

Program Update

TO: Participating Lenders
FROM: NIFA Homeownership Team
DATE: June 11, 2019
SUBJECT: Update #19-18, Natural Disaster Program

Beginning Funds:	\$3,000,000
Allocated Funds:	\$ 692,411
Available Funds:	\$2,307,589

NIFA is announcing new mortgage rates for our Natural Disaster Program (“NDP”) launched on April 18, 2019 (Program Update #19-12) for individuals who 1) owned or rented and 2) lived in a property located in one of the declared counties. Please note the declared county list now includes Holt County.

The new NDP mortgage rates listed below are effective immediately.

Program Name	Government Rate	Conventional Rate	Origination/ Discount	Principal & Interest Factor
Military Home -VA, FHA and RD loans	3.000	NA	0% + 0%	3.000 – 4.216040
First Home Targeted (target areas) -FHA, RD and conventional loans	3.000	3.250	0% + 0%	3.000 - 4.216040 3.250 – 4.352063
First Home (non-target areas) -FHA, RD and conventional loans	3.250	3.500	0% + 0%	3.250 – 4.352063 3.500 – 4.490447
Homebuyer Assistance (HBA) -FHA, VA, RD & conventional loans -Maximum 5% second amount -Second term of 120 months	3.750 – 1 st rate 1.000 – 2 nd rate	4.000 – 1 st rate 1.000 – 2 nd rate	0% + 0%	3.750 – 4.631156 4.000 – 4.774153 1.000 – 8.760412

An updated Appendix I including borrower eligibility requirements, household income limits, purchase price limits and rates is attached and is available in Lender Online and NIFA’s website.

Loan applications will be processed on a first-come, first-serve basis. Participating Lenders must submit a complete loan application package to NIFA’s office for approval to receive an allocation of funds. The Loan Application Transmittal (Appendix II) is available in Lender Online.

If you have any questions, please let us know.

NATURAL DISASTER PROGRAM

APPENDIX I

Effective Date: April 18, 2019

The NIFA Natural Disaster Program (“NDP”) will provide \$3 million in loan financing to eligible borrowers for the purchase of an existing or new construction property located in Nebraska. The NDP is applicable to the following declared counties: ***Antelope, Boone, Boyd, Buffalo, Burt, Butler, Cass, Colfax, Cuming, Custer, Dodge, Douglas, Hall, Holt, Howard, Knox, Madison, Nance, Nemaha, Pierce, Platte, Richardson, Saline, Sarpy, Saunders, Stanton, Thurston, Washington Counties and the Santee Indian Reservation.*** (NOTE: The NDP financed property is not required to be located in one of the declared counties).

Borrower Eligibility Requirements: The NDP is available to individuals who 1) owned or rented and 2) lived in a property located in one of the declared counties. A copy of a homeowner’s insurance claim or personal property renter’s claim is required to determine eligibility. NIFA has the authority to waive the first-time homebuyer requirement for prior homeowners.

Household Income Limits (revised 6/5/19):

County (Non-Target)	1-2 Persons	3 or more Persons	County (Non-Target)	1-2 Persons	3 or more Persons
Adams	78,100	89,815	McPherson	84,000	98,000
Cass	86,000	98,900	Nemaha	79,200	91,080
Cheyenne	80,300	92,345	Sarpy	86,000	98,900
Douglas	86,000	98,900	Saunders	81,600	93,840
Jefferson	78,100	89,815	Scotts Bluff	78,100	89,815
Lancaster	80,400	92,460	Seward	82,600	94,990
Lincoln	84,000	98,000	Washington	86,000	98,900
Logan	84,000	98,000	All Other	78,100	89,815
County (Target)	1-2 Persons	3 or more Persons	Household Income Definition		
Adams	93,720	109,340	NIFA will include all gross income sources for individuals 18 years or older who will live in the home as their primary residence. This includes base pay, overtime, commissions, bonuses, tips, self-employed income, social security, disability, unemployment, child support, alimony, part-time income and interest income from assets in excess of \$5,000.		
Douglas	103,200	120,400			
Jefferson	93,720	109,340			
Lancaster	96,480	112,560			
Scotts Bluff	93,720	109,340			

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Purchase Price Limits (revised 5/1/19):

Number of Units	Existing & New Construction Non-Target Counties	Existing & New Construction Target Counties
One Unit	283,000	346,000
Two Units	362,000	443,000
Three Units	438,000	535,000
Four Units	544,000	666,000

*Borrowers must live in one of the units as their primary residence. In determining NDP program eligibility, NIFA will include net rental income in the total household income calculation. New construction of 2-4 units is only eligible in target areas. In non-target areas, a 2-4 unit must be at least five years old.

NDP Loan Financing (revised 6/11/19):

Program Name	Government Rate	Conventional Rate	Origination/ Discount	Principal & Interest Factor
Military Home -VA, FHA and RD loans	3.000	NA	0% + 0%	3.000 – 4.216040
First Home Targeted (target areas) -FHA, RD and conventional loans	3.000	3.250	0% + 0%	3.000 - 4.216040 3.250 – 4.352063
First Home (non-target areas) -FHA, RD and conventional loans	3.250	3.500	0% + 0%	3.250 – 4.352063 3.500 – 4.490447
Homebuyer Assistance (HBA) -FHA, VA, RD & conventional loans -Maximum 5% second amount -Second term of 120 months	3.750 – 1 st rate 1.000 – 2 nd rate	4.000 – 1 st rate 1.000 – 2 nd rate	0% + 0%	3.750 – 4.631156 4.000 – 4.774153 1.000 – 8.760412

***This is not an advertisement for credit as defined in Regulation Z. Contact a NIFA Participating Lender for Annual Percentage Rate (“APR”) information. Interest rates are subject to change without prior notice.**

- 1) Regular rate loan reservations are valid for 60 days. Extended rate loan reservations (new construction only) are valid for 150 days and are subject to a .50% upfront fee that is only refundable when the loan closes within the 150-day reservation period.
- 2) Government loan products: FHA 203b, USDA Rural Development and VA
- 3) Conventional loan products: Fannie Mae HFA Preferred (97% maximum LTV and low mortgage insurance)

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APPENDIX I

Disaster Assistance Grants - Household Income Limits (revised 6/5/19):

County	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Adams	24,750	28,300	31,850	35,350	38,200	41,050	43,850	46,700
Box Butte	26,200	29,950	33,700	37,400	40,400	43,400	46,400	49,400
Buffalo	26,250	30,000	33,750	37,450	40,450	43,450	46,450	49,450
Cass	30,100	34,400	38,700	43,000	46,450	49,900	53,350	56,800
Cedar	25,550	29,200	32,850	36,450	39,400	42,300	45,200	48,150
Cheyenne	28,150	32,150	36,150	40,150	43,400	46,600	49,800	53,000
Dakota	24,350	27,800	31,300	34,750	37,550	40,350	43,100	45,900
Dixon	24,350	27,800	31,300	34,750	37,550	40,350	43,100	45,900
Douglas	30,100	34,400	38,700	43,000	46,450	49,900	53,350	56,800
Garden	26,050	29,800	33,500	37,200	40,200	43,200	46,150	49,150
Gosper	26,200	29,950	33,700	37,400	40,400	43,400	46,400	49,400
Hamilton	26,500	30,300	34,100	37,850	40,900	43,950	46,950	50,000
Howard	24,950	28,500	32,050	35,600	38,450	41,300	44,150	47,000
Kearney	26,200	29,950	33,700	37,400	40,400	43,400	46,400	49,400
Lancaster	28,150	32,200	36,200	40,200	43,450	46,650	49,850	53,100
Nemaha	27,750	31,700	35,650	39,600	42,800	45,950	49,150	52,300
Otoe	24,700	28,200	31,750	35,250	38,100	40,900	43,750	46,550
Perkins	26,050	29,750	33,450	37,150	40,150	43,100	46,100	49,050
Phelps	25,100	28,700	32,300	35,850	38,750	41,600	44,500	47,350
Pierce	24,650	28,150	31,650	35,150	38,000	40,800	43,600	46,400
Platte	26,500	30,250	34,050	37,800	40,850	43,850	46,900	49,900
Polk	26,650	30,450	34,250	38,050	41,100	44,150	47,200	50,250
Sarpy	30,100	34,400	38,700	43,000	46,450	49,900	53,350	56,800
Saunders	28,600	32,650	36,750	40,800	44,100	47,350	50,600	53,900
Seward	28,950	33,050	37,200	41,300	44,650	47,950	51,250	54,550
Stanton	24,950	28,500	32,050	35,600	38,450	41,300	44,150	47,000
Thomas	25,000	28,600	32,150	35,700	38,600	41,450	44,300	47,150
Washington	30,100	34,400	38,700	43,000	46,450	49,900	53,350	56,800
Wayne	26,150	29,900	33,650	37,350	40,350	43,350	46,350	49,350
York	25,250	28,850	32,450	36,050	38,950	41,850	44,750	47,600
All Other	24,500	28,000	31,500	35,000	37,800	40,600	43,400	46,200

Disaster Assistance Grants – Other Requirements:

Total Funding Amount	Limited Availability
Grant Amount	\$5,000 per household
Eligible Loan Programs	Military Home, First Home Targeted and First Home (HBA is not eligible and may not be combined with grant funds).
Minimum Borrower Investment	All borrowers must have a minimum investment of \$500 (gifts are permitted subject to agency guidelines). No cash back at closing.
Loan Application Disclosure	All borrowers and non-purchasing spouses must sign the Borrower Notice and Certification (Form K) at loan application.
Pre-Closing Approval	Participating Lenders are required to submit a complete Pre-Closing Package to NIFA for approval at least 5 business days before closing.
Closing Approval	Participating Lenders must submit the final Closing Disclosure to NIFA for approval before closing. Once approved, Lender Online will generate a Legally Enforceable Obligation Letter including the grant amount. The Obligation Letter must be included in the FHA case binder for insuring purposes and in the loan file delivered to US Bank.
Lien Requirement	None; borrowers are not required to pay back any portion of the grant.