

# Homeownership Program Information Sheet

## ***Loan Program Rates - Effective Date: 7/1/20 (8:00 a.m. Central Time)***

Program Name	Government Rate	Conventional Rate	Origination/ Discount	Principal & Interest Factor
Military Home -VA, FHA and RD loans	2.875	NA	0% + 0%	2.875 – 4.148925
First Home Targeted (target areas) -FHA, RD and conventional loans	2.875	3.125	0% + 0%	2.875 – 4.148925 3.125 – 4.283755
First Home (non-target areas) -FHA, RD and conventional loans	3.125	3.375	0% + 0%	3.125 – 4.283755 3.375 – 4.420962
Homebuyer Assistance (HBA) -FHA, VA, RD & conventional loans -Maximum 5% second amount -Second term of 120 months	3.625 – 1 <sup>st</sup> rate 1.000 – 2 <sup>nd</sup> rate	3.875 – 1 <sup>st</sup> rate 1.000 – 2 <sup>nd</sup> rate	0% + 0%	3.625 – 4.560513 3.875 – 4.702371 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) Loan reservations are valid for 120 days from the loan reservation date.
- 2) Government loan products: FHA 203b, USDA Rural Development and VA
- 3) Conventional loan product: Fannie Mae HFA Preferred loans exceeding the 80% AMI qualifying limit are subject to higher mortgage insurance coverage. The 80% AMI qualifying limits and required mortgage insurance coverages are included on page two.

## ***Household Income Limits - Effective Date: 7/1/20***

County (Non-Target)	1-2 Persons	3 or more Persons	County (Non-Target)	1-2 Persons	3 or more Persons
Adams	79,800	91,770	Logan	85,920	100,240
Cass	87,000	100,050	McPherson	89,160	104,020
Cheyenne	82,200	94,530	Polk	81,600	93,840
Douglas	87,000	100,050	Sarpy	87,000	100,050
Gosper	80,700	92,805	Saunders	82,800	95,220
Hamilton	80,200	92,230	Scotts Bluff	79,800	91,770
Jefferson	79,800	91,770	Seward	84,600	97,290
Lancaster	82,100	94,415	Washington	87,000	100,050
Lincoln	88,200	102,900	All Other	79,800	91,770
County (Target)	1-2 Persons	3 or more Persons	<b>Household Income Definition</b>		
Adams	95,760	111,720	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	104,400	121,800			
Jefferson	95,760	111,720			
Lancaster	98,520	114,940			
Scotts Bluff	95,760	111,720			

# Homeownership Program Information Sheet

**Qualifying Income Limits – DU Effective Date: 6/20/20**

**Fannie Mae – HFA Preferred Loans Only**

County	80% AMI	County	80% AMI
Adams	58,320	McPherson	59,440
Boone	58,560	Merrick	62,880
Box Butte	62,800	Nemaha	58,960
Buffalo	62,240	Otoe	58,640
Cass	69,520	Perkins	59,120
Cedar	60,480	Phelps	61,440
Cheyenne	65,760	Pierce	59,360
Dakota	62,080	Platte	62,400
Dixon	62,080	Polk	65,280
Douglas	69,520	Sarpy	69,520
Fillmore	58,080	Saunders	69,520
Garden	57,760	Seward	66,160
Gosper	67,840	Stanton	58,800
Hall	62,880	Thomas	60,560
Hamilton	62,880	Washington	69,520
Howard	62,880	Wayne	60,640
Kearney	60,720	York	60,160
Lancaster	66,160	All Other	57,280
Lincoln	58,800		

\*Qualifying income is defined as the total underwriting income used for all borrowers on the loan (1003 income). HFA Preferred loans that exceed the above 80% AMI limits are allowed, but are subject to higher mortgage insurance coverage.

**Mortgage Insurance Requirements**

**Fannie Mae – HFA Preferred Loans Only**

<80% AMI Loans		>80% AMI Loans	
LTV	MI Coverage	LTV	MI Coverage
95.01-97.00%	18%	95.01-97.00%	35%
90.01-95.00%	16%	90.01-95.00%	30%
85.01-90.00%	12%	85.01-90.00%	25%
80.01-85.00%	6%	80.01-85.00%	12%

**Purchase Price Limits - Effective Date: 5/1/19**

All Programs		
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

\*One unit must be owner occupied. Net rental income is included for program eligibility.

# Homeownership Program Information Sheet

## ***Credit Underwriting Requirements - Effective Date: 4/6/20***

<b>AUTOMATED UNDERWRITING SYSTEM (AUS) - APPROVE/ELIGIBLE LOANS ONLY</b>					
Loan Type	AUS	Maximum LTV/CLTV	Minimum FICO	Maximum DTI	Required Reserves
Fannie Mae HFA Preferred	DU	1 Unit - 97/105%	640-659	45%	Follow findings
		2-4 Units - 95/105%	660+	50%	Follow findings
FHA	DU or LPA	Agency guidelines	640-659	45%	1 month
			640-659	All borrowers must be on their current job for a minimum of 6 months	
			660+	50%	Follow findings
			660+	50%	Follow findings
USDA Rural Development	GUS	Agency guidelines	640-659	45%	Follow findings
			660+	50%	Follow findings
VA	DU or LPA	Agency guidelines	640-659	45%	Follow findings
			660+	50%	Follow findings

<b>MANUAL UNDERWRITING/AUS DOWNGRADED LOANS</b>					
Loan Type	Property Type	Maximum LTV/CLTV	Minimum FICO	Maximum DTI	Required Reserves
Fannie Mae HFA Preferred	1 unit, condos, townhomes	95/105%	660	36%	6 months
		95/105%	680	36%	2 months
		95/105%	700	45%	6 months
		95/105%	720	45%	2 months
FHA	Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
USDA Rural Development	1-4 units	Agency guidelines	640	29/41%	2 months
VA	1-4 units	Agency guidelines	640	41%	2 months

\*2-4 unit properties are not allowed on manually underwritten conventional loans. Manufactured housing is not allowed on government and conventional loans at this time.

<b>MANUAL UNDERWRITING/NON-TRADITIONAL CREDIT LOANS</b>					
Loan Type	Property Type	Maximum LTV/CLTV	Minimum FICO	Maximum DTI	Required Reserves
Fannie Mae HFA Preferred	1 unit, condos, townhomes	Agency guidelines	No score	Agency guidelines	2 months or agency guidelines
FHA	Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
USDA Rural Development	1-4 units	Agency guidelines	No score	Agency guidelines	2 months or agency guidelines
VA	1-4 units	Agency guidelines	No score	Agency guidelines	2 months or agency guidelines

\*2-4 unit properties are not allowed on manually underwritten conventional loans. Manufactured housing is not allowed on government and conventional loans at this time.

***This is only a summary of credit underwriting requirements and is not inclusive of all guidelines. Participating Lenders are responsible for all loans satisfying NIFA program guidelines, U.S. Bank guidelines, agency guidelines, PMI company guidelines (if applicable), and secondary market guidelines. Refer to U.S. Bank's website for more information:***  
<https://www.usbank.com/hfadivision/lendingguide>

# Homeownership Program Information Sheet

## APPROVED HOMEBUYER EDUCATION CLASSES

**Completion Certificates Dated Prior to 4/1/20:** NIFA will allow education completion certificates from one of the Approved Homebuyer Education Class online providers included on the list dated 4/3/18.

**Completion Certificates Dated On and After 4/1/20:** NIFA will require education completion certificates from one of the Approved Homebuyer Education Class online providers included on the list dated 3/20/20.

**Education Requirements:** NIFA requires homebuyer education for all loans. The homebuyer class provides the greatest benefit when taken early in the home buying process (before searching for a home). While NIFA encourages all first-time homebuyers to take a face-to-face education class, unless otherwise stated, online classes are acceptable.

All occupying borrowers who execute the Promissory Note must complete an education class and their name must be printed on the completion certificate and submitted with the Pre-Closing Package. Certificates are valid for 12 months from the issuance/completion date.

**Face-to-Face Classes:** Non-Profit Organizations approved as REACH Affiliates are located across the State of Nebraska and can be located on the Nebraska Housing Developers Association website at [www.housingdevelopers.org](http://www.housingdevelopers.org).

### **Online Classes:**

#### **Framework**

[www.frameworkhomeownership.org](http://www.frameworkhomeownership.org)

#### **CreditSmart Homebuyer U**

[www.freddiemac.com](http://www.freddiemac.com)

#### **eHome America**

[www.ehomeamerica.org](http://www.ehomeamerica.org)

There may be some situations where the provider charges a fee for the class. Contact the NIFA Homeownership Team by phone at 402-434-3900 or email at [homeownership@nifa.org](mailto:homeownership@nifa.org) with any questions.