income borrowers. "One of the primary obstacles to homeownership is down payment. So we have embraced high loan-to-value first mortgage products and locally offered down payment assistance programs as our strategy."

## RESOURCES

See individual state HFA descriptions in Appendix A for helpful down payment and closing cost assistance resources related to the housing finance agency in each state.

# Mortgage Tax Credit Certificate (MCC)

## OVERVIEW

State HFAs may also manage a program that provides home purchasers with a significant tax credit in connection with their home loans. The credit can be used in a manner that assists people in making their monthly payments more affordable (affecting underwriting) for as long as the home remains their primary residence. Participating bankers provide information to their customers about the tax credit and apply to the HFA for the certificate on the borrower's behalf.

The Mortgage Tax Credit Certificate (MCC) program was established by the Deficit Reduction Act of 1984 and was modified by the Tax Reform Act of 1986.[8] Under the law, states can convert a portion of their federal allocation of private activity bonds (PABs) to MCC authority on a four-to-one basis. Mortgage tax credit certificates can help lenders increase their appeal to first-time homebuyers and help more borrowers qualify for homes by reducing their mortgage payments. MCCs are not a loan product, but rather a federal tax credit. MCCs are certificates issued by HFAs that increase the federal tax benefits of owning a home and helps low- and moderate-income, first-time homebuyers offset a portion of the amount they owe in mortgage interest.

An MCC is not a tax deduction, but rather it provides a dollar-for-dollar tax credit to recipients to increase housing payment affordability. In some cases, MCCs can also help borrowers who might not otherwise qualify for a loan by reducing their net monthly mortgage payment.

MCCs are issued directly to qualifying homebuyers who are then entitled to take a nonrefundable federal tax credit equal to a specified percentage of the interest paid on their mortgage loan each year. These tax credits can be taken at the time the borrowers file their tax returns. Alternatively, borrowers can amend their W-4 tax withholding forms from their employer to reduce the amount of federal income tax withheld from their paychecks in order to receive the benefit on a monthly basis.

The tax credit percentages vary by state, but are generally in the amount of 20 percent to 40 percent of the total mortgage interest. The remaining interest obligation may be deducted (by those who itemize deductions) as a standard home mortgage interest deduction. Regardless of the tax credit percentage issued, the Internal Revenue Service caps the maximum tax credit that may be taken for any given year at $2,000 for each MCC recipient. The MCC tax credit remains in place for the life of the mortgage, so long as the residence remains the borrower's principal residence.

The total MCC tax credit for each year cannot exceed the recipient's total federal income tax liability for that year, after accounting for all other credits and deductions. Credits in excess of the current year tax liability may be carried forward for use in the subsequent three years. Therefore, it is important to consider the potential limitations of the credit for those homebuyers with a minimal tax obligation.

Unlike down payment and closing cost assistance programs, MCC programs generally do not restrict the type of mortgage financing with which they are coupled. In particular, MCCs do not have to be combined with an HFA first-lien mortgage. First mortgages originated in connection with MCCs but not originated under an HFA first-lien mortgage program are retained by the lender (rather than sold to the HFA) and can be held or sold at the discretion of the lender.

[8] Tax Reform Act of 1986, Pub L. 99-514, 100 Stat. 2085, enacted October 22, 1986.

## MCC EXAMPLE

Joe and Sylvia are purchasing their first home. Their annual income is $50,000. The mortgage interest that they will owe in the first year of owning their new home is $10,000.

Without an MCC, Joe and Sylvia would be able to deduct all of the $10,000 in mortgage interest that they paid during year one, assuming their other deductions are high enough that taking the standard deduction is not a better tax strategy. However, if Joe and Sylvia get an MCC for 20 percent of the interest on the mortgage, they will be able to deduct $8,000 of their mortgage interest AND also receive a $2,000 dollar-for-dollar credit.

The tables below show an extremely simplified illustration of Joe and Sylvia's federal tax obligation with and without a mortgage tax credit certificate.[9] It is important to note that if Joe and Silvia do not itemize deductions, they will get no tax benefit from the mortgage without the MCC.

| WITHOUT AN MCC | |
|---|---|
| Annual income | $50,000 |
| Mortgage interest to deduct | $10,000 |
| Taxable income (assume 15% tax rate) | $40,000 |
| Federal income tax | $6,000 |
| **Total Income Tax Owed** | **$6,000** |

| WITH AN MCC | |
|---|---|
| Annual income | $50,000 |
| Mortgage interest to deduct (80% total) | $8,000 |
| Taxable income (assume 15% tax rate) | $42,000 |
| Federal income tax | $6,300 |
| Minus 20% MCC tax credit | ($2,000) |
| Total Income Tax Owed | $4,300 |
| **Net gain from MCC (first year)** | **$1,700** |

In this example, Joe and Sylvia would save $1,700 in federal taxes in the first year they received a mortgage tax credit. This annual credit could also be added to their annual income for the purpose of qualifying for a mortgage by amending their W-4 tax withholding forms, which may boost their chances of loan approval. They would also continue receiving the annual MCC benefit, albeit in a smaller amount as the interest they pay on the mortgage declines, for as long as they keep their mortgage.

[9] This simplified illustration is intended to show how a tax credit can be applied and does not account for individual financial circumstances. For instance, the assumed 15 percent tax rate applied to the taxable income does not account for personal exemptions or other deductions and credits that may apply. It is important to analyze the financial circumstances of each potential tax credit recipient in order to properly advise.

## POTENTIAL BENEFITS

Mortgage Tax Credits increase borrowers' payment affordability.

Mortgage Tax Credits help lenders reach and qualify more low- and moderate-income borrowers.

Mortgage Tax Credits can be coupled with most first mortgage loans.

## POTENTIAL CHALLENGES

The application, benefits, and limitations of the Mortgage Tax Credit Certificate program can be difficult to explain to borrowers.

Borrowers may be subject to recapture tax (although this is a low risk).

State HFA MCC programs are subject to funding availability and may run out when the bond funds allocated to MCCs are expended.

## RECAPTURE TAX

A portion of the MCC benefit is subject to recapture by the Internal Revenue Service if a recipient meets *all three* of the following conditions:

1. the borrower sells the home within nine years of purchase;
2. the borrower earns significantly more income than when he/she bought the home;[10] and
3. the borrower has a gain from the sale of the home.

Only borrowers who meet all three criteria will be subject to recapture. MCC borrowers are not subject to recapture if they sell, give away, or dispose of the home more than nine full years after closing. The maximum amount of recapture, which is payable on the sale of the home, is 6.25 percent of the original principal balance of the loan or 50 percent of the gain on the sale of the home, whichever is less.

Most HFAs report that the majority of their program recipients are not subject to tax recapture. Nevertheless, many HFAs have Reimbursement Recapture Tax programs that will reimburse borrowers for any recapture tax incurred. [11]

### Number of HFAs that Offer MCCs

Of the 53 HFAs found in this Guide, 31 HFAs offer mortgage tax credit certificates.

## BANK ELIGIBILITY AND APPLICATION PROCESS

HFA MCC program approval requirements are generally more streamlined than the process to become an approved first mortgage and down payment assistance approved lender. To use MCC programs, lenders need to be approved by the insuring agency for which they originate loans, i.e., the Federal Housing Administration (FHA), the U.S. Department of Veterans Affairs (VA), the U.S. Department of Agriculture's Rural Housing Services (RHS), Fannie Mae, or Freddie Mac and have an office physically located in the state for which it is approved. Minimum net asset requirements may apply. Generally, lenders will need to sign a participation agreement that outlines the lender's responsibilities and requirements associated with the program, such as submitting documents for approval to the HFA and record-keeping responsibilities. Participation agreements generally outline the documentation and borrower certification requirements associated with the program. In many cases, the HFAs charge an annual fee for lenders to participate in the program.

## BORROWER CRITERIA

**Income and sales price limits:** Income and sales price limits are standard eligibility requirements for all MCC programs. These limits vary by state.

**First-time homebuyers:** MCC programs are limited to first-time homebuyers (borrowers who have not had an ownership interest in a principal residence in three years). The first-time homebuyer requirement is waived for those borrowers purchasing a home in targeted areas as defined by the U.S. Department of Housing and Urban Affairs (HUD) at the census tract level or designated as such by state governments, as well as for active military and veterans.

**Occupancy:** Borrowers must use the home as their principal/primary residence.

**Homeownership counseling:** Many HFA programs require some form of pre-purchase homebuyer education. These requirements vary by state.

## PROGRAM CRITERIA

**First loan purpose combined with MCCs:** MCCs are restricted to use in combination with purchase loans (refinances are not eligible). However, if a borrower currently has an MCC, and decides to refinance into a new mortgage, many programs allow the borrower to apply to receive a new MCC issued against their refinanced mortgage.

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[10] A borrower will not meet this condition for recapture unless they earn the maximum income limit that would have applied to their qualifying household size at the time of purchase, compounded by 5 percent per year from the date of purchase until the home is sold or transferred.

[11] The following HFAs offer a recapture tax reimbursement program: Connecticut, Idaho, Maine, Massachusetts, New York, North Dakota, Ohio, and South Dakota. Check with your state HFA to determine whether they offer a recapture tax reimbursement program.

**First loan type with MCCs:** Most fixed-rate loan types are eligible. Loans must be underwritten according to FHA, VA, RHS, or conventional loan criteria as appropriate and offered at prevailing market rates.

**Combination with other HFA programs:** Some states allow the MCC program to be combined with other HFA programs on the same transaction, such as allowing a borrower to receive an HFA first-lien mortgage loan and down payment assistance and also receive an MCC. Other states limit the degree to which HFA subsidy programs can be combined.

**HFA MCC fees:** HFAs typically charge a one-time MCC fee to the borrower, which is applied at the time of closing. In some programs, this fee is waived or reduced if the MCC is being issued in combination with an HFA first-lien mortgage product. Fees vary by state.

**Lender MCC fees:** Lender MCC fees are generally allowed, but capped at a specific amount. Fee caps vary by state.

**Other lender fees:** The loan origination and other service-related fees may be capped on loans receiving an MCC in some states.

### Potential Benefits

- Mortgage Tax Credits increase borrowers' payment affordability.
- Mortgage Tax Credits help lenders reach and qualify more low- and moderate-income borrowers.
- Mortgage Tax Credits can be coupled with most first mortgage loans.

### Potential Challenges

- The application, benefits, and limitations of the Mortgage Tax Credit Certificate program can be difficult to explain to borrowers.
- Borrowers may be subject to recapture tax (although this is a low risk).
- State HFA MCC programs are subject to funding availability and may run out when the bond funds allocated to MCCs are expended.

**A COMMUNITY BANKER CONVERSATION**

### Using the Mortgage Tax Credit Certificate program

A banker from Kentucky helps her customers take advantage of the Mortgage Tax Credit Certificate (MCC) program offered by the HFA. She said she uses MCCs, which are certificates issued to qualifying homebuyers that increase the federal tax benefits of owning a home. This helps low- and moderate-income, first-time homebuyers offset a portion of the amount they owe in mortgage interest by providing a tax credit that can increase housing payment affordability. In some cases, an MCC may also help borrowers qualify for a higher loan amount by increasing the monthly income that can be used toward qualifying. "The MCC represents an unclaimed pool of resources that even those of us who have been doing this for a long time don't always think about. People think it's a lot of extra work but it's not; it's just a few extra documents."

### RESOURCES

**IRS MCC form**
https://www.irs.gov/pub/irs-pdf/f8396.pdf

**IRS Federal Recapture Tax information**
https://www.irs.gov/instructions/i8828/ch01.html

See individual state HFA descriptions in Appendix A for helpful mortgage tax credit certificate resources related to the housing finance agency in each state.

# Homeownership Education and Counseling

## OVERVIEW

Housing counseling and education classes and one-on-one sessions can offer valuable information and tools to prospective homebuyers. Topics range from how to navigate the mortgage application process and assess and compare mortgage terms to how prospective buyers can best prepare themselves financially for the costs associated with homeownership. Many HFAs are committed to offering their homebuyer program recipients the resource of homeownership counseling to ensure that buyers enter homeownership equipped with the knowledge and resources that will help them succeed.

HFAs play a significant role in the homebuyer education and homeownership counseling efforts within their states. Some develop and offer homebuyer and/or foreclosure prevention directly. More commonly, HFAs provide funding and/or technical assistance to regional education and counseling provider partners. Much of the funding for these counseling programs comes from the U.S. Department of Housing and Urban Development's (HUD's) Housing Counseling Assistance Program, which awards competitive grants to HUD-approved Housing Counseling Agencies and State Housing Finance Agencies.

Homebuyer education or pre-purchase counseling is a requirement of many HFA programs. Most HFAs that require pre-purchase counseling offer online options for those borrowers who are unable to attend an in-person class.

## PRE-PURCHASE HOMEBUYER EDUCATION

Most, but not all, HFAs recommend or require some form of pre-purchase education and/or counseling for potential homebuyers. These classes are delivered in a variety of formats including in-person classes, one-on-one phone sessions, and online courses. Pre-purchase topics vary, but are likely to include assessing a borrower's readiness to purchase, the process of obtaining a mortgage loan, the costs and responsibilities associated with maintaining a home, and basic personal finance issues such as credit and budgeting. Some HFAs have developed their own in-house pre-purchase programs, while others provide sponsorship and training through partner organizations. Some HFAs do not fund homebuyer education, but do require or recommend that program participants utilize existing resources within their communities. Many pre-purchase classes charge a small fee to attend. This fee is waived in some HFA first-lien mortgage and down payment assistance programs.

## ONLINE OPTIONS

While some HFAs have developed their own online pre-purchase course for homebuyers, many HFAs partner with national homebuyer and homeownership educators such as eHome America and/or Framework that provides interactive, personalized online programs, giving borrowers the flexibility to complete the class on their own time at home.

## FORECLOSURE PREVENTION COUNSELING

Many HFAs provide counseling for borrowers having difficulty making their mortgage payment. In some states, this assistance is provided only to existing HFA borrowers. In other states, foreclosure prevention counseling is open to all borrowers within the state who meet income and property guidelines. Some forms of foreclosure prevention counseling focus on explaining the standard loss mitigation options (i.e., repayment plans, loan modifications, short sales) that are available to borrowers. Many programs also provide or will refer

borrowers to financial budgeting or credit counseling resources. Other programs offer direct mediation with the borrower's servicer and work with the borrower to identify steps that might prevent foreclosure.

### Number of HFAs that Require Homeownership Counseling

Of the 53 HFAs found in this Guide, 38 HFA require some form or homeownership counseling to participate in some or all of their programs.

### Potential Benefits

- Homebuyer education can prepare homebuyers for the homebuying process, as well as the responsibilities of homeownership.
- Customers who have attended homebuyer courses may be better prepared and know what to expect during the mortgage application process.

### Potential Challenges

- Many HFA programs require completion of an approved homebuyer education course. If not properly scheduled, this requirement might affect the timing of the loan closing.

## RESOURCES

**HUD Approved Counseling Agencies**
http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm

**eHome America Online Homebuyer and Homeownership Programming**
http://ehomeamerica.org/

**Framework Online Homebuyer Program**
https://hpn.frameworkhomeownership.org/

See individual state HFA descriptions in Appendix A for helpful homeownership education and counseling resources related to the housing finance agency in each state.

## POTENTIAL BENEFITS

Homebuyer education can prepare homebuyers for the home-buying process, as well as the responsibilities of homeownership.

Customers who have attended homebuyer courses may be better prepared and know what to expect during the mortgage application process.

## POTENTIAL CHALLENGES

Many HFA programs require completion of an approved homebuyer education course. If not properly scheduled, this requirement might affect the timing of the loan closing.

# Other Homeownership Products and Programs

## INDIVIDUAL DEVELOPMENT ACCOUNTS

Individual Development Accounts (IDAs) are matched savings accounts that help lower-income individuals and families save for a specific goal such as homeownership, opening a small business, or going to college. Some HFAs offer IDAs that can help borrowers save for the purchase of a home, either directly or through a network of community organizations. Generally, these IDA programs are funded by the U.S. Department of Health and Human Services' Assets for Independence program. This program requires states to match all federal funds on a dollar-for-dollar basis.

Homeownership IDAs provide grant funds to match the savings of a participant over a specific amount of time, up to a specified amount, to be used for down payment and closing costs. The HFA's contribution is generally structured in multiples of the participant's contribution. For example, the HFA might contribute three dollars for every one dollar the borrower saves. Qualifying participants work with assigned counselors to set up a monthly or annual savings deposit schedule and then deposit funds into an IDA-designated savings account over a specific period of time. Borrowers who follow the plan and save the required amount will receive the agreed upon matching grant funds at the time of the loan closing. Borrowers who decide to exit the program may choose to withdraw the money they have contributed to the savings account at any time, but lose the match benefit. Income eligibility requirements for HFA IDA programs may be more restrictive than for standard HFA program requirements. Pre-purchase homebuyer education is typically required.

### Number of HFAs that Offer IDAs

Of the 53 HFAs covered in this Guide, three HFAs offer individual development accounts: Indiana, Michigan, and New York.

### Potential Benefits

- IDAs can help lenders reach lower-income consumers who might have difficulty saving for down payment and closing costs.
- IDA matching funds do not have to be repaid by the borrower.

### Potential Challenges

- IDA programs generally require 12-36 months to complete.
- IDA programs are dependent on availability of both federal and state match funds.

## ALTERNATIVE PRIVATE MORTGAGE INSURANCE OPTIONS

**Direct funded mortgage insurance:** Many HFAs offer lenders with alternatives to the traditional mortgage insurance products required on loans with loan-to-value ratios above 80 percent. Some HFAs offer direct-funded mortgage insurance. HFA direct-funded mortgage insurance programs typically offer reduced mortgage insurance coverage requirements. In some cases, HFAs offer their own captive mortgage insurance product. In other cases, HFAs may purchase a pooled mortgage insurance policy from a mortgage insurance company and offer lenders the ability to utilize the policy in an effort to keep mortgage insurance rates low on their first-lien mortgage products. Some HFA direct-funded mortgage insurance programs come with the additional benefit of providing insurance to help borrowers make their monthly payments in the case of job loss. Coverage is capped at a specific number of months or dollar amount.

**Low and no-mortgage insurance first-lien mortgage products:** As mentioned in the first-lien mortgage section, many HFAs also offer no or low mortgage insurance products. In many cases, these products are Fannie Mae or Freddie Mac products developed specifically for the HFAs to reach low- and moderate-income borrowers that are only available through HFAs.

**Mortgage insurance for a specific purpose:** In a small number of states, HFAs offer mortgage insurance to lenders for specific loan purposes, such as to lend against property on tribal lands.

### Potential Benefits

- Reduced mortgage insurance requirements make payments more affordable for the borrower.
- Some HFA mortgage insurance programs offer additional insurance to cover borrowers in the event of job loss.

## RESOURCES

**General information about IDAs from CFED**
http://cfed.org/programs/idas/

**CFED list of IDA programs in each state**
http://cfed.org/programs/idas/directory_search/

Individual Development Accounts

### POTENTIAL BENEFITS

IDAs can help lenders reach lower-income consumers who might have difficulty saving for down payment and closing costs.

IDA matching funds do not have to be repaid by the borrower.

### POTENTIAL CHALLENGES

IDA programs generally require 12-36 months to complete.

IDA programs are dependent on availability of both federal and state match funds.

Alternative Private Mortgage Insurance Options

### POTENTIAL BENEFITS

Reduced mortgage insurance requirements make payments more affordable for the borrower.

Some HFA mortgage insurance programs offer additional insur ance to cover borrowers in the event of job loss.

## Products and Programs beyond the Scope of this Guide

### RENTAL PROGRAMS

HFAs offer a variety of programs aimed at increasing rental and multifamily development within their states by working with developers that build or rehabilitate rental housing for low- and moderate-income families. Rental programs include below market financing options for developers and/or subsidy funds allocated directly to projects. Housing tax credits allow developers to raise private equity by selling federal tax credits to investors. Some HFAs also provide rental assistance directly to borrowers in the form of vouchers.

### FUNDING SOURCES FOR SUB-RECIPIENTS AND PARTNERS OFFERING HOMEOWNERSHIP PROGRAMMING

Many HFAs provide funding for sub-recipients and partners within their states that deliver programming related to affordable homeownership. In many cases, these programs are funded by federal programs. HFAs act as umbrella organizations for their states and pass down these federal funds to sub-recipients, including local governments and housing-related nonprofit organizations. For example, many HFAs fund regionally based programming for homeownership counseling or down payment and closing cost assistance.

### FORECLOSURE PREVENTION PROGRAMS

In addition to the foreclosure prevention counseling efforts described earlier, some HFAs provide short-term mortgage assistance loans or refinance loans designed to keep borrowers from foreclosure. Some HFAs restrict foreclosure prevention programming to existing HFA borrowers while others are open to all income-eligible homeowners.

### HOME REPAIR AND REHABILITATION FOR EXISTING HOMEOWNERS

Many HFAs offer existing low- and moderate-income homeowners with home improvement loan options. HFAs offer a variety of rehabilitation products aimed at increasing the accessibility of the home for elderly or disabled homeowners, increasing the energy efficiency of the home and/or increasing the safety and/or the life of the home (roof repairs, etc.). Included among products to increase energy efficiency are weatherization programs that provide eligible recipients with free home assessments and weatherization services designed to increase the energy efficiency and thus decrease energy-related housing costs. The eligible purposes and terms and conditions of rehabilitation loans vary by state.

### SMALL BUSINESS PROGRAMS

Some HFAs provide affordable small business loans and favorable financing through federally funded New Markets Tax Credits (NMTC), which are designed to fuel job creation and economic development within their states.

### ADVICE FROM A COMMUNITY BANKER

*"Don't be afraid of the unknown. The information is out there, the support is out there. It also really helps to diversify your customer base, especially for a community bank. If you are not able to offer the wide range of products that are available, you are selling yourself short and potentially pushing your customers out the door and into the arms of another willing bank."*

Visit FDIC's Affordable Mortgage Lending Center at

https://fdic.gov/mortgagelending

# FDIC's Community Affairs Program

The FDIC's Community Affairs Program supports the FDIC's mission to promote stability and public confidence in the nation's financial system by encouraging economic inclusion and community development initiatives that broaden access to safe and affordable credit and deposit services from insured depository institutions, particularly for low- and moderate-income (LMI) consumers and small businesses.

**To accomplish this work, the FDIC:**

- provides information and technical assistance to banks to assist them in responding to the credit and banking needs of the communities they serve, including low- and moderate-income people;
- convenes banks, state and local governments, and community-based organizations to explore resources and promising practices on a variety of topics;
- develops and disseminates financial education tools for all ages to banks, teachers, parents, emerging small businesses, and nonprofit training organizations; and
- supports pilot programs and alliances to expand financial capability and economic inclusion.

For low- and moderate-income consumers and small business owners, access to the mainstream banking system provides an important pathway to economic opportunity. Over time, the establishment of a successful relationship with a depository institution can help manage day-to-day needs and build wealth to achieve future goals.

Broad participation in the mainstream financial system is an essential element in promoting stability and confidence in that system. Banks build trust and confidence through their ongoing work to serve their communities and by offering fair, safe, and affordable services, including for low- and moderate-income people. The FDIC's Community Affairs staff is available to assist financial institutions in developing strategies that are responsive to the credit, service, and investment needs of their communities.

### ECONOMIC INCLUSION

The FDIC Community Affairs Program places a priority on addressing five areas of opportunity for economic inclusion. These are:

1. support quality programs and resources for financial education and capability;
2. promote access to and use of safe, affordable, insured deposit accounts;
3. improve household financial resilience by encouraging safe and affordable savings and credit solutions;
4. encourage insured depository institutions to make available prudently underwritten, affordable, and responsible mortgage credit for LMI households; and
5. encourage insured depository institutions and their partners to prudently serve the financial needs of emerging entrepreneurs and small businesses.

## FDIC REGIONAL AND AREA OFFICES

**Atlanta Regional Office**
10 Tenth Street, N.W. Suite 800
Atlanta, GA 30309-3906
Phone: (678)916-2200 (main switchboard)
Phone: (800) 765-3342 (toll-free)
Email: ATLCommunityAffairs@fdic.gov
States Served: Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, West Virginia

**Chicago Regional Office**
300 South Riverside Plaza, Suite 1700
Chicago, IL 60606-3447
Phone: (312) 382-6000 (main switchboard)
Phone: (800) 944-5343 (toll-free)
Email: CHICommunityAffairs@fdic.gov
States Served: Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin

**Dallas Regional Office**
1601 Bryan Street, 35th Floor
Dallas, TX 75201-4586
Phone: (214) 754-0098 (main switchboard)
Phone: (800) 568-9161 (toll-free)
Email: DALCommunityAffairs@fdic.gov
States Served: Colorado, New Mexico, Oklahoma, Texas, Arkansas, Louisiana, Mississippi, Tennessee

**Dallas Region – Memphis Area Office**
6060 Primacy Parkway, Suite 300
Memphis, TN 38119-5770
Phone: (214) 754-0098 (main switchboard)
Phone: (800) 210-6354 (toll-free)
Email: MEMCommunityAffairs@fdic.gov
States Served: Arkansas, Louisiana, Mississippi, Tennessee

**Kansas City Regional Office**
1100 Walnut St, Suite 2100
Kansas City, MO 64106
Phone: (816) 234-8000 (main switchboard)
Phone: (800) 209-7459 (toll-free)
Email: KSCommunityAffairs@fdic.gov
States Served: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota

**New York Regional Office**
350 Fifth Avenue, Suite 1200
New York, NY 10118-0110
Phone: (917) 320-2500 (main switchboard)
Phone: (800) 334-9593 (toll-free)
Email: NYCommunityAffairs@fdic.gov
States and Territories Served: Delaware, District of Columbia, Maryland, New Jersey, New York, Pennsylvania, Puerto Rico, Virgin Islands, Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont

**New York Region – Boston Area Office**
15 Braintree Hill Office Park
Braintree, MA 02184-8701
Phone: (781) 794-5500 (main switchboard)
Phone: (866) 728-9953 (toll-free)
Email: BOSCommunityAffairs@fdic.gov
States Served: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont

**San Francisco Regional Office**
25 Jessie Street at Ecker Square, Suite 1800
San Francisco, CA 94105-2780
Phone: (415) 546-0160 (main switchboard)
Phone: (800) 756-3558 (toll-free)
Email: SFCommunityAffairs@fdic.gov
States and Territories Served: Alaska, Arizona, California, Guam, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington, Wyoming

# Glossary & Terms

## ACRONYMS

**AMI:** Area median income

**AUS:** Automated underwriting system

**CRA:** Community Reinvestment Act

**DPA:** Down payment assistance

**DTI:** Debt-to-income ratio

**DU:** Desktop Underwriter® (Fannie Mae)

**FDIC:** Federal Deposit Insurance Corporation

**FHA:** Federal Housing Administration

**FHLBanks:** Federal Home Loan Banks

**GSEs:** Government-sponsored enterprises (refers to Fannie Mae and Freddie Mac)

**HFA:** State Housing Finance Agency

**HUD:** U.S. Department of Housing and Urban Development

**IDA:** Individual development account

**LIHTC:** Low income Housing Tax Credit

**LLPA:** Loan-level price adjustment

**LMI:** Low and moderate income

**Low MI:** Low mortgage insurance

**LTV:** Loan to value

**MBS:** Mortgage-backed security

**MCC:** Mortgage tax credit certificate

**MI:** mortgage insurance

**MRB:** Mortgage Revenue Bond

**No MI:** No mortgage insurance

**NMTC:** New Markets Tax Credit

**PAB:** Private Activity Bond

**TPO:** Third-party originator

**USDA:** U.S. Department of Agriculture

**VA:** U.S. Department of Veterans Affairs

## TERMS

**Approved lender:** Lenders that apply for and meet requirements established by the entity (i.e., the Federal Housing Administration, U.S. Department of Housing and Urban Development, the U.S. Department of Veterans Affairs, the U.S. Department of Agriculture, the government-sponsored enterprises, and State Housing Finance Agencies) are granted permission to participate in the entity's programs. Approved activities may include origination, underwriting, purchasing, holding, servicing, or selling mortgages, or offering other mortgage-related subsidy programs. Common eligibility requirements include a net worth threshold, a checklist of financial statements, and a quality control program.

**Approved seller/servicer:** An institution approved to sell mortgages to, and to service mortgages purchased by the entity (i.e., Fannie Mae or Freddie Mac). Common eligibility requirements include a net worth threshold, a checklist of financial statements, and a quality control program.

**Area loan limits:** Entities establish the maximum loan that can be insured, purchased, or guaranteed by the entity or program. Limits are based on median home values at the county level and entities typically update limits annually. For example, the Federal Housing Finance Agency (FHFA) sets "conforming loan limits" for the government-sponsored enterprises, the Federal Housing Administration sets "statutory loan limits" for approved lenders, the U.S. Department of Agriculture has "area loan limits," and the U.S. Department of Veterans Affairs follows FHFA guidelines.

**Automated underwriting system (AUS):** A computer generates a loan underwriting decision based on borrower data and algorithms. Compared to manual underwriting, which can take as long as 60 days, the automated process provides a quick decision and avoids human bias. Entities create systems tailored to their programs; for example, Fannie Mae developed Desktop Underwriter®, and Freddie Mac uses Loan Prospector®.

**Basis points:** A basis point is one hundredth of 1 percent. That is, one basis point equals 0.01 percent or there are 100 basis points in 1 percent. It is a common unit of measure for interest rates.

**Certificate of Eligibility (COE):** Veterans must meet eligibility requirements and obtain a Certificate of Eligibility from the U.S. Department of Veterans Affairs (VA) to be eligible for a VA Home Loan. The certificate verifies to the lender that the borrower is eligible for a VA-backed loan.

**Closing costs:** Fees incurred by the borrower and/or seller for costs associated with the closing transaction. Common fees include appraisal fees, tax service provider fees, title insurance, government taxes, and prepaid expenses such as property taxes and homeowner's insurance. Fees are generally paid up front at closing or the lender may roll them into the mortgage, resulting in higher monthly payments.

**Combined loan to value ratio (CLTV):** A ratio calculated by dividing the sum of (1) the loan amount of the first mortgage, (2) the outstanding principal balance of any home equity loan, and (3) the unpaid principal balance of all other subordinate financing, by the lesser of the sales price or the appraised value of the property. The CLTV ratio is used for a mortgage loan where the borrower has taken out more than one loan for the property.

**Conventional loan:** A mortgage that is not insured or guaranteed by a federal government agency, i.e., the Federal Housing Administration, U.S. Department of Housing and Urban Development, the U.S. Department of Veterans Affairs, the U.S. Department of Agriculture, and the Bureau of Indian Affairs. Conventional loans include both loans that conform to government-sponsored enterprise (GSE) guidelines and those that do not conform. Conventional mortgages delivered to the GSEs are also known as conforming mortgages.

**Cost basis:** For real estate, the cost basis includes the original purchase price and certain other expenses like real estate taxes owed by the seller, settlement fees, and closing costs plus any improvements to the property (but not maintenance costs).

**Direct Endorsement Authority:** Authority granted to Federal Housing Administration (FHA) approved lenders that allow them to underwrite loans and determine their eligibility for FHA mortgage insurance without the prior approval of HUD.

**Discount points:** Prepaid interest that borrowers can pay at loan origination to lower the amount of interest they have to pay in the future. Each discount point costs 1 percent of total loan amount and lowers the interest rate by ⅛ to ¼ percentage point. Lenders benefit by receiving cash up front instead of waiting for it in future interest payments.

**Down payment:** A payment made in cash at the onset of the purchase of an expensive asset. Homebuyers typically pay down payments that equal 5-25 percent of the total value of a home although some federal and GSE programs allow lower down payments.

**Escrow:** In general, escrow is money held by an impartial third party that disburses the funds after specified conditions are met. The lender establishes the account to pay for property-related expenses like property taxes and homeowner's insurance on behalf of the borrower, and the borrower pays in monthly installments. Certain federal programs require lenders to maintain escrow accounts.

**FHA loan correspondent:** A financial institution approved by the Federal Housing Administration (FHA) to originate and submit applications for guaranteed mortgages; the institution may not hold, purchase, or service guaranteed mortgages. A loan correspondent may be either a supervised or a non-supervised institution. A loan correspondent that is also a supervised institution may service guaranteed mortgages in its own portfolio. Non-supervised loan correspondents, or mortgage brokers, are non-depository financial entities that have as their principal activity the origination of FHA-insured mortgages for sale or transfer to one or more sponsors that underwrite the mortgages.

**FICO score:** A type of credit score that lenders use to assess a borrower's credit risk. FICO stands for Fair Isaac Corporation, the company that created the FICO score. Scores are calculated using borrower credit reports and range from 300 to 850. A lower score indicates the borrower has poorer credit, and a higher score indicates the borrower has stronger credit.

**First mortgage:** A mortgage in the first-lien position that has priority over all other liens or claims in the event of default.

**Fixed-rate mortgage:** The interest rate is defined when the borrower takes out the mortgage and does not change over the loan term.

**Funding fee:** Generally, veterans using a U.S. Department of Veterans Affairs (VA)-backed loan must pay a funding fee. It is a percentage of the loan amount that varies based on the type of loan, military category, first-time loan user status, and existence of a down payment. VA funding fees may be financed with the mortgage or paid in cash at closing. Veterans with a service-connected disability are exempt from the funding fee.

**Ginnie Mae:** Short for the Government National Mortgage Association. Ginnie Mae guarantees timely payments on mortgage-backed securities (MBS) backed by federally-insured loans including those insured by the U.S. Department of Veterans Affairs, Federal Housing Administration, U.S. Department of Agriculture Rural Development, and the U.S. Department of Housing and Urban Development Office of Public and Indian Housing. Ginnie Mae securities are the only MBS guaranteed by the federal government.

**Guarantee fee:** Fee charged to compensate secondary market purchasers for providing a guarantee on a mortgage-backed security. Guarantee fees are structured as a percentage of the total loan amount.

**Housing authorities:** A legal entity authorized by a state to provide housing strategies for its communities, including management of public housing. Housing authorities are required to follow federal regulations and receive subsidies from the U.S. Department of Housing and Urban Development. There are over 3,200 housing authorities across the country.

**Individual Development Account (IDA):** Grant funds provided to match a participant's savings contribution designed to help lower-income individuals and families save for a specific goal, such as homeownership, opening a small business, or going to college. Eligible participants contribute their own savings funds to an IDA account that is then matched by the sponsoring organization at an agreed upon ratio (i.e., 1:3) over a specific amount of time, up to a specified amount. Funds from homeownership IDAs are generally used for down payment and closing cost assistance.

**Investing lender:** A financial institution, including a charitable or nonprofit organization or pension fund, that is approved by the Federal Housing Administration (FHA) to service, purchase, hold, or sell FHA-insured mortgages. This mortgagee type cannot originate or fund FHA loans.

**Lien:** A claim or charge against property or funds for payment of a debt or an amount owed for services rendered. In real estate, a mortgage is regarded as a lien. If not repaid, the debt can be recovered by foreclosure and sale of the real estate.

**LIBOR:** Short for London Interbank Offered Rate. A benchmark interest rate that banks use to charge each other for short-term loans. Based on five currencies—the U.S. dollar, Euro, pound sterling, Japanese yen, and Swiss franc—it serves seven different maturities: overnight, one week, and 1, 2, 3, 6, and 12 months.

**Loan-level price adjustment (LLPA):** Risk-based pricing adjustments that vary based on credit score, loan-to-value ratio, type of product, and various other factors, charged at the time of origination. Fannie Mae and Freddie Mac charge both annual guarantee fees and upfront LLPAs. Most lenders convert LLPAs into the interest rate on the mortgage, which the borrower pays over time. (See also Guarantee fee.)

**Loan limit:** The maximum allowable mortgage amount under a particular program established by the federal agency or government-sponsored enterprise (GSE), generally according to statutory parameters. For example, the Federal Housing Finance Agency (FHFA) sets "conforming loan limits" for the GSEs, the Federal Housing Administration sets "statutory loan limits" for approved lenders, the U.S. Department of Agriculture has "area loan limits," and the U.S. Department of Veterans Affairs (VA) follows FHFA guidelines.

**Loan-to-value (LTV) ratio:** A ratio that compares the amount of the first mortgage with the appraised value of the property. It is calculated by dividing the loan amount by the value of the property. The higher the down payment, the lower the LTV.

**Low- and moderate-income (LMI) communities:** Low-income geographies have a median family income less than 50 percent of the area median income. Moderate-income geographies are those whose median family income is at least 50 percent but less than 80 percent of the area median income. Banks regulated under the Community Reinvestment Act are evaluated on how well they meet the credit needs of low- and moderate-income communities.

**Manual underwriting:** Instead of using an automated system, a loan officer evaluates a borrower's risk by calculating the various ratios and analyzing other factors. It generally takes longer to process a loan application using manual underwriting, but there is the opportunity for greater flexibility in evaluating the borrower's creditworthiness.

**Manufactured home:** A structure that is transportable in one or more sections. In traveling mode, it must be 8 feet or more wide, or 40 feet or more long. When the structure is erected on site it must be 320 or more square feet, built on a permanent chassis, and designed to be used as a dwelling (with or without a permanent foundation) when the required utilities are connected. Required utilities include plumbing, heating, air conditioning, and electrical systems contained in the structure. Structures cannot be self-propelled recreational vehicles. The manufactured home must be built in compliance with Federal Manufactured Home Construction and Safety Standards per U.S. Department of Housing and Urban Development (HUD) regulations. Proof of compliance is evidenced by a HUD Data Plate affixed visibly and permanently to the home.

**Mortgage insurance:** An insurance policy paid for by the borrower with the lender as beneficiary, in which a third party – the insurer – takes some of the loan-default risk. In the event of foreclosure, the insurer pays a set amount to the lender to cover some or all of the outstanding loan balance. Mortgage insurance should be distinguished from hazard insurance, which a homeowner purchases to cover losses from, for example, fire or theft.

**Mortgage tax credit certificate (MCC):** Certificates issued to qualifying homebuyers that increase the federal tax benefits of owning a home and help low- and moderate- income, first-time homebuyers offset a portion of the amount they owe in mortgage interest by providing a tax credit to recipients to increase housing payment affordability.

**Principal, interest, taxes, and insurance (PITI):** The four components of a monthly mortgage expense. Principal is the part of the mortgage payment that goes to paying down the balance of the loan, interest is charged by the lender for the privilege of borrowing the money, taxes are to pay property taxes, and insurance includes property insurance and private mortgage insurance (mortgage insurance).

**Private mortgage insurance (PMI):** An insurance policy that protects lenders against loss if a borrower defaults on a conventional loan. PMI is required for government-sponsored enterprise loans with loan-to-value ratios over 80 percent. Purchasing PMI allows the borrower to make a smaller down payment.

**Representations and warranties:** Assertions that the seller makes in a purchase and sales agreement about the nature of the loan and which in turn form the basis for due diligence. If lenders are found to violate representations and warranties, secondary market entities may force the lender to repurchase the loan or may refuse insurance or guarantee claims. This is a tool for ensuring loan originators comply with the credit terms required by the secondary market entities.

**Secondary mortgage market:** Market in which previously issued mortgages and mortgage-backed securities are traded among lenders and investors.

**Subordinate lien:** A lien other than the first mortgage that will be satisfied in the event of default only after liens that are more senior are paid off. The most common type of subordinate lien is a second mortgage.

**Underserved areas:** Federal agencies designate defined geographic regions (often specific census tracts) as "underserved" based on median income and minority population levels for purposes of directing federal funds to improve the community or for other purposes, including the assessment of how well Community Reinvestment Act (CRA) regulated lenders are meeting their CRA obligations.

# Appendix A: State Summaries of HFA Products and Resources

# Alabama Housing Finance Corporation

http://www.ahfa.com/home.aspx

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|---|---|
| **First-Lien Mortgage Loans:** | Step Up |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | Step Up Down Payment Assistance (loan) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Alabama Housing Finance Corporation provides a list of approved agencies across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Alabama First Mortgage Programs (including down payment and closing cost assistance)**
http://www.ahfa.com/homebuyers/step_up.aspx

**Alabama Mortgage Tax Credit Certificate**
http://www.ahfa.com/homebuyers/mortgage_credit_certificates.aspx

**Alabama Participating Lenders List**
http://www.ahfa.com/homebuyers/step_up/lenders.aspx?type=StepUp

**Alabama Income Limits and Sales Price**
http://www.ahfa.com/homebuyers/am_i_eligible.aspx

**Alabama Resources for Lenders**
http://www.ahfa.com/lenders.aspx

**Alabama Interest Rates (bottom right corner of home page)**
http://www.ahfa.com/home.aspx

**Alabama Approved Homebuyer Education**
http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm?webListAction=search&searchstate=AL

# Alaska Housing Finance Corporation

https://www.ahfc.us/

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|---|---|
| **First-Lien Mortgage Loans:** | • First-Time Homebuyer Programs<br>• Manufactured Home Program<br>• Nonconforming Program<br>• Refinance<br>• Rural Programs<br>• Second Mortgage Programs<br>• Taxable Program<br>• Veterans Programs |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance, rehabilitation, manufactured housing, rural properties |
| **Down Payment/ Closing Cost Assistance:** | Closing Cost Assistance Program (loan, can be used with non-Alaska Housing Finance Corporation loans) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, active military or veterans |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Offers *HomeChoice*, an eight-hour, in-person course or online. Not required, but participants save money on Alaska Housing Finance Corporation closing costs. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Alaska Down Payment and Closing Cost Assistance**
https://www.ahfc.us/buy/resources/down-payment-assistance/

**Alaska First Mortgage Programs**
https://www.ahfc.us/buy/loan-programs/

**Alaska Participating Lenders List**
https://www.ahfc.us/buy/resources/approved-lenders/

**Alaska Income Limits**
https://www.ahfc.us/pros/references/income-limits/

**Alaska Resources for Lenders**
https://www.ahfc.us/index.php?cID=416

**Alaska Interest Rates**
https://www.ahfc.us/buy/resources/current-rates/

**Alaska Approved Homebuyer Education**
https://www.ahfc.us/classes/

# Arizona Housing Finance Authority

https://housing.az.gov/finance-authority

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|---|---|
| **First-Lien Mortgage Loans:** | HOME Plus Home Loan Program (limited geographic coverage) |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | HOME Plus Home Loan Program (grant, only available in combination with Arizona Housing Finance Authority first mortgage product) |
| **Targeted Populations/ Special Programs:** | Available to all Arizona residents who meet income and purchase price limits. Qualified U.S. military personnel receive additional 1 percent down payment assistance |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required for HOME Plus. Arizona Housing Finance Authority does not provide, but online programs provided by mortgage insurers or HUD-approved homebuyer educators are acceptable. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Arizona HOME Plus Program Information**
https://housing.az.gov/finance-authority/home-plus

**Arizona HOME Plus Home Loan Program New Lender Participation Packet**
https://housing.az.gov/sites/default/files/documents/files/AFA-TBA-New-Lender-Mortgage-Origination-Agreement-v.10.5.16.pdf

**Arizona HOME Plus Home Loan Program Guidelines**
https://housing.az.gov/sites/default/files/documents/files/ADOH_HomePlusProgramGuidelines_8.22.2016v.pdf

**Arizona HOME Plus Participating Lender List**
https://housing.az.gov/sites/default/files/documents/files/HOME-Plus-P2P-Particpating-Lenders.10.10.2016.pdf

# Arkansas Development Finance Authority

http://www.arkansas.gov/adfa/

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| **First-Lien Mortgage Loans:** | • Home to Own (Mortgage Revenue Bond Program)<br>• Home to Own (Mortgage-Backed Security Program) |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | • Down Payment Assistance (10-year loan)<br>• Arkansas Dream Down Payment Initiative (no payment, soft second, forgivable) |
| **Targeted Populations/ Special Programs:** | None |
| **Mortgage Tax Credit Certificate:** | Available |
| **Homeownership Education/Counseling:** | Arkansas Development Finance Authority does not provide, but it provides a list of counselors. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Arkansas Down Payment Assistance Program**
http://adfa.arkansas.gov/downpayment-assistance-dpa

**Arkansas Home to Own programs**
http://adfa.arkansas.gov/hometoown-mortgage-revenue-bond-program

**Arkansas Mortgage Tax Credit Certificate Program**
http://adfa.arkansas.gov/mortgage-credit-certificate-program

**Arkansas Income Limits**
http://adfa.arkansas.gov/income-and-purchase-price-limits

**Arkansas Lender materials**
http://adfa.publishpath.com/american-dream-downpayment-initiative

**Arkansas Approved Homebuyer Education**
http://adfa.arkansas.gov/Websites/adfa/images/Single_Family/Approved_HB_Counselor_list_02122016.pdf

# California Housing Finance Agency

http://www.calhfa.ca.gov/

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|---|---|
| **First-Lien Mortgage Loans:** | • CalPLUS Conventional Loan Program<br>• CalHFA Conventional Loan Program<br>• CalPLUS FHA Loan Program<br>• CalHFA FHA Loan Program<br>• Cal-EEM + Grant Program |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | • MyHome Assistance Program (loan, must be combined with CalHFA first mortgage product)<br>• Extra Credit Teacher Home Purchase Program (loan, must be combined with CalHFA first mortgage product) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, teachers |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required; *eHome America Education* (online program); or California Housing Finance Agency provides a list of approved in-person counselors. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**California MyHome Assistance Program**
http://www.calhfa.ca.gov/homebuyer/programs/myhome.htm

**California Extra Credit Teacher Program**
http://www.calhfa.ca.gov/homebuyer/programs/ectp.htm

**California First Mortgage Programs**
http://www.calhfa.ca.gov/homebuyer/programs/index.htm

**California Mortgage Tax Credit Certificate Program**
http://www.calhfa.ca.gov/homebuyer/programs/mcc.htm

**California Income and Sales Price Limits** (no approved lenders list – just loan officers)
http://www.calhfa.ca.gov/homeownership/limits/index.htm

**California *eHome America Education*** (online homebuyer education)
http://ehomeamerica.org/calhfa

**California Interest Rates**
http://www.calhfa.ca.gov/apps/rates/

**California Lender Training**
http://www.calhfa.ca.gov/homeownership/training-outreach.htm

# Colorado Housing and Finance Authority

http://www.chfainfo.com

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|---|---|
| **First-Lien Mortgage Loans:** | • CHFA Advantage<br>• CHFA Preferred<br>• CHFA Smartstep<br>• CHFA Homeopener<br>• CHFA Homeaccess |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance |
| **Down Payment/ Closing Cost Assistance:** | • Down Payment Assistance Grant (grant, must be combined with Colorado Housing and Finance Authority first mortgage product)<br>• Borrower Premium Program (loan, must be combined with Colorado Housing and Finance Authority first mortgage product) |
| **Targeted Populations/ Special Programs:** | Persons with a permanent disability, Section 8 recipients |
| **Mortgage Tax Credit Certificate:** | Available |
| **Homeownership Education/Counseling:** | Required; Colorado Housing and Finance Authority sponsors in-person and online classes across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**CO Down Payment Assistance Grant**
http://www.chfainfo.com/homeownership/down-payment-assistance

**CO Borrower Premium Program** (closing cost assistance)
http://www.chfainfo.com/homeownership/closing-cost-assistance

**CO First Mortgage Programs**
http://www.chfainfo.com/homeownership/loan-programs

**CO Mortgage Tax Credit Certificate Program**
http://www.chfainfo.com/homeownership/chfa-mcc

**CO First Mortgage Program Income Limits**
http://www.chfainfo.com/participating-lenders/single-family/forms/CHFA_Income_Limits.pdf

**CO MCC Program Income and Sales Price Limits**
http://www.chfainfo.com/homeownership/pages/mcc-ippl.aspx

**CO Participating Lender List**
http://www.chfainfo.com/homeownership/Pages/find-lender.aspx

**CO Lender Resources**
http://www.chfainfo.com/participating-lenders/single-family/Pages/default.aspx

**CO Approved Homebuyer Education**
http://www.chfainfo.com/homeownership/Homebuyer-Education

# Connecticut Housing Finance Authority

http://www.chfa.org/default.aspx

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|---|---|
| **First-Lien Mortgage Loans:** | • Homebuyer Mortgage Program<br>• Military Homeownership Mortgage Program<br>• Police Homeownership Mortgage Program<br>• Teachers Mortgage Assistance Program<br>• Homeowner's Equity Recovery Opportunity Loan Program<br>• HFA Preferred Loan Program<br>• FHA 203(k) Full and 203(K) Limited Rehabilitation Mortgage Loan Programs<br>• Home of Your Own Mortgage Program<br>• Mobile/Manufactured Home Mortgage Program<br>• Veterans Homeownership Pilot Program |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance, rehabilitation, manufactured housing |
| **Down Payment/ Closing Cost Assistance:** | • Down Payment Assistance Program (loan, must be combined with Connecticut Housing Finance Authority first mortgage product)<br>• Smart Move Second Mortgage Program (loan, must be combined with Connecticut Housing Finance Authority first mortgage product) |
| **Targeted Populations/ Special Programs:** | First-time homebuyer, active military or veterans, police, teachers, Section 8 recipients |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required; Connecticut Housing Finance Authority sponsors in-person and online classes across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Connecticut Homebuyer Mortgage Programs**
http://www.chfa.org/Homeownership/for%20Homebuyers/Homebuyer%20Mortgage%20Programs/default.aspx

**Connecticut Income Limits**
http://www.chfa.org/Homeownership/for%20Homebuyers/Tools%20Calculators%20and%20Look-ups/IncomeLimits.aspx

**Connecticut Sales Price Limits**
http://www.chfa.org/Homeownership/for%20Homebuyers/Tools%20Calculators%20and%20Look-ups/SalesPriceLimits.aspx

**Connecticut Participating Lender List**
http://www.chfa.org/Homeownership/for%20Homebuyers/Tools%20Calculators%20and%20Look-ups/ParticipatingLenders.aspx

**Connecticut Approved Homebuyer Education**
http://www.chfa.org/Homeownership/for%20Homebuyers/Homebuyer%20Education/default.aspx

# Delaware State Housing Authority

http://destatehousing.com/

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|---|---|
| **First-Lien Mortgage Loans:** | Homeownership Loan Program |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | • Second Mortgage Assistance Loan (loan, must be combined with Delaware State Housing Authority first mortgage product)<br>• Advantage 4 (grant) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, members of Delaware Talent Cooperative (educators) |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required; Delaware State Housing Authority provides a list of approved housing counseling agencies across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Delaware Second Mortgage Assistance Loan**
http://destatehousing.com/HomeOwnership/hb_smal.php

**Delaware Advantage 4**
http://destatehousing.com/HomeOwnership/hb_advantage3.php

**Delaware Homeownership Loan Program**
http://destatehousing.com/HomeOwnership/hb_sfmrb.php

**Delaware Talent Cooperative Homeownership Incentive**
http://destatehousing.com/HomeOwnership/hb_dtchi.php

**Delaware Mortgage Tax Credit Certificate**
http://destatehousing.com/HomeOwnership/hb_fthb.php

**Delaware Income and Sales Price Limits**
http://destatehousing.com/HomeOwnership/hb_sfmrb.php

**Delaware Participating Lender List**
http://destatehousing.com/HomeOwnership/hb_sfmrb.php#lenders

**Delaware Information for Prospective Lenders**
http://destatehousing.com/Lenders/le_proslender.php

**Delaware Approved Homebuyer Education**
http://www.destatehousing.com/FormsAndInformation/Publications/housing_counseling_agency_list.pdf

# District of Columbia Housing Finance Agency

http://www.dchfa.org/

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|---|---|---|
| **First-Lien Mortgage Loans:** | **DC Open Door Products**<br>• FHA<br>• FHA Plus<br>• FHA 203K Streamline | • HFA Preferred without down payment/ closing cost assistance<br>• HFA Preferred with down payment/ closing cost assistance |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, rehabilitation | |
| **Down Payment/ Closing Cost Assistance:** | DC Open Doors Down Payment Assistance Loan (zero percent, deferred payment, forgivable loan) | |
| **Targeted Populations/ Special Programs:** | None | |
| **Mortgage Tax Credit Certificate:** | Not offered | |
| **Homeownership Education/Counseling:** | Required for some District of Columbia Housing Finance Agency programs; refers to HUD approved counseling agency. | |
| **Individual Development Accounts:** | Not offered | |

## HELPFUL WEB LINKS

**DC Down Payment and Closing Cost Assistance**
http://www.dchfa.org/DCHFAHome/Homebuyers/DownPaymentAssistance/tabid/276/Default.aspx

**DC First Mortgage Programs**
http://www.dchfa.org/Portals/0/Documents/Homebuyers/DC-Open-Doors-Product-Highlights-for-Lenders-June-2015.pdf

**DC Participating Lenders List**
http://www.dchfa.org/DCHFAHome/Homebuyers/ParticipatingLenders/tabid/277/Default.aspx

**DC Income Limits**
http://www.dchfa.org/Portals/0/Documents/Homebuyers/DC-Open-Doors-Product-Highlights-for-Lenders-June-2015.pdf

**DC Resources for Lenders**
http://www.dchfa.org/DCHFAHome/Homebuyers/ParticipatingLenders/ForParticipatingLendersOnly/tabid/278/Default.aspx

**DC Interest Rates** (box in left bottom corner)
http://www.dchfa.org/DCHFAHome/Homebuyers/tabid/57/Default.aspx

**DC Approved Homebuyer Education**
http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm?webListAction=search&searchstate=DC

# Florida Housing Finance Corporation

http://apps.floridahousing.org/StandAlone/FHFC_ECM/AppPage_HomePage.aspx

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|---|---|
| **First-Lien Mortgage Loans:** | • Florida First<br>• Florida Military Heroes<br>• FL FHA Preferred Conventional Loan Program<br>• FL HFA Preferred PLUS Conventional Loan Program |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | The Florida Assist (deferred payment, soft second, not forgivable, must be used in combination with a Florida Housing Finance Corporation first mortgage) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, active military or veterans |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required; HUD-approved online and in-person education permitted. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Florida First Time Homebuyer Wizard** (Provides county-specific homebuyer down payment and first mortgage program information including income and purchase price limits and participating lenders)
http://apps.floridahousing.org/StandAlone/FTHBWizard/FTHBWizardForm2.aspx

**Florida Mortgage Tax Credit Certificate Program**
https://apps.floridahousing.org/StandAlone/MCCReservations/MCCInfo.htm

# Georgia Department of Community Affairs

https://www.dca.ga.gov/index.asp

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|---|---|
| **First-Lien Mortgage Loans:** | Georgia Dream Homeownership Program |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | • Georgia Dream Down Payment Assistance (deferred payment loan, must be used in combination with a Georgia Dream first mortgage)<br>• Down Payment Assistance for Protectors, Educators and Health Care Workers – PEN (deferred payment loan, must be used in combination with a Georgia Dream first mortgage)<br>• Down Payment Assistance for Families with members who are disabled – CHOICE (deferred payment loan, must be used in combination with a Georgia Dream first mortgage) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, public protection, health care, education employees, members of the military, and persons with a disability |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required; *eHome America Education* (online program); or Georgia Department of Community Affairs provides a list of approved in-person counselors. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Georgia First Mortgage and Down Payment Assistance Programs**
https://www.dca.ga.gov/GeorgiaDream/gadream.asp

**Georgia Dream Program Brochure** (includes income and sales price limits)
https://www.dca.ga.gov/housing/homeownership/programs/downloads/GADreamBrochure.pdf

**Georgia Interest Rates**
https://www.dca.ga.gov/housing/homeownership/programs/downloads/rates/DCARateSheet.pdf

**Georgia Participating Lender List**
https://www.dca.ga.gov/GeorgiaDream/mapsearch.asp

**Georgia Approved Homebuyer Education**
https://www.dca.ga.gov/GeorgiaDream/housingCounselors.asp

# Hawaii Housing Finance and Development Corporation

http://dbedt.hawaii.gov/hhfdc/

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|---|---|
| First-Lien Mortgage Loans: | Not offered |
| Special Mortgage Purpose Programs Eligible Uses: | Not applicable |
| Down Payment/ Closing Cost Assistance: | Not offered |
| Targeted Populations/ Special Programs: | Not applicable |
| Mortgage Tax Credit Certificate: | Offered |
| Homeownership Education/Counseling: | Not applicable |
| Individual Development Accounts: | Not offered |

## HELPFUL WEB LINKS

**Hawaii Mortgage Tax Credit Certificate Q&A** (includes income and sales price limits)
http://dbedt.hawaii.gov/hhfdc/files/2015/07/MCC-07-22-15L.pdf

# Idaho Housing and Finance Association

http://www.idahohousing.com

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|---|---|
| **First-Lien Mortgage Loans:** | Idaho Housing Loan |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance, rehabilitation |
| **Down Payment/ Closing Cost Assistance:** | • Good Credit Rewards Loan (loan)<br>• HOME Down Payment and Closing Cost Assistance (loan) |
| **Targeted Populations/ Special Programs:** | Homebuyers with a credit score of 700+ |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required; Idaho Housing and Finance Association *Finally Home!* program provides in-person and online classes across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Idaho Affordable Home Loan Brochure** (information on loan program, down payment and closing cost assistance, MCCs)
http://www.idahohousing.com/Portals/0/Media/pdfs/brochures/5-Step%20English-04-15.pdf

**Idaho First Mortgage Program**
http://www.idahohousing.com/home-loans/mortgage-financing/loans.aspx

**Idaho Participating Lenders List**
http://www.idahohousing.com/home-loans/mortgage-financing/participating-lenders-brokers.aspx

**Idaho Resources for Lenders**
http://www.idahohousing.com/home-loans/lenders-brokers/resources.aspx

**Idaho Interest Rates**
http://www.idahohousing.com/home-loans/lenders-brokers/loans/rate-sheet.aspx

**Idaho Approved Homebuyer Education**
http://www.idahohousing.com/home-loans/mortgage-financing/homebuyer-education/finally-home-homebuyer-education.aspx

**Idaho Lender Training**
http://www.idahohousing.com/home-loans/lenders-brokers/training.aspx

# Illinois Housing Development Authority

http://www.ihda.org

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|---|---|
| **First-Lien Mortgage Loans:** | • 1st Homelllinois<br>• @Homelllinois First Time Buyer<br>• @Homelllinois Repeat Buyer<br>• @Homelllinois Refinance |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance |
| **Down Payment/ Closing Cost Assistance:** | Homelllinois Down Payment and Closing Cost Assistance (loan, only available in combination with Illinois Housing Development Authority first mortgage products) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, active military or veterans |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required; HUD-approved online and in-person education permitted. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Illinois 1st Homelllinois information for Lenders and Realtors®**
http://www.ihda.org/my-home/buying-a-house/getting-an-ihda-loan/

**Illinois Resources for Lenders**
http://www.ihda.org/lenders-realtors/becoming-an-ihda-lender/

**Illinois Lending Programs**
http://www.ihda.org/lenders-realtors/lending-programs/

**Illinois Lender Training**
http://www.ihda.org/lenders-realtors/training/

**Illinois Homeownership Resource Center**
http://www.ihda.org/lenders-realtors/common-forms-3/

**Illinois Participating Lenders List**
http://www.ihda.org/my-home/buying-a-house/find-a-lender/

**Illinois Approved Homebuyer Education** (scroll to bottom of page)
http://www.ihda.org/my-home/buying-a-house/getting-an-ihda-loan/

# Indiana Housing and Community Development Authority

http://www.in.gov/ihcda

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| **First-Lien Mortgage Loans:** | • Affordable Home<br>• My Home Conventional<br>• Next Home<br>• Next Home with MCC (Mortgage Tax Credit Certificate) Combo |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | Next Home Down Payment Assistance (forgivable loan, must be used in combination with Next Home first mortgage) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required; *Framework* online course. |
| **Individual Development Accounts:** | Offered |

## HELPFUL WEB LINKS

**Indiana Homeownership Programs** (including down payment and closing costs assistance and MCC)
http://www.in.gov/ihcda/2421.htm

**Indiana Income and Sales Price Limits**
http://www.in.gov/ihcda/homeownership/2353.htm

**Indiana Participating Lender List**
https://ihcdaonline.com/AuthorityOnline/participatinglenders/participatinglenders.aspx

**Indiana Approved Homebuyer Education**
http://www.in.gov/ihcda/homeownership/2362.htm

**Lender Information**
http://www.in.gov/ihcda/homeownership/2354.htm

**Mortgage Credit Certificate Program Guide**
http://www.in.gov/ihcda/homeownership/files/2016_MCC_Program_Guide_June_2016.pdf

# Iowa Finance Authority

http://www.iowafinanceauthority.gov/

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| **First-Lien Mortgage Loans:** | • First Home<br>• Homes for Iowans<br>• HFA Preferred Risk Sharing (no mortgage insurance option) |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | • First Home Plus (grant, must be combined with First Home first mortgage)<br>• Homes for Iowans Plus (grant, must be combined with Homes for Iowans first mortgage)<br>• Military Homeownership Assistance Program (grant, can be used with non-Iowa Finance Authority loans if economically advantageous to borrower) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, active military or veterans |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required on conventional first loan products only; online or HUD-approved in-person education permitted. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Iowa Homeownership Programs** (including down payment and closing cost assistance and MCC)
http://www.iowafinanceauthority.gov/Programs/AffordableHomeownership

**Iowa Income and Sales Price Limits**
http://www.iowafinanceauthority.gov/Programs/AffordableHomeownership

**Iowa Participating Lender List**
http://www.iowafinanceauthority.gov/Home/sfcontactlisting

**Iowa Resources for Lenders**
http://www.iowafinanceauthority.gov/WhoYouAre/Lender

# Kansas Housing Resources Corporation

http://www.kshousingcorp.org

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| First-Lien Mortgage Loans: | Not offered |
| Special Mortgage Purpose Programs Eligible Uses: | Not applicable |
| Down Payment/ Closing Cost Assistance: | First Time Homebuyer Program (forgivable loan) |
| Targeted Populations/ Special Programs: | First-time homebuyer |
| Mortgage Tax Credit Certificate: | Not offered |
| Homeownership Education/Counseling: | Not required; offers links to third-party organizations. |
| Individual Development Accounts: | Not offered |

## HELPFUL WEB LINKS

**Kansas First Time Homebuyer Down Payment Assistance Program**
http://www.kshousingcorp.org/homebuyer-assistance.aspx

**Kansas Income Limits**
http://www.kshousingcorp.org/SharedFiles/Download.aspx?pageid=95&mid=480&fileid=2062

**Kansas Participating Lender List** (scroll to bottom of page)
http://www.kshousingcorp.org/homebuyer-assistance.aspx

**Kansas Lender Resources**
http://www.kshousingcorp.org/lenders.aspx

**Kansas Homebuyer Education**
http://www.kshousingcorp.org/homebuyer-education.aspx

# Kentucky Housing Corporation

http://www.kyhousing.org/

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| **First-Lien Mortgage Loans:** | **Secondary Market Funding Source**<br>• Conventional No Mortgage Insurance Program<br>• Conventional with Mortgage Insurance Program<br>• Federal Housing Administration loans<br>• U.S. Department of Veterans Affairs loan guarantees<br>• U.S. Department of Agriculture's Rural Housing Services loans | **Mortgage Revenue Bond Funding Source**<br>• Conventional No Mortgage Insurance Program<br>• Conventional with Mortgage Insurance Program<br>• Federal Housing Administration loans<br>• U.S. Department of Veterans Affairs<br>• Loan guarantees<br>• U.S. Department of Agriculture's Rural Housing Services loans |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance | |
| **Down Payment/ Closing Cost Assistance:** | • Regular Down Payment Assistance (loan, must be combined with Kentucky Housing Corporation first mortgage)<br>• Affordable Down Payment Assistance (loan) | |
| **Targeted Populations/ Special Programs:** | First-time homebuyers | |
| **Mortgage Tax Credit Certificate:** | Offered | |
| **Homeownership Education/Counseling:** | Not required; Kentucky Housing Corporation provides a list of agencies across the state. | |
| **Individual Development Accounts:** | Not offered | |

## HELPFUL WEB LINKS

**Kentucky Down Payment Assistance Programs**
http://www.kyhousing.org/Home-Buyers/Pages/Down-Payment-Closing-Cost-Assistance.aspx

**Kentucky First Mortgage Programs**
http://www.kyhousing.org/Home-Buyers/Pages/Loan-Programs.aspx

**Kentucky Mortgage Tax Credit Certificate**
http://www.kyhousing.org/Home-Buyers/Pages/Home-Buyer-Tax-Credit.aspx

**Kentucky Income and Sales Price Limits**
https://wapps.kyhousing.org/KHC_Webforms/countyinformation.aspx

**Kentucky Participating Lender List**
https://wapps.kyhousing.org/KHC_Webforms/countyinformation.aspx

**Kentucky Lender Resources**
http://www.kyhousing.org/Lenders/Pages/default.aspx

**Kentucky Homebuyer Education**
http://www.kyhousing.org/Home-Buyers/Pages/Housing-Counseling-and-Education.aspx

# Louisiana Housing Corporation

http://www.lhc.la.gov

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| **First-Lien Mortgage Loans:** | • Market Rate Ginnie Mae Program<br>• LHC Preferred Conventional Program |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | Down Payment Assistance (3 percent grant, must be combined with Louisiana Housing Corporation first mortgage product) |
| **Targeted Populations/ Special Programs:** | Active military or veterans |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Not required; Louisiana Housing Corporation sponsors in-person classes across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Louisiana First Mortgage Programs** (including down payment assistance options)
http://www.chfa.org/Homeownership/for%20Homebuyers/Homebuyer%20Mortgage%20Programs/default.aspx

**Louisiana Market Rate Ginnie Mae Participating Lender List**
http://www.lhc.la.gov/assets/Programs/single_family_programs/MarketRateLenders1223.pdf

**Louisiana Preferred Conventional Program Lender List**
http://www.lhc.la.gov/assets/Programs/GNMA_Market_Rate/LHCPreferredConventionalProgramParticipatingLendersbyParish_11515.pdf

**Louisiana Interest Rates**
http://www.lhc.la.gov/index.cfm/page/163

**Louisiana Lender Resources**
http://www.lhc.la.gov/page/-lenders

**Louisiana Approved Homebuyer Education**
http://www.lhc.la.gov/page/homebuyer-education-classes

# Maine State Housing Authority

http://www.mainehousing.org

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| **First-Lien Mortgage Loans:** | • First Home Loan Program<br>• Salute ME<br>• Salute Home Again<br>• Purchase Plus Improvement Program<br>• Mobile Home Self-Insured |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, rehabilitation, manufactured housing, Tribal land |
| **Down Payment/ Closing Cost Assistance:** | Advantage (grant, must be used with Maine State Housing Authority first mortgage product) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, members of Passamaquoddy Tribe or Penobscot Nation, active military or veterans |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required if using down payment assistance; *HoMEworks*, nonprofit organization offers online and in-person classes across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Maine First Mortgage Programs** (including down payment assistance)
http://www.mainehousing.org/programs-services/homebuyer

**Maine Indian Housing Mortgage Insurance Program**
http://www.mainehousing.org/programs-services/homebuyer/homebuyerdetail/IndianHousingMortgage

**Maine Participating Lenders List**
http://www.mainehousing.org/programs-services/homebuyer/GreenKeyLenders

**Maine Income and Sales Price Limits**
http://www.mainehousing.org/charts/homebuyer-limits

**Maine Resources for Lenders**
http://www.mainehousing.org/partners/partner-type/lenders

**Maine Interest Rates**
http://www.mainehousing.org/programs-services/homebuyer/current-interest-rates

**Maine Approved Homebuyer Education**
http://www.mainehousing.org/education/home/homeworks-homebuyer-education-classes

# Maryland Department of Housing and Community Development

http://mmp.maryland.gov

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| **First-Lien Mortgage Loans:** | • Maryland Mortgage Program<br>• Maryland Pathway to Homeownership in Garrett County<br>• Maryland Grand Slam in Baltimore City<br>• Maryland "You've Earned It"<br>• Maryland Homefront<br>• Maryland Preferred Rate<br>• Refinance Programs |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance |
| **Down Payment/ Closing Cost Assistance:** | • Down Payment Assistance Program (grants, deferred loans, and forgivable loans; must be combined with Maryland Department of Housing and Community Development first mortgage product)<br>• Partner Match Programs (grants, deferred loans, and forgivable loans; must be combined with Maryland Department of Housing and Community Development first mortgage product) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, active military or veterans |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required; Maryland Department of Housing and Community Development provides a list of approved agencies across the state. |
| **Individual Development Accounts:** | Not offered; however, *Partner Match* program for participating employers, developers, and community organizations. |

## HELPFUL WEB LINKS

**Maryland Down Payment and Closing Cost Assistance**
http://mmp.maryland.gov/Pages/Downpayment.aspx

**Maryland First Mortgage Programs**
http://mmp.maryland.gov/Pages/Products.aspx

**Maryland Participating Lenders List**
http://mmp.maryland.gov/Pages/Find-A-Lender.aspx

**Maryland Income Limits**
http://mmp.maryland.gov/Pages/Eligibility.aspx

**Maryland Resources for Lenders**
http://mmp.maryland.gov/Lenders/Pages/default.aspx

**Maryland Interest Rates**
http://mmp.maryland.gov/Pages/Interest-Rates.aspx

**Maryland Approved Homebuyer Education**
http://mmp.maryland.gov/Pages/Homebuyer-Education-Classes.aspx

# MassHousing

https://www.masshousing.com

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| **First-Lien Mortgage Loans:** | • Operation Welcome Home<br>• MassHousing Mortgage with No MI<br>• Purchase and Rehabilitation<br>• A Home for the Brave<br>• Buy Cities |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, rehabilitation |
| **Down Payment/ Closing Cost Assistance:** | Down Payment and Closing Cost Assistance (3 percent deferred loan, only available in combination with select MassHousing first mortgage products) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, active military or veterans |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required; MassHousing provides a list of approved agencies across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Massachusetts First Mortgage Programs** (including down payment and closing cost assistance and income and loan limits)
https://www.masshousing.com/portal/server.pt/community/home_buyers/225/loans_for_home_buyers

**Massachusetts Participating Lenders List**
https://www.masshousing.com/portal/server.pt/community/lenders/229/masshousing_mortgage_lenders

**Massachusetts Resources for Lenders**
https://www.masshousing.com/portal/server.pt/community/lenders/229/lenders

**Massachusetts Approved Homebuyer Education**
https://www.masshousing.com/portal/server.pt/community/home_buyers/225/home_buyer_counseling

# Michigan State Housing Development Authority

http://www.michigan.gov/mshda

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| First-Lien Mortgage Loans: | • MI First Home<br>• MI Next Home |
| Special Mortgage Purpose Programs Eligible Uses: | Purchase, foreclosure prevention loans |
| Down Payment/ Closing Cost Assistance: | Down Payment Assistance (4 percent, soft second loan, deferred payments, must be used in combination with a Michigan State Housing Development Authority first mortgage product) |
| Targeted Populations/ Special Programs: | First-time homebuyers |
| Mortgage Tax Credit Certificate: | Offered |
| Homeownership Education/Counseling: | Required for MI First Home program; Michigan State Housing Development Authority does not provide, but provides a list of counselors. |
| Individual Development Accounts: | Offered through Michigan IDA partnership |

## HELPFUL WEB LINKS

**Michigan Down Payment and Closing Cost Assistance**
http://www.michigan.gov/mshda/0,4641,7-141-45866_45868-175332--,00.html

**Michigan First Mortgage Programs**
http://www.michigan.gov/mshda/0,4641,7-141-45866_45868---,00.html

**Michigan Mortgage Tax Credit Certificate**
http://www.michigan.gov/mshda/0,4641,7-141-45866_45868-216692--,00.html

**Michigan Step Forward Mortgage Assistance and Hardest Hit Blight Program**
http://www.michigan.gov/mshda/0,4641,7-141--235359--,00.html

**Michigan Participating Lenders List**
http://www.michigan.gov/documents/mshda_successful_lenders_list_165180_7.pdf

**Michigan Income and Sales Price Limits**
http://www.michigan.gov/documents/mshda_sf_income_and_sales_price_limits_100946_7.pdf

**Michigan Resources for Lenders**
http://www.michigan.gov/mshda/0,4641,7-141-59976---,00.html

**Michigan Interest Rates**
http://www.michigan.gov/mshda/0,4641,7-141-45866_45868-173538--,00.html

**Michigan Approved Homebuyer Education**
http://housing.state.mi.us/webportal/default.aspx?page=counseling_start

# Minnesota Housing Finance Agency

http://www.mnhousing.gov

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| **First-Lien Mortgage Loans:** | • Start Up Purchase Loan<br>• Step Up Purchase Loan<br>• Step Up Refinance Loan |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance |
| **Down Payment/ Closing Cost Assistance:** | Down Payment and Closing Cost Assistance Loans (second loan or deferred loan, must be coupled with Minnesota Housing Finance Agency first mortgage product) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required for some Minnesota programs. Minnesota Housing Finance Agency refers to Minnesota Home Ownership Center, which provides online and in-person classes across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Minnesota Down Payment and Closing Cost Assistance**
http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1398723734478&pagename=External%2FPage%2FEXTStandardLayout

**Minnesota First Mortgage Programs**
http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358904958035&pagename=External%2FPage%2FEXTStandardLayout

**Minnesota Mortgage Tax Credit Certificate**
http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1398723729682&pagename=External%2FPage%2FEXTStandardLayout

**Minnesota Participating Lenders List**
http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358905018502&pagename=External%2FPage%2FEXTStandardLayout

**Minnesota Income Limits**
http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358904965634&pagename=External%2FPage%2FEXTStandardLayout

**Minnesota Interest Rates**
http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358905012534&pagename=External%2FPage%2FEXTStandardLayout

**Minnesota Approved Homebuyer Education**
http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1436777368450&pagename=External%2FPage%2FEXTStandardLayout

# Mississippi Housing Finance Agency

https://www.mshomecorp.com

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| **First-Lien Mortgage Loans:** | Smart Solution |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | • Home Loan Plus ($25,000 grant, can be used with non-Mississippi Housing Finance Agency first mortgage)<br>• Smart Solution Second (3 percent loan, must be used in combination with Smart Solution first mortgage)<br>• Home Buyer Advantage (forgivable loan, can be used with non-Mississippi Housing Finance Agency first mortgage)<br>• Housing Assistance for Teachers (forgivable loan, can be used with non-Mississippi Housing Finance Agency first mortgage) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required for down payment assistance program. Mississippi Housing Finance Agency provides a list of approved agencies across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Mississippi Down Payment and Closing Cost Assistance**
https://www.mshomecorp.com/how-we-help/getting-started/which-program-is-right-for-me/

**Mississippi First Mortgage Programs**
https://www.mshomecorp.com/how-we-help/getting-started/which-program-is-right-for-me/

**Mississippi Mortgage Tax Credit Certificate**
https://www.mshomecorp.com/programs/mortgage-credit-certificate/

**Mississippi Participating Lenders List** (participating lenders listed at end of individual program descriptions)
https://www.mshomecorp.com/how-we-help/getting-started/which-program-is-right-for-me/

**Mississippi Income Limits**
https://archivemhc.com/sf/MCC/Income%20Limits.pdf

**Mississippi Resources for Lenders**
https://www.mshomecorp.com/for-lenders/

**Mississippi Interest Rates and Available Funds**
https://archivemhc.com/SF/availablefunds.php

**Mississippi Approved Homebuyer Education**
https://www.mshomecorp.com/how-we-help/helping-homebuyers/home-buyer-education-providers-3/

# Missouri Housing Development Commission

http://www.mhdc.com

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| First-Lien Mortgage Loans: | First Place Loan Program |
| Special Mortgage Purpose Programs Eligible Uses: | Purchase |
| Down Payment/ Closing Cost Assistance: | Cash Assistance Payment (4.5 percent grant) |
| Targeted Populations/ Special Programs: | First-time homebuyers, veterans |
| Mortgage Tax Credit Certificate: | Offered |
| Homeownership Education/Counseling: | Not required; no information on homebuyer education provided. |
| Individual Development Accounts: | Not offered |

## HELPFUL WEB LINKS

**Missouri Down Payment and Closing Cost Assistance**
http://www.mhdc.com/homes/cal/index.htm

**Missouri First Mortgage Programs**
http://www.mhdc.com/homes/firstplaceloans/index.htm

**Missouri First Place Program Details**
http://www.mhdc.com/homes/firstplaceloans/program_details_and_guidelines.htm

**Missouri Mortgage Tax Credit Certificate**
http://www.mhdc.com/homes/mcc/sa/index.htm

**Missouri Participating Lenders List**
http://www.mhdc.com/homes/current_lenders/index.htm

**Missouri Resources for Lenders**
http://www.mhdc.com/lender_resources/index.htm

**Missouri Approved Homebuyer Education**
Not required; no information about homebuyer education on site

# Montana Board of Housing

http://housing.mt.gov

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| **First-Lien Mortgage Loans:** | • Regular Bond Loan Program<br>• Montana Veterans' Home Loan<br>• 80% Combined Program<br>• Habitat for Humanity<br>• Disabled Accessible Affordable Homeownership Loan<br>• Board of Investment Residential Loans<br>• Reverse Annuity Mortgage |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, rehabilitation, reverse mortgage |
| **Down Payment/ Closing Cost Assistance:** | Score Advantage Down Payment Assistance (loan, must be combined with a Montana Board of Housing first mortgage) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, active military or veterans, persons with a disability, homeowners 68+ |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required; Montana Board of Housing refers to NeighborWorks Montana for list of approved classes provided across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Montana Down Payment and Closing Cost Assistance**
http://housing.mt.gov/HBDPA

**Montana First Mortgage Programs**
http://housing.mt.gov/HBProgList

**Montana Reverse Annuity Mortgage**
http://housing.mt.gov/RAM

**Montana Participating Lenders List**
http://housing.mt.gov/HBLenders

**Montana Income and Purchase Price Limits**
http://housing.mt.gov/HBLimits

**Montana Interest Rates**
http://housing.mt.gov/HBCurrRates

**Montana Approved Homebuyer Education**
http://housing.mt.gov/HBHBE

# Nebraska Investment Finance Authority

http://nifa.org

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| **First-Lien Mortgage Loans:** | • First Home Plus<br>• First Home Focused<br>• Military Home<br>• The Homebuyer Assistance Program |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | The Homebuyer Assistance Program (loan, must be used in combination with Nebraska Investment Finance Authority first mortgage) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, active military or veterans |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required; Nebraska Investment Finance Authority refers to REACH affiliate organizations for a list of approved agencies across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Nebraska Down Payment and Closing Cost Assistance**
http://nifa.org/programs/programs.html?pi=428&search_var=prog&prog_name_sent=Single+Family

**Nebraska First Mortgage Programs**
http://nifa.org/programs/index.html?topic=desc&ovr_ov=-over&search_var=prog&prog_name_sent=Single+Family

**Nebraska Participating Lenders List**
http://nifa.org/programs/programs.html?pi=430&search_var=prog&prog_name_sent=Single+Family

**Nebraska Income Limits**
http://nifa.org/programs/programs.html?pi=422&search_var=prog&prog_name_sent=Single+Family

**Nebraska Resources for Lenders**
http://nifa.org/customers/lending_institution.html

**Nebraska Interest Rates**
http://nifa.org/programs/programs.html?pi=421&search_var=prog&prog_name_sent=Single+Family

**Nebraska Approved Homebuyer Education**
http://nifa.org/programs/programs.html?pi=515&search_var=prog&prog_name_sent=Single+Family

# Nevada Housing Division

http://housing.nv.gov

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| First-Lien Mortgage Loans: | • Home is Possible<br>• Home is Possible for Heroes |
| Special Mortgage Purpose Programs Eligible Uses: | Purchase |
| Down Payment/ Closing Cost Assistance: | Home is Possible (grant, must be used in combination with Home is Possible first mortgage) |
| Targeted Populations/ Special Programs: | First-time homebuyers, active military or veterans |
| Mortgage Tax Credit Certificate: | Offered |
| Homeownership Education/Counseling: | Required; Nevada Housing Division provides a list of approved agencies across the state. |
| Individual Development Accounts: | Not offered |

## HELPFUL WEB LINKS

**Nevada First Mortgage Programs** (includes closing cost assistance)
http://housing.nv.gov/programs/Homebuyer_Programs/

**Nevada Mortgage Tax Credit Certificate**
http://housing.nv.gov/programs/FTH/Mortgage_Tax_Credit_Certificate_Program/

**Nevada Participating Lenders List**
http://housing.nv.gov/uploadedFiles/housingnvgov/content/programs/FTH/ParticipatingLendingInstituions(1).pdf

**Nevada Resources for Lenders**
http://housing.nv.gov/programs/FTH/Lender_Information/

**Nevada Interest Rates**
http://www.ehousingplus.com/available-programs/nevada/nevada/

**Nevada Approved Homebuyer Education**
http://housing.nv.gov/programs/FTH/Education_Providers/

# New Hampshire Housing Finance Authority

http://www.nhhfa.org/

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| **First-Lien Mortgage Loans:** | • Home Flex<br>• Home Preferred<br>• Home Preferred No MI<br>• Home Flex Purchase Rehabilitation<br>• Voucher Assisted Mortgage Option<br>• Home Flex Streamline Refinance<br>• Home Preferred Refinance |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance, rehabilitation |
| **Down Payment/ Closing Cost Assistance:** | Home Flex Plus (grant, must be used in combination with Home Flex first mortgage) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, Section 8 recipients |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required; New Hampshire Housing Finance Authority provides program specific online courses, as well as a list of approved agencies across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**New Hampshire Down Payment and Closing Cost Assistance**
https://www.gonewhampshirehousing.com/buying-home/cash-assistance-grants/

**New Hampshire First Mortgage Programs**
https://www.gonewhampshirehousing.com/buying-home/our-mortgage-programs

**New Hampshire Mortgage Tax Credit Certificate**
https://www.gonewhampshirehousing.com/buying-home/homebuyer-tax-credit-program

**New Hampshire Lender Training**
http://www.nhhfa.org/home-ownership-information-for-lenders-training-info-and-registration.cfm

**New Hampshire Resources for Lenders**
http://www.nhhfa.org/home-ownership-information-for-lenders.cfm

**New Hampshire Interest Rates**
https://www.gonewhampshirehousing.com/buying-home/rates

**New Hampshire Approved Homebuyer Education**
https://education.gonewhampshirehousing.com/

# New Jersey Housing and Mortgage Finance Agency

http://www.state.nj.us/dca/hmfa/

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| **First-Lien Mortgage Loans:** | • Homeward Bound Homebuyer Mortgage<br>• Stay at Home Streamline Refinance Program | • Police and Firefighter Retirement System Mortgage Program<br>• First-Time Homebuyer |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance | |
| **Down Payment/ Closing Cost Assistance:** | Smart Start Program (deferred, forgivable loan) | |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, police and firefighters | |
| **Mortgage Tax Credit Certificate:** | Not offered | |
| **Homeownership Education/Counseling:** | Not required | |
| **Individual Development Accounts:** | Not offered | |

## HELPFUL WEB LINKS

**New Jersey Down Payment and Closing Cost Assistance**
http://www.state.nj.us/dca/hmfa/homeownership/buyers/smart/

**New Jersey First Mortgage Programs**
http://www.state.nj.us/dca/hmfa/homeownership/buyers/

**New Jersey Participating Lenders List**
http://www.state.nj.us/dca/hmfa/media/download/buyer/hb_lender_list.pdf

# New Mexico Finance Authority

http://www.housingnm.org/

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| **First-Lien Mortgage Loans:** | • First Home Program<br>• Next Home Program |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | • First Down Program (loan, must be used in combination with a First Home first mortgage)<br>• Next Home DPA (grant, must be used in combination with a Next Home first mortgage) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required; New Mexico Finance Authority provides a list of approved agencies and online course options. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**New Mexico First Mortgage Programs** (including down payment and closing cost assistance)
http://www.housingnm.org/homebuyers/mortgage-programs

**New Mexico Participating Lenders List**
http://www.housingnm.org/homebuyers/find-a-participating-lender

**New Mexico Lender Resources**
http://www.housingnm.org/lenders_realtors/lenders-realtors

**New Mexico Interest Rates**
http://www.housingnm.org/homebuyers/lenders-current-rates

**New Mexico Approved Homebuyer Education**
http://www.housingnm.org/homebuyers/housing-counseling-agencies

**New Mexico *eHome America***
http://ehomeamerica.org/nmmfa

# New York State Homes and Community Renewal (State of New York Mortgage Agency)

http://www.nyshcr.org/

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| **First-Lien Mortgage Loans:** | • Homes for Veterans Program<br>• Remodel New York<br>• Achieving the Dream<br>• Construction Incentive Program<br>• Low Interest Rate Program<br>• Conventional Plus Program<br>• FHA Plus Program |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance, rehabilitation, newly constructed energy efficient, manufactured home parks |
| **Down Payment/ Closing Cost Assistance:** | • State of New York Mortgage Agency's Down Payment Assistance Loans (loan, must be used in combination with a State of New York Mortgage Agency's first mortgage)<br>• State of New York Mortgage Agency's Closing Cost Assistance Loans (loan, must be used in combination with a State of New York Mortgage Agency's first mortgage) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, active military or veterans |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required; HUD approved counselor or Genworth online program. State of New York Mortgage Agency provides link to NYS Coalition for Excellence in Homeownership Education organization to assist borrowers in finding an agency. |
| **Individual Development Accounts:** | Offered; Assets for Independence |

## HELPFUL WEB LINKS

**New York First Mortgage Programs** (including down payment and closing cost assistance)
http://www.nyshcr.org/Topics/Home/Buyers/SONYMA/SONYMAProductsforFirstTimeHomebuyers.htm

**New York Participating Lenders List**
http://www.nyshcr.org/Topics/Home/Buyers/ParticipatingLenders/

**New York Income Limits**
http://www.nyshcr.org/Topics/Home/IncomeLimitsfornyhomesPrograms.htm

**New York Resources for Lenders**
http://www.nyshcr.org/Topics/Lenders/Lenders/

**New York Interest Rates**
http://www.nyshcr.org/Topics/Home/Buyers/CurrentInterestRatesfor30-YearMortgages.htm

**New York Approved Homebuyer Education**
http://nyscxhe.org/membership/regional-member-agencies/

# North Carolina Housing Finance Agency

http://www.nchfa.com/

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| **First-Lien Mortgage Loans:** | NC Home Advantage Mortgage |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | NC Home Advantage Mortgage DPA (deferred, forgivable loan) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required for first-time homebuyers. North Carolina Housing Finance Agency provides a list of approved agencies across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**North Carolina Mortgage Programs** (including down payment assistance and MCC)
http://www.nchfa.com/Lenders/Lprograms.aspx

**North Carolina Find a Lender**
http://www.nchfa.com/home-buyers/find-lender

**North Carolina Lender Training**
http://www.nchfa.com/homeownership-partners/lenders/train-us

**North Carolina Income Limits**
http://www.nchfa.com/home-buyers/income-limits

**North Carolina Resources for Lenders**
http://www.nchfa.com/Lenders/Llendersservicers.aspx

**North Carolina Interest Rates**
http://www.nchfa.com/home-buyers/interest-rates

**North Carolina Approved Homebuyer Education**
http://www.nchfa.com/current-homeowners/find-housing-counselor

# North Dakota Housing Finance Agency

https://www.ndhfa.org/

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| **First-Lien Mortgage Loans:** | • FirstHome<br>• HomeAccess<br>• North Dakota Roots<br>• Major Home Improvement<br>• Targeted Area Loans |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, rehabilitation |
| **Down Payment/ Closing Cost Assistance:** | • Start (forgivable loan, must be used in combination with North Dakota Housing Finance Agency first mortgage)<br>• DCA (forgivable loan, must be used in combination with North Dakota Housing Finance Agency first mortgage) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, single parents, active military or veterans, disabled household members, elderly household members |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Not required; provides a link to *eHome America* online course. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**North Dakota First Mortgage Programs** (including down payment and closing cost assistance and program specific income and purchase price limits)
https://www.ndhfa.org/Homeownership/Programs.html

**North Dakota Participating Lenders List**
https://www.ndhfa.org/Finance/ParticipatingLender.aspx

**North Dakota Resources for Lenders**
https://www.ndhfa.org/LenderReAgent/Intro.html

**North Dakota Interest Rates and Available Funds**
https://www.ndhfa.org/Finance/Rates2.aspx

**North Dakota Approved Homebuyer Education**
https://www.ndhfa.org/Homeownership/Education.html

# Ohio Housing Finance Agency

https://ohiohome.org/

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| **First-Lien Mortgage Loans:** | • Targeted Area Loan<br>• Ohio Heroes<br>• Grants for Grads<br>• Streamlined 203(k) Loan<br>• Next Home |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, rehabilitation |
| **Down Payment/ Closing Cost Assistance:** | Your Choice! Down Payment Assistance (deferred, forgivable loan) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, recent college graduates, active military or veterans, firefighters/ emergency medical and health care professionals, police officers, teachers |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required; Ohio Housing Finance Agency's Streamlined Homebuyer Education online course. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Ohio Down Payment and Closing Cost Assistance**
http://www.myohiohome.org/downpaymentassistance.aspx

**Ohio First Mortgage Programs**
http://www.myohiohome.org/firsttimehomebuyer.aspx

**Ohio Heroes Program**
http://myohiohome.org/ohioheroes.aspx

**Ohio Grants for Grads**
http://myohiohome.org/grantsforgrads.aspx

**Ohio Streamlined 203(k) Loan**
http://myohiohome.org/203k.aspx

**Ohio Next Home**
http://myohiohome.org/nexthome.aspx

**Ohio Mortgage Tax Credit Certificate**
http://www.myohiohome.org/mortgagetaxcredit.aspx

**Ohio Participating Lenders List**
http://www.myohiohome.org/lenders/default.aspx

**Ohio Interest Rates**
http://myohiohome.org/index.aspx#rates

**Ohio Approved Homebuyer Education**
http://myohiohome.org/homebuyereducation.aspx

# Oklahoma Housing Finance Agency

https://www.ok.gov/ohfa/

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| **First-Lien Mortgage Loans:** | **OHFA Advantage Loan Products**<br>• OHFA Dream<br>• OHFA Gold<br>• OHFA 4 Teachers<br>• OHFA Shield |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | OHFA Advantage Down Payment Grant Assistance (grant) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, firefighters, police officers, teachers |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required on conventional first loan products only. Lender provides counseling options based on Fannie Mae requirements. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Oklahoma First Mortgage Programs** (including down payment and closing cost assistance)
https://www.ok.gov/ohfa/Homebuyers/

**Oklahoma Mortgage Tax Credit Certificate**
https://www.ok.gov/ohfa/Homebuyers/OHFA_MCC.html

**Oklahoma Participating Lenders List**
https://www.ok.gov/ohfa/Homebuyers/Find_A_Lender/index.html

**Oklahoma Resources for Lenders** (including interest rates and income and purchase price limits)
https://www.ok.gov/ohfa/Lenders/Lender_Resources/index.html

**Oklahoma Approved Homebuyer Education**
Info not on site

# Oregon Housing and Community Services

http://www.oregon.gov/OHCS

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| **First-Lien Mortgage Loans:** | **Residential Loan Program**<br>• RateAdvantage Home Loan<br>• CashAdvantage Home Loan |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | Cash Advantage Home Loan Down Payment and Closing Cost Assistance (grant, must be used in combination with Oregon Housing and Community Services first mortgage) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required for some programs; Oregon Housing and Community Services provides a list of approved agencies across the state and a link to *HomeStart* online program. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Oregon First Mortgage Programs** (including down payment and closing cost assistance)
http://www.oregon.gov/ohcs/HD/SFF/brochures/brochure-residential-loan-program.pdf

**Oregon Participating Lenders List**
http://o.hcs.state.or.us/lenders/lenderlocator.jsp

**Oregon Income Limits**
http://www.oregon.gov/ohcs/HD/SFF/forms/oregon_bond_program_income_limits.pdf

**Oregon Purchase Price Limits**
http://www.oregon.gov/ohcs/HD/SFF/forms/oregon_bond_program_purchase_price.pdf

**Oregon Resources for Lenders**
http://www.oregon.gov/ohcs/Pages/oregon-bond-program-lender-resources.aspx

**Oregon Interest Rates**
http://www.oregon.gov/ohcs/pages/oregon-bond-loan-program.aspx

**Oregon Approved Homebuyer Education**
Online classes http://www.homesmartoregon.org/

In-person classes http://www.oregon.gov/ohcs/HD/SFF/brochures/home-buyer-education-programs-oregon.pdf

# Pennsylvania Housing Finance Agency

http://www.phfa.org/

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| **First-Lien Mortgage Loans:** | • HFA Preferred (Lo MI)<br>• HFA Preferred Risk Sharing (No MI)<br>• Keystone Home Loan<br>• Keystone Government Loan<br>• Purchase Improvement<br>• ACCESS Home Modification<br>• FHA Streamline Refinance<br>• VA Interest Rate Reduction Refinancing Loan (IRRRL) |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance, rehabilitation |
| **Down Payment/ Closing Cost Assistance:** | • Keystone Advantage Assistance Loan Program (loan, zero percent interest)<br>• HOMEstead Down Payment and Closing Cost Assistance Loan (loan, deferred and forgivable)<br>• ACCESS Down Payment and Closing Cost Assistance (deferred payment, zero percent interest, must be used in combination with a Pennsylvania Housing Finance Agency first mortgage product) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, persons with a disability |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required; Pennsylvania Housing Finance Agency provides a list of approved agencies across the state and Pennsylvania Housing Finance Agency online course. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Pennsylvania First Mortgage Programs** (including down payment and closing cost assistance)
http://www.phfa.org/programs/homepurchase.aspx

**Pennsylvania Mortgage Tax Credit Certificate**
http://www.phfa.org/forms/sellersguide/forms/02.pdf

**Pennsylvania HFA Income Limits**
http://www.phfa.org/forms/sellersguide/appendices/b.pdf

**Pennsylvania Keystone Income and Purchase Price Limits**
http://www.phfa.org/forms/sellersguide/appendices/a.pdf

**Pennsylvania Approved Homebuyer Education**
http://www.phfa.org/counseling/homebuyers.aspx

# Puerto Rico Housing Finance Authority

http://www.gdb-pur.com/principalsubsidiaries/housing-finance-authority.html

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| First-Lien Mortgage Loans: | Not offered |
| Special Mortgage Purpose Programs Eligible Uses: | Not applicable |
| Down Payment/ Closing Cost Assistance: | The HOME Program |
| Targeted Populations/ Special Programs: | Not applicable |
| Mortgage Tax Credit Certificate: | Not offered |
| Homeownership Education/Counseling: | Not applicable |
| Individual Development Accounts: | Not offered |

## HELPFUL WEB LINKS

**PRHFA Programs**

http://www.gdb-pur.com/principalsubsidiaries/housing-finance-authority03.html

# Rhode Island Housing

http://www.rhodeislandhousing.org/

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| **First-Lien Mortgage Loans:** | • FirstHomes 100<br>• FirstHomes 100+ | • New Home Loans<br>• Refinance Loans |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance, rehabilitation | |
| **Down Payment/ Closing Cost Assistance:** | • First Homes Down Payment Assistance (loan)<br>• Ocean State Grad Grant (grant) | |
| **Targeted Populations/ Special Programs:** | First-time homebuyers | |
| **Mortgage Tax Credit Certificate:** | Offered | |
| **Homeownership Education/Counseling:** | Required; Rhode Island Housing offers in-person and *e-Home* online classes. | |
| **Individual Development Accounts:** | Not offered | |

## HELPFUL WEB LINKS

**Rhode Island First Mortgage Programs** (including down payment and closing cost assistance)
http://loans.rhodeislandhousing.org/Loan_options/

**Rhode Island Mortgage Tax Credit Certificate**
http://loans.rhodeislandhousing.org/FirstHomesTaxCreditprogram/

**Rhode Island Participating Lenders List**
http://loans.rhodeislandhousing.org/ParticipatingLenders/

**Rhode Island Income Limits**
Included in individual program descriptions

**Rhode Island Resources for Lenders**
http://www.rhodeislandhousing.org/sp.cfm?pageid=683

**Rhode Island Interest Rates**
http://loans.rhodeislandhousing.org/Rates/

**Rhode Island Approved Homebuyer Education**
http://loans.rhodeislandhousing.org/Homebuyer_education_classes/

# South Carolina State Housing Finance and Development Authority

http://www.schousing.com/

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| **First-Lien Mortgage Loans:** | SC Housing Homebuyer Program |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | SC Housing Homebuyer Program Down Payment Assistance |
| **Targeted Populations/ Special Programs:** | First-time homebuyers |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required if borrower receives forgivable down payment assistance or receives a conventional first loan product. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**South Carolina First Mortgage Programs** (including down payment and closing cost assistance)
http://www.schousing.com/First-Time_Home_Buyers/Programs_Available

**South Carolina Mortgage Tax Credit Certificate**
http://www.schousing.com/First-Time_Home_Buyers/mortgagetaxcredit

**South Carolina Participating Lenders List**
http://www.schousing.com/index.asp?n=21&p=2&s=21

**South Carolina Income Limits**
http://www.schousing.com/images/HOMEOWNERSHIPPROGRAMmkt100215.pdf

**South Carolina Resources for Lenders**
http://www.schousing.com/Lending_Partners

**South Carolina Interest Rates**
http://www.schousing.com/library/Homeownership/CURRENTRATESHEET.pdf

**South Carolina Approved Homebuyer Education**
Not Required; No information on homebuyer education provided

# South Dakota Housing Development Authority

http://www.sdhda.org/

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| First-Lien Mortgage Loans: | • First-Time Homebuyer Program<br>• Repeat Homebuyer Loan Program |
| Special Mortgage Purpose Programs Eligible Uses: | Purchase |
| Down Payment/ Closing Cost Assistance: | Fixed Rate Plus Loan (grant) |
| Targeted Populations/ Special Programs: | First-time homebuyers, active military or veterans |
| Mortgage Tax Credit Certificate: | Offered |
| Homeownership Education/Counseling: | Not required; provides a link to South Dakota Housing Development Authority sponsored Homeownership Education Resource Organization (HERO) for a list of available classes. |
| Individual Development Accounts: | Not offered |

## HELPFUL WEB LINKS

**South Dakota Down Payment and Closing Cost Assistance**
http://www.sdhda.org/homeownership/downpayment-assistance.html

**South Dakota First Mortgage Programs**
http://www.sdhda.org/homeownership/homebuyers.html

**South Dakota Mortgage Tax Credit Certificate**
http://www.sdhda.org/homeownership/first-time-homebuyer/sdhda-tax-credit-mcc.html

**South Dakota Participating Lenders List**
http://www.sdhda.org/homeownership/first-time-homebuyer/lender-list.html

**South Dakota First-Time Homebuyer Program Income Limits**
http://www.sdhda.org/home-ownership-docs/fthb-1/1-fthb-program-income-and-purchase-price-limits/file.html

**South Dakota Repeat Homebuyer Income Limits**
http://www.sdhda.org/homeownership/repeat-homebuyer-loan-program.html

**South Dakota Resources for Lenders**
http://www.sdhda.org/about-sdhda/lenders.html

**South Dakota Interest Rates**
http://www.sdhda.org/homeownership/first-time-homebuyer/interest-rates/interest-rates.html

**South Dakota Approved Homebuyer Education**
http://sdhomebuyered.org/content/education/homeownership-education.html

# Tennessee Housing Development Agency

http://thda.org/

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|---|---|
| **First-Lien Mortgage Loans:** | • Great Choice<br>• Great Choice Homeownership for the Brave |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | Great Choice Plus (zero percent interest, deferred payment, forgivable loan) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, active military or veterans |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required; Tennessee Housing Development Agency provides a list of approved in-person classes across the state and *eHome America*. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Tennessee Down Payment and Closing Cost Assistance**
https://s3.amazonaws.com/thda.org/Documents/Homebuyers/Great-Choice-Explanation-Page.pdf

**Tennessee First Mortgage Programs**
http://thda.org/homebuyers/homebuyers

**Tennessee Participating Lenders List**
http://resources.thda.org/Lenders/

**Tennessee Income Limits**
https://s3.amazonaws.com/thda.org/Documents/Business-Partners/Lenders-and-Servicers/Eligibility-Requirements-and-Conditions/Current-Acquisition-Limits-pdf.pdf

**Tennessee Resources for Lenders**
http://thda.org/business-partners/lenders

**Tennessee Interest Rates**
http://thda.org/business-partners/lenders

**Tennessee Approved Homebuyer Education**
In person classes http://www.hbeicalendar.thda.org/#1

Online classes http://thda.ehomeamerica.org/

# Texas Department of Housing and Community Affairs

http://www.tdhca.state.tx.us

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| **First-Lien Mortgage Loans:** | My First Texas Home |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | My First Texas Home Down Payment and Closing Cost Assistance (zero percent interest, deferred payment loan, must be used in combination with My First Texas Home first mortgage) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required; Texas Department of Housing and Community Affairs provides a list of approved agencies across the state. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Texas First Mortgage Programs** (includes down payment and closing cost assistance)
http://www.tdhca.state.tx.us/homeownership/fthb/docs/homeownership-program-handbook.pdf

**Texas Mortgage Tax Credit Certificate**
http://www.tdhca.state.tx.us/homeownership/fthb/mort_cred_certificate.htm

**Texas Participating Lenders List**
http://www.tdhca.state.tx.us/homeownership/fthb/fthb-lenders.htm

**Texas Income and Purchase Price Limits**
http://www.tdhca.state.tx.us/homeownership/fthb/docs/limits.pdf

**Texas Resources for Lenders**
http://www.tdhca.state.tx.us/homeownership/fthb/lender_documentation.htm

**Texas Approved Homebuyer Education**
http://www.tdhca.state.tx.us/homeownership/fthb/docs/TSHEPProviders.pdf

# Utah Housing Corporation

https://utahhousingcorp.org/

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| **First-Lien Mortgage Loans:** | • FirstHome Loan<br>• HomeAgain Loan<br>• Score Loan<br>• NoMI Loan<br>• Streamline Refinance Program |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance |
| **Down Payment/ Closing Cost Assistance:** | Utah Housing Corporation Down Payment Assistance Program (loan, must be used in combination with UHC first mortgage product) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required for some programs. Utah Housing Corporation provides a list of approved agencies across the state and approved online programs. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Utah First Mortgage Programs** (including down payment and closing cost assistance)
https://utahhousingcorp.org/HTML/homebuyer.shtml

**Utah Participating Lenders List**
https://utahhousingcorp.org/HTML/hom1ParticipatingLenders.shtml

**Utah Income and Purchase Price Limits**
https://utahhousingcorp.org/HTML/hom1IncomeAndPurchaseLimits.shtml

**Utah Resources for Lenders** (including interest rates)
https://utahhousingcorp.org/HTML/lender.shtml

**Utah Approved Homebuyer Education**
https://utahhousingcorp.org/HTML/homCounseling.shtml

# Vermont Housing Finance Agency

http://www.vhfa.org/

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|---|---|
| **First-Lien Mortgage Loans:** | • MOVE Program<br>• Advantage Program<br>• Move MCC Program |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | ASSIST Loan (zero percent interest, deferred loan, must be used in combination with Vermont Housing Finance Agency first mortgage) |
| **Targeted Populations/ Special Programs:** | None |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required on conventional loan products and down payment assistance programs. Fannie Mae or HUD- approved online or in-person options are allowable, depending upon program. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Vermont Down Payment and Closing Cost Assistance**
http://www.vhfa.org/homebuyers/loanprograms/downpaymentassistance

**Vermont First Mortgage Programs**
http://www.vhfa.org/homebuyers/loanprograms/mortgageloanoptions

**Vermont Mortgage Tax Credit Certificate**
http://www.vhfa.org/homebuyers/loanprograms/mortgagecreditcertificate

**Vermont Participating Lenders List**
http://www.vhfa.org/homebuyers/lenders

**Vermont Income and Purchase Price Limits**
http://www.vhfa.org/homebuyers/limits

**Vermont Resources for Lenders**
http://www.vhfa.org/partners/lenders

**Vermont Interest Rates and Available Funds**
http://www.vhfa.org/homebuyers/rates

**Vermont Approved Homebuyer Education**
Not Required; no information provided on site

# Virginia Housing Development Authority

http://www.vhda.com/

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|---|---|
| **First-Lien Mortgage Loans:** | • VHDA 30-Year Fixed Rate Loans<br>• FHA Plus |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | FHA Plus Down Payment and Closing Cost Assistance (loan) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required; Virginia Housing Development Authority provides classes across the state and an online course. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Virginia First Mortgage Programs** (including down payment and closing cost assistance)
http://www.vhda.com/Homebuyers/VHDAHomeLoans/Pages/VHDAHomeLoans.aspx#.VrI1vCMrKM8

**Virginia Mortgage Tax Credit Certificate**
http://www.vhda.com/Homebuyers/Pages/mortgagecreditcertificates.aspx#.VrIz0iMrKM8

**Virginia Participating Lenders List**
http://www.vhda.com/Homebuyers/FindALender/Pages/FindALender.aspx#.VrI0HiMrKM8

**Virginia Income and Sales Price Limits**
http://www.vhda.com/Homebuyers/VHDAHomeLoans/Pages/IncomeSalesPriceLoanLimits.aspx#.VrI0BiMrKM8

**Virginia Resources for Lenders**
http://www.vhda.com/BusinessPartners/Lenders/Pages/Lenders.aspx#.VrI0QiMrKM8

**Virginia Interest Rates and Available Funds**
http://www.vhda.com/BusinessPartners/Lenders/LenderToolsResources/Pages/New-Loan-Reservation-System.aspx#.VrI0zSMrKM8

**Virginia Approved Homebuyer Education**
http://www.vhda.com/Homebuyers/HomeownershipEdu/Pages/HomeownershipEdu.aspx#.VrI1-SMrKM8

# Virgin Islands Housing Finance Authority

http://www.vihfa.gov/

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|---|---|
| **First-Lien Mortgage Loans:**[1] | • Homestead Loan Program<br>• Lot Sale Program<br>• Veteran Loan Program |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, rehabilitation, land acquisition, refinance |
| **Down Payment/ Closing Cost Assistance:** | HOME Program (loans and grants) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, active military or veterans |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required; Virgin Islands Housing Finance Authority offers Homebuyer's Education Certificate. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Virgin Islands Down Payment and Closing Cost Assistance**
http://www.vihfa.gov/programs/federal-programs/home-program

**Virgin Islands First Mortgage Programs**
http://www.vihfa.gov/programs/homeownership-programs

**Virgin Islands Participating Lenders List**
Not applicable

**Virgin Islands Income Limits**
http://www.vihfa.gov/programs/homeownership-programs

**Virgin Islands Approved Homebuyer Education**
http://www.vihfa.gov/services/counseling-outreach-services

[1] Virgin Islands Finance Authority first mortgage loans are offered directly from the agency; private lenders may refer customers, but do not participate in the origination process.

# Washington State Housing Finance Commission

http://wshfc.org/

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| **First-Lien Mortgage Loans:** | • Home Advantage<br>• House Key Opportunity | |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase | |
| **Down Payment/ Closing Cost Assistance:** | • Home Advantage Down Payment Assistance (zero percent interest, deferred loan)<br>• HomeChoice (deferred loan)<br>• Seattle (deferred loan)<br>• ARCH East King County (deferred loan)<br>• Tacoma Down Payment Assistance (deferred loan) | • Bellingham (deferred loan)<br>• House Key Veterans (loan)<br>• Opportunity Down Payment Assistance (deferred loan)<br>• Bremerton Down Payment Assistance (deferred loan)<br>• Pierce County Down Payment Assistance Program (deferred loan) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers | |
| **Mortgage Tax Credit Certificate:** | Offered | |
| **Homeownership Education/Counseling:** | Required; Washington State Housing Finance Commission sponsors classes across the state. Also allows *eHome America* online course. | |
| **Individual Development Accounts:** | Not offered | |

## HELPFUL WEB LINKS

**Washington Down Payment and Closing Cost Assistance**
http://wshfc.org/buyers/downpayment.htm

**Washington First Mortgage Programs** (including interest rates)
http://wshfc.org/buyers/HomeAdvantage.htm

**Washington Mortgage Tax Credit Certificate**
http://wshfc.org/buyers/MCCprogram.htm

**Washington Participating Lenders List**
http://wshfc.org/buyers/premier.htm

**Washington Income Limits** (scroll to the bottom of the page)
http://wshfc.org/buyers/HomeAdvantage.htm#limits

http://wshfc.org/buyers/key.htm#limits

**Washington Resources for Lenders**
http://wshfc.org/sf/index.htm

**Washington Approved Homebuyer Education**
http://wshfc.org/buyers/education.htm

# West Virginia Housing Development Fund

http://wvhdf.com/

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| **First-Lien Mortgage Loans:** | • Homeownership Program<br>• Movin' Up Loan Program<br>• WVHDF Refinance Program (for current WV Housing Development Fund homeowners only) |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase, refinance (for current West Virginia Housing Development Fund homeowners only) |
| **Down Payment/ Closing Cost Assistance:** | Down Payment and Closing Cost Assistance Program (loan, must be used in combination with West Virginia Housing Development Fund first mortgage product) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers |
| **Mortgage Tax Credit Certificate:** | Not offered |
| **Homeownership Education/Counseling:** | Required; West Virginia Housing Development Fund provides a link to data.gov.hud for list of classes. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**West Virginia Down Payment and Closing Cost Assistance**
http://www.wvhdf.com/home-buyers/down-paymentclosing-cost-assistance

**West Virginia First Mortgage Programs**
http://www.wvhdf.com/home-buyers/homeownership-program

http://www.wvhdf.com/home-buyers/movin-loan-program

**West Virginia Participating Lenders List**
http://www.wvhdf.com/lenders

**West Virginia Income and Sales Price Limits**
http://www.wvhdf.com/sites/default/files/Revised%20Income%20and%20House%20Price%20Limits%2C%207.8.2015.pdf

**West Virginia Resources for Lenders**
http://www.wvhdf.com/lending-partners

**West Virginia Approved Homebuyer Education**
http://data.hud.gov/housing_counseling.html

# Wisconsin Housing and Economic Development Authority

http://www.wheda.com/

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|---|---|
| **First-Lien Mortgage Loans:** | • WHEDA Advantage<br>• WHEDA FHA Advantage<br>• First-Time Homebuyer Advantage<br>• Veterans Affordable Loan Opportunity Rate (VALOR) |
| **Special Mortgage Purpose Programs Eligible Uses:** | Purchase |
| **Down Payment/ Closing Cost Assistance:** | Easy Close Advantage (loan, must be used in combination with WHEDA loan) |
| **Targeted Populations/ Special Programs:** | First-time homebuyers, active military or veterans |
| **Mortgage Tax Credit Certificate:** | Offered |
| **Homeownership Education/Counseling:** | Required; provides a list of state-wide approved agencies and online courses. |
| **Individual Development Accounts:** | Not offered |

## HELPFUL WEB LINKS

**Wisconsin Down Payment and Closing Cost Assistance**
https://www.wheda.com/Home-Buyers/Available-Programs/

**Wisconsin First Mortgage Programs**
https://www.wheda.com/Home-Buyers/Available-Programs/

**Wisconsin Mortgage Tax Credit Certificate**
https://www.wheda.com/Home-Buyers/Available-Programs/

**Wisconsin Participating Lenders List**
http://apps.wheda.com/LenderList2/Content/LenderList.aspx

**Wisconsin Loan Servicing**
https://www.wheda.com/Business-Lending/Loan-Servicing/

**Wisconsin Resources for Lenders**
https://www.wheda.com/Mortgage-Lenders/Getting-Started/

https://www.wheda.com/Lender-Toolkit/

**Wisconsin Approved Homebuyer Education**
https://www.wheda.com/Home-Buyers/Home-Buyer-Education/

# Wyoming Community Development Authority

http://www.wyomingcda.com/

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| First-Lien Mortgage Loans: | • Home Again<br>• WCDA First-time Homebuyer Program<br>• HFA Preferred Program<br>• WCDA Advantage Program<br>• Home Again Program<br>• Spruce Up Wyoming I<br>• Spruce Up Wyoming II |
| Special Mortgage Purpose Programs Eligible Uses: | Purchase, refinance, rehabilitation |
| Down Payment/ Closing Cost Assistance: | • Down Payment Loan Program (loan)<br>• Homebuyer Assistance Program (deferred payment loan) |
| Targeted Populations/ Special Programs: | First-time homebuyers |
| Mortgage Tax Credit Certificate: | Offered |
| Homeownership Education/Counseling: | Required; Wyoming Community Development Authority provides an in-house online course plus one-on-one budgeting session (by phone). |
| Individual Development Accounts: | Not offered |

## HELPFUL WEB LINKS

**Wyoming First Mortgage Programs and Down Payment and Closing Cost Assistance**
http://www.wyomingcda.com/index.php/homebuyers/C13

**Wyoming Mortgage Tax Credit Certificate**
http://www.wyomingcda.com/index.php/homebuyers/C213

**Wyoming Participating Lenders List**
http://www.wyomingcda.com/index.php/about/C111

**Wyoming Income Limits and Sales Price**
http://www.wyomingcda.com/index.php/homebuyers/C59

**Wyoming Resources for Lenders**
http://www.wyomingcda.com/index.php/partners/C103

**Wyoming Interest Rates**
http://www.wyomingcda.com/index.php/rates

**Wyoming Approved Homebuyer Education**
http://www.wyomingcda.com/index.php/homebuyers/C14

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