



SmartBuy Down Payment Assistance

	5 Year Forgivable DPA	30/10 Repayable Option DPA	Closing Cost Assistance – Repayable Option
General Description	Down payment assistance (DPA) program requiring the delivery of the underlying 30 year FHA or USDA loan with the subordinated second lien. The second lien is fully forgiven after 5 years if the borrower meets criteria.	Down payment assistance (DPA) program with a repayable second lien. The second is not forgivable and is originated with a 30 year term due in 10 year balloon.	Closing cost assistance (CCA) program with a repayable second lien. The second is not forgivable and is originated with a 30 year term due in 10 year balloon.
Assistance Amounts	3.5%	3.5% and 5.0%	3%, 4% or 5%
Eligible Channels	Wholesale and Non-Delegated Correspondent		
REFER TO FHA & USDA GUIDELINES TO DETERMINE FIRST LIEN ELIGIBILITY SUBJECT TO BELOW OVERLAYS			
First Lien: Loan Products / Transaction Type	FHA 203(b)&203(c) – FHA - 25-30 Year Terms / USDA – 30 Year Term Only Purchase Transactions Only (USDA Forgivable Only)		
Borrower Eligibility	Based on FHA or USDA program guidelines (USDA Forgivable Only) No revocable trusts Not required to be first-time homebuyers No income restrictions beyond USDA guidelines		
Property Locations	All States Except New York and Delaware		
Credit Score	Minimum Representative Score of 620 All Borrowers must have at least one score	Minimum Representative Score of 660 All Borrowers must have at least one score	
Eligible Property Types	1-2 Unit properties including Condominiums, PUDs, and Doublewide Manufactured Homes Manufactured Homes Require 640 Forgivable / 660 FICO Repayable (AUS only)		
Ineligible Property Types	3-4 units. Unique homes including, but not limited to Log Homes, Barndominium, Singlewide Manufactured Homes, and Geodesic Domes.		
Derogatory Credit	No Foreclosures in past 7 years- Repayable Product. <ul style="list-style-type: none"> • Bankruptcy follows program guidelines (FHA and USDA). • Judgements must be satisfied and released prior to closing. • IRS and Lien repayment plans must be paid-off in full prior to closing • Patterns of NSF may cause ineligibility. • Manual- not allowed on the repayable Housing/Installment: 0x30 12 months / 1x30 24 months Revolving: 2x60, 0x90 12 months.		



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Payment Shock	Excessive Payment shock coupled with thin credit will require thorough review of the borrower's ability to pay. This can include the following but not limited to just these characteristics. <ul style="list-style-type: none"> • Reserves • Job time • Residual income review 		
Underwriting	Approval by an Automated Underwriting System (DU, LPA, GUS). Manual underwriting exception allowed subject to FHA / USDA requirements and 640 credit score	Approval by an Automated Underwriting System (DU, LPA) No manual underwriting on Repayable DPA loans (FHA Only, No USDA)	
Underwriting Requirement IRS and Lien repayment	IRS and Lien Repayment must be paid-off in full prior to closing	IRS and Lien repayment plans must be paid-off in full prior to closing.	
Income Limits	None		
Gifts	All Gifts funds must be received and documented in borrowers account prior to close –		
Debt-to-Income (DTI)	Maximum DTI per AUS Maximum DTI per agency manual underwriting requirements	Maximum DTI per AUS No manual underwriting on Repayable DPA Loans	
Loan-to-Value	Minimum LTV – 90.00% Maximum LTV/CLTV - Based on FHA/USDA Guidelines		
Maximum Mortgage Amount	FHA – Maximum Base Loan Amount up to County Loan Limit USDA- No Maximum		
High Balance	Not available on Forgivable	Available for both 3.5% and 5.0% Repayable DPA and CCA Options High Balance loans defined per Ginnie Mae (subject to loan level price adjustments (LLPA))	
First-time Homebuyer	No Overlay		
Non-Occupant Co-Borrower	Allowed per FHA and USDA Guidelines		
Residency	No overlay per FHA and USDA Requirements		
Mortgage Credit Certificates	Not Allowed		
Fees	A \$500 "SmartBuy Admin Fee" is to be charged on the first mortgage LE/CD in Section A in addition to the standard Click n Close Admin Fee.		
Forgiveness Criteria (FORGIVABLE Product Only)	The second lien is forgiven if there is no 90 day or greater delinquency on the first 60 payments of the underlying first lien and property remains a primary residence. No Re-subordination		
Paying off revolving debt to qualify	If a purchase & revolving debt is being paid off to qualify for the new loan - the revolving debt needs to be paid off prior to close and supplement obtained.		