HOMEOWNERSHIP
PROGRAMS
**PROGRAM BENEFITS**

**Homebuyer Assistance**
- *30-year fixed rate first mortgage loans*
- *Down payment and/or closing cost assistance*
- *Loan amount not to exceed 5% of the purchase price or $10,000*
- *Very low second mortgage interest rate with a 10-year term*
- *Reduces out of pocket expenses to as little as $1,000 in some situations*
- *Government and conventional loan options*
- *Homebuyer education classes*
- *Work with approved Participating Lenders located in Nebraska*

**First Home**
- *Competitive interest rates*
- *30-year fixed rate first mortgage loans*
- *Low or no down payment requirement*
- *Government and conventional loan options*
- *Reduced mortgage insurance premiums on conventional loans*
- *Homebuyer education classes*
- *Work with approved Participating Lenders located in Nebraska*

**Military Home**
- *Competitive interest rates*
- *30-year fixed rate first mortgage loans*
- *Low or no down payment requirement*
- *Qualified veterans are exempt from first-time buyer rule*
- *Government loan options*
- *Homebuyer education classes*
- *Work with approved Participating Lenders located in Nebraska*
Borrower Eligibility

• All occupying Borrowers and Non-purchasing Spouse must be a first time homebuyer
• Loan must meet NIFA Income and Purchase price limits
• Borrowers must complete a Homebuyer Education course prior to closing (certificate valid for 12 months from issuance)
• Must meet program/agency credit overlays (credit score and DTI)
Definition of First Time Homebuyer

• Borrower cannot have owned a home and lived in it as their principal residence within the past 3 years

• Borrower can own investment properties as long as they have not lived in them during the past 3 year period

Exceptions to First Time Homebuyer Requirements

• Divorce
• Job Relocation
• Natural Disaster
• If buying in a Target area, first time requirement does not apply
• If borrower is a qualified Veteran, first time requirement does not apply
Approved MI Companies
Arch MI, Essent, Guaranty, Genworth Financial, MGIC, National MI, Radian Guaranty

Loan Products
• Fannie Mae –HFA Preferred loans only
• FHA 203b
• VA
• Rural Development (RD)

Homebuyer Education
• Required on all NIFA loans
• Required for all occupying borrowers on the Note
• REACH face-to-face education is preferred (www.housingdevelopers.org)
• On-line courses acceptable: Framework, CreditSmart Homebuyer U, eHome America
Mortgage Rates

https://www.nifa.org/lender/interest-rates

Maximum Purchase Price Limits

Homes located in Nebraska are eligible subject to the following purchase price limits:

<table>
<thead>
<tr>
<th>Number of Units</th>
<th>Non-Target Area</th>
<th>Target Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>New &amp; Existing</td>
<td>New &amp; Existing</td>
</tr>
<tr>
<td>One unit</td>
<td>$283,000</td>
<td>$346,000</td>
</tr>
<tr>
<td>Two units</td>
<td>$362,000</td>
<td>$443,000</td>
</tr>
<tr>
<td>Three units</td>
<td>$438,000</td>
<td>$535,000</td>
</tr>
<tr>
<td>Four units</td>
<td>$544,000</td>
<td>$666,000</td>
</tr>
</tbody>
</table>

You must occupy the home as your primary residence within 60 days of loan closing. For 2-4 units, NIFA will include net rental income in your total household income. 2-4 units must be at least 5 years old unless the unit is a duplex located in a target area. If you are buying a home from a relative, the greater of the purchase price or appraised value cannot exceed the maximum limit.
NIFA PROGRAMS

Homebuyers Assistance (HBA) Program

• Provides down payment & closing cost assistance
• 2\textsuperscript{nd} mortgage interest rate is 1%
• HBA 2\textsuperscript{nd} amount is not to exceed 5% of the purchase price or $10,000
• 2\textsuperscript{nd} mortgage term is 10 years (120 months)
• Minimum borrower investment of $1,000 (gift funds are allowed)
• Government (FHA, RD & VA) and conventional loans are eligible
• All 1\textsuperscript{st} mortgage agency underwriting guidelines must be satisfied
Military Home Program

• Program was developed to support Nebraska military
• Program provides NIFA’s lowest possible rate
• VA, FHA, and RD loans are eligible
• Active military can be in any branch of military
  • First-time buyer requirement must be met except for target areas or with another allowable exception.
• Qualified veterans may have served in any branch of the military & can be on active duty again (the same or a different branch)
  • Must have served in the active military and has been discharged or released from the service under conditions other than dishonorable.
  • Veteran does not have to be a first-time buyer.
NIFA PROGRAMS

First Home Program

- 1st mortgage loan only
- Government and conventional loans are eligible
- For properties located in a non-target area
NIFA PROGRAMS

First Home Targeted Program

• 1st mortgage loan only
• Government and conventional loans are eligible
• Properties located in federally designated target area
  • Lancaster, Douglas, Adams, Jefferson & Scotts Bluff Counties
• First-time buyer requirement does not apply when property is located in a target area
• Income and purchase price limits are higher
All NIFA first mortgage loans are assumable subject to program requirements.

NIFA no longer enforces owner-occupancy requirement as long as the borrower occupies the home within 60 days of closing.

There are no additional NIFA appraisal requirements as long as the home meets purchase price limits and agency underwriting guidelines.

Over 60% of NIFA loans are with conventional financing.

Reviews are completed within 24 hours or less from file submission.

Average time from reservation date to closing date = 40 days.
Recapture Tax Reimbursement Policy

• NIFA will reimburse recapture tax if:
  • Borrower closed their NIFA loan on or after June 1, 2004
  • Borrower’s NIFA loan is active at the time when property is sold (hasn’t been refinanced)
  • Borrower submits claim to NIFA by July 15th following the year the home was sold
  • NIFA will refund actual amount of recapture tax due to the IRS
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