



Administrator's Guidelines

**SEDGWICK COUNTY, KANSAS
AND
SHAWNEE COUNTY, KANSAS**

Kansas Single Family Mortgage Loan Program

Published January 29, 2014

Revised 12/08/16

Updates on Page 3



TABLE OF CONTENTS

THE KANSAS HOUSING ASSISTANCE PROGRAM ORIGINATION TEAM	5
WHO TO CONTACT	6
PROGRAM SUMMARY	7
FIRST MORTGAGE	7
PROGRAM AREA	7
PROGRAM REQUIREMENTS	8
Eligible Borrowers	8
Veterans Exception	8
Minimum Credit Score	8
Homebuyer Education - Freddie Mac HFA Advantage Borrowers	8
HOUSEHOLD INCOME LIMITS	9
ACQUISITION (SALES PRICE LIMIT)	9
ABOUT THE PROPERTY	9
TARGETED AREAS	14
ABOUT THE FINANCING	15
SUMMARY OF THE COMPLIANCE ORIGINATION PROCESS	16
TIMING IS EVERYTHING	18
System Availability	18
Loan Processing, Delivery and Purchase Timetable	18
Extensions	18
Rate Locks to Borrowers	19
PROGRAM FEES	20
PROGRAM COMPLIANCE UNDERWRITING	21
PROGRAM FORMS	25
DOCUMENTS REQUIRED FOR THE COMPLIANCE FILE	25
US BANK WEBSITE INFORMATION	26

Date	Update	Page
3-20-14	Two rate options now available, one for FHA only and one for FHA, VA and RD loans; VA loans receive 50 bps less in SRP than FHA and RD	5 17
4-22-14	SYSTEM AVAILABILITY ADDED TO PAGE 5	5
5-1-14	Updated U.S. Bank website information; Tax Transcripts info clarified to be consistent with Eligible Borrower info retroactive; Update Forms info	14, 25, 24
5-6-14	Effective April 25, Purchase Price Limits increased; Now there are separate Kansas MSA limits and different from balance of state	7
6-9-14	US Bank Funding Fee increased to \$300	17
6-19-14	Assistance Amount on Option 2 changed	5
7-14-14	Clarified US Bank Funding Fee of \$300 as shown on page 17	5
9-2-14	Added Wakarusa (defined as a census designated place) in Shawnee County	11
1-26-15	Added City of Hoyt in Jackson County to participating cities	9
4-2-15	Revised Income limits for 2015 effective immediately	7
5-29-15	Revised Purchase Price Limits, effective 5-22-15	7
7-23-15	Added new section for Freddie Mac HFA Advantage	26
8-21-15	Added additional information links for HFA Advantage	26
9-26-15	Added Contact Directory	5, 6
9-26-15	Reformatted Compliance Process	16,17,30,31
9-26-15	Reformatted eHP and US Bank Fees	20, 33
9-26-15	Reformatted documents required for compliance file	25, 34
10-14-15	Added eHP fee information & revisited US Bank fees	21, 34
10-15-15	Added disclaimer regarding not reproducing program forms	26, 35
12-1-15	Added Chart of available Products	7
12-1-15	Revised Minimum FICO scores, Manufactured Houses, Manual Underwriting	8,9,15,29
12-22-15	Revised eHP Fee	20, 33
03-30-16	Revised income limits effective with 1003 loan applications dates 03/28/16	10 & 30
04-11-16	Revised Manual Underwriting information for Gov't & Conventional Loans	16 & 30
04-21-16	Revised purchase price limits effective with 1003 loan applications dated 04/15/16	11 & 30
5-24-16	Added City of Holton to eligible Areas	12

Revisions Table continued...

Date	Update	Page
07-26-16	Revised Rate/Offering Chart	8
07-26-16	Revised Minimum Credit Score requirement	9
07-26-16	Revised Manual Underwriting for FHA Loans	16
07-26-16	Revised Manual Underwriting for Freddie Mac HFA Advantage Loans	30
08-22-16	Clarified eHousingPlus Fee	21 & 34
12-08-16	Added unincorporated areas of Jackson County to the list of eligible areas	11
12-08-16	Removed separate Freddie Mac section of guide and incorporated any variances	8, 9, 15

THE KANSAS HOUSING ASSISTANCE PROGRAM ORIGINATION TEAM**SEDGWICK AND SHAWNEE COUNTIES**

The Issuers serve as sponsors of this program. The Issuers are an instrumentality of government in accordance with HUD/FHA and Fannie Mae guidelines. The Issuers determine the parameters of the first mortgage and borrower assistance, set the rate, term and points and may market the program

Participating Lenders

Take applications, reserve in their own systems, process, underwrite, approve, fund, close and sell qualified loans to the program. Check with your company on how to reserve a program loan rate in your own system so that you have funds available for closing. Your company may have their own codes. Lenders are responsible for servicing first mortgage loans in accordance with GNMA requirements until they're purchased by the Master Servicer.

U S Bank**Master Servicer**

Provides training on acceptable loan products, general underwriting information, mortgage requirements, other market requirements and delivery and funding, receives all mortgage files, reviews mortgage files, notifies lenders of mortgage file exceptions, approves mortgage files, purchases first mortgage loans, pools and delivers loans

eHousingPlus**Program Administration**

Maintains the program reservation system, websites, and posts guides, forms, training materials, provides training on compliance issues and system, issues usernames and passwords, answers program compliance questions, receives compliance files, reviews, posts and notifies of exceptions, approves compliance file, issues final recapture notices or other final notice to buyers.

WHO TO CONTACT

Question	Direct Questions to:	Contact Information
<p>General Program Compliance Questions</p> <p>Assistance with eHP Lender Portal</p> <p>Assistance with User Credentials for eHP Lender Portal</p>	<p>eHousingPlus (eHP)</p>	<p>Sue Denihan sue@ehousing.cc 813-579-6293</p> <p>Patt Denihan patt@ehousing.cc 954-430-6072</p> <p>Joe Athey joe@ehousing.cc 813-579-6294</p> <p>Jennifer Erwin Jennifer@ehousing.cc 813-579-6295</p> <p>Vicki Stewart Vicki@ehousing.cc 813-579-6283</p>
<p>Update an Underwriter Certified Loan</p>	<p>eHousingPlus (eHP)</p>	<p>Anyone at eHP Compliance Office services@ehousingplus.com 954-217-0817</p>
<p>Program Training</p> <p>Problems with Training</p>	<p>eHousingPlus (eHP)</p>	<p>Click on this link: http://www.ehpuniversity.com/kansas.html Joe Athey 813-579-6294 joe@ehousing.cc</p>
<p>System Software Training for eHP Lender Portal</p>	<p>eHousingPlus (eHP)</p>	<p>Click on this link for the once weekly Live Webinar: http://www.ehousingplus.com/ehp-system-trainings/ Or Contact: Jennifer Erwin jennifer@ehousing.cc 813-579-6295 Vicki Stewart vicki@ehousing.cc 813-579-6283</p>
<p>Program Rates</p>	<p>eHousingPlus (eHP)</p>	<p>Click on this link:http://www.ehousingplus.com/available-programs/kansas/kansas-housing-assistance-program/ Then click on the RATES page.</p>
<p>Credit Underwriting questions</p>	<p>Participating Lenders need to refer to internal Underwriting Department or Manager</p>	<p>US Bank does not re-underwriter loans. For general questions, contact US Bank at hfa.programs@usbank.com or 800-562-5165 Option 2 (for general questions) Please note: US Bank answers underwriting questions from the underwriter of a lender for whom US Bank provides underwriting services ONLY.</p>
<p>Questions regarding the shipping of closing loan files</p>	<p>eHousingPlus (eHP) for questions regarding the program compliance file</p> <p>US Bank for questions regarding the first mortgage closed loan file</p>	<p>services@eHousingPlus.com 954-217-0817</p> <p>hfa.programs@usbank.com 800-562-5165</p>
<p>Questions regarding exceptions</p>	<p>eHousingPlus (eHP) for questions regarding exceptions on the program compliance file</p> <p>US Bank for questions regarding exceptions on the first mortgage closed loan file</p>	<p>Debbie Kerr eHP.exceptions@ehousingplus.com 954-217-0817 X216</p> <p>hfa.communications@usbank.com 800-562-5165 hfa.exceptions@usbank.com</p>

PROGRAM SUMMARY**FIRST MORTGAGE**

Loan Types: Fixed Rate - FHA 203(b), VA, USDA-RHS and Freddie Mac HFA Advantage conventional loans.

Term: 30 Years

Interest Rate: To be determined periodically. Current rates are available online in the web based system.

Origination - Discount: There is no Origination or Discount charged on these loans.

System Availability (Added 4-22-14): Mortgage Loan Rates will be posted daily at ehousingplus.com between 9:00 a.m. CT and 4:00 p.m. CT, Monday through Friday, excluding Holidays. Rates are subject to change. Lenders check the system for rates prior to quoting rates. Loans must be reserved in order to guarantee rates.

Effective September 1, 2016, the following products will be available in this program.

Loan Product	FICO Requirement	Assistance Amount
FHA	660 +	4%
FHA	660 +	2%
VA; RD	640 +	2%
Freddie Mac HFA Advantage	640+	3%

ASSISTANCE

- Assistance is in the form of a non-repayable grant. It is not repayable under any circumstances.
- Assistance is calculated on the first Note amount. This amount is funded by the lender at closing and reimbursed by the Servicer at the time the loan is purchased.
- The Assistance may be used for down payment or closing costs. While there is no cash back in this program, the borrower may be reimbursed for any overpayment of prepaids and earnest money deposit.
- Because the Assistance is a fixed percentage, any remaining Assistance must be utilized (i.e. as additional down payment or applied as a principal reduction).
- When the first mortgage is reserved, the Assistance is automatically reserved. There is no additional reservation necessary.
- When loans close, there are not second mortgages, second notes or liens.

PROGRAM LIMIT

No Program Limit. Up to \$6,000,000 in loan reservations at any time, provided that as loans are securitized into mortgage-backed securities and purchased by the Issuers, those funds will be released back into the program, available on a first-come, first-served basis.

PROGRAM AREA

Unincorporated areas of Sedgwick County, Kansas and Shawnee, Kansas, and any unincorporated areas of any county in Kansas and incorporated areas of any city in Kansas which enter into a cooperation agreement with one or both of the Issuers.

PROGRAM REQUIREMENTS

Eligible Borrowers

- Buyers and their spouses must be first-time buyers and must be able to permanently reside in the US. Please contact the Compliance office with questions regarding permanent residency.
- Non-occupant borrowers or co-signers are not permitted.
- A first-time buyer is one who has not owned and occupied their principal residence within the three year period back from the closing of the program loan.
- With a Freddie Mac HFA Advantage Conventional Loan, a borrower **CANNOT** own other property at the time of closing.
- Three years federal income tax transcripts are required for all buyers and spouses.
- Work visas, student visas, any temporary visas do not qualify.
- Those with permanent asylum do qualify & should provide an I-9.
- Buyers must live in the property they purchase as their principal residence.
- All applicants must be considered irrespective of age, race, color, religion, national origin, sex, marital status, military status or physical handicap.
- Buyers must occupy the property purchased within 60 days of closing.
- Contact eHousingPlus Compliance with questions regarding eligibility.
- Exceptions to the first-time buyer requirement are those persons purchasing in targeted areas defined in these guidelines and those qualifying for the Veteran's Exception.
- The past three years federal income tax returns are NOT required for those purchasing in targeted areas or those qualifying for the Veteran's Exception.
- Homebuyer Education not required (except for Freddie Mac borrowers - see below)

Veterans Exception

For the Veterans Exception, "veteran" is defined as "a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable." The Mortgagor Affidavit has a checkbox that must be checked for those utilizing the Veteran's Exception. The Mortgagor(or Co-mortgagor must meet the requirements to qualify as a "veteran" and cannot have previously obtained a loan financed by single family mortgage revenue bonds utilizing the veteran exception to the first-time homebuyer requirement. True and correct copies of discharge or release papers, which demonstrate that such discharge or release was other than dishonorable must be included with the Compliance File.

Minimum Credit Score

The Program requires a minimum FICO credit score for various products, the mid score must be the minimum or above. If an Agency (FHA, etc) has a higher minimum, follow Agency guidelines. If a participating lender has a higher minimum for other loans and wishes to require a higher minimum for loans, then lenders must use the higher minimum. Manual underwriting of FHA loans is not permitted. Also, the maximum DTI ratio is 45%. (Rev 07-26-16)

Homebuyer Education - Freddie Mac HFA Advantage Borrowers

Buyers utilizing the Freddie Mac HFA Advantage Conventional Loan will be required to attend homebuyer education. The course must be conducted by a HUD-approved counseling agency including online HUD-approved non-profits using eHomeAmerica (Neighborworks based curriculum) <http://ehomeamerica.org>. (Added 12-08-16)

HOUSEHOLD INCOME LIMITS

Effective with all new loan reservations dated 03-28-16 and after.

Include income of borrower(s) and spouse and any person who will live in the household who is 18 years of age or older. Program income is not averaged. It is annualized. That’s different from income used for credit underwriting. More detailed guidelines for calculating program income are in compliance underwriting section included in this guide. (Rev 3/6/15)

Unless otherwise directed, Lenders are responsible for assuring that loans meet the strictest of Agency (FHA, etc) and/or program guidelines with respect to income and sales price limits. Effective with all 1003 loan applications dated 03/28/16 and after:

	<u>NON-TARGETED AREAS</u>		<u>TARGETED AREAS</u>	
	<u>1-2 persons</u>	<u>3+ persons</u>	<u>1-2 persons</u>	<u>3+ persons</u>
Kansas City MSA (Leavenworth, Wyandotte, Johnson, Linn & Miami)	\$72,800	\$83,720	\$87,360	\$101,920
Lawrence MSA (Douglas)	\$74,700	\$85,905	\$89,640	\$104,580
All Other Areas	\$66,700	\$76,705	\$80,040	\$93,380

ACQUISITION (SALES PRICE LIMIT)

Rev. 04/21/16 Effective with all 1003 loan applications dated 04/15/16 and after:

Acquisition Limits in most cases is the Sales/Purchase Price and is never FHA Acquisition limits. Must include everything paid by the buyer or on the buyer’s behalf.

	NEW AND EXISTING HOMES	
	NON TARGET	TARGET
Kansas City MSA (Leavenworth, Wyandotte, Johnson, Linn & Miami)	\$262,409	\$320,722
All Other Areas	\$255,573	\$312,368

ABOUT THE PROPERTY

- New or existing,, Single family, owner-occupied, 1-2 unit* principal residences that are detached structures, or condominiums, town homes/PUDs or duplexes, subject to the applicable Freddie Mac, FHA, VA or RHS/RD guidelines.
- ***Freddie Mac Loans - One Unit property ONLY**
- **Condos permitted for Freddie Mac loans up to 95% LTV.**
- Homes are considered new if never previously occupied.
- **Manufactured Homes** - As of December 1, 2015, U. S. Bank will not purchase loans for manufactured housing. U.S. Bank considers manufactured housing: A manufactured home is a mobile home built entirely offsite on a permanent chassis that is pulled on the highway to a permanent location. Modular, panelized or prefabricated homes are not considered manufactured housing. **(Rev 12/1/15)**
- Mobile, recreational, seasonal or other types of vacation or non-permanent homes are not permitted.
- Land may not exceed the size required to maintain basic livability.

Eligible Areas - Asterisk (*) indicates County *has not taken action to participate.*
Cities listed below such counties ARE participating.

<p>Allen County Gas Humboldt Iola LaHarpe Moran Savonburg</p> <p>Anderson County Garnett Greeley</p> <p>Atchison County Effingham</p> <p>Barber County Kiowa Medicine Lodge</p> <p>Barton County Claflin Ellinwood Great Bend Hoisington Susank</p> <p>Bourbon County Bronson Ft. Scott Fulton Uniontown</p> <p>Brown County Hiawatha Horton Sabetha</p> <p>Butler County Andover Augusta Benton Cassoday Douglas El Dorado Leon Potwin Rose Hill Towanda Whitewater</p>	<p>Chase County Cottonwood Falls Strong City</p> <p>Chautauqua County* Cedar Vale Sedan</p> <p>Cherokee County* Baxter Springs Columbus Galena Weir</p> <p>Cheyenne County Bird City St. Francis</p> <p>Clark County* Ashland Minneola</p> <p>Clay County Clay Center Morganville Wakefield</p> <p>Cloud County Clyde Concordia Glasco Jamestown Miltonvale</p> <p>Coffey County Burlington Gridley Lebo LeRoy Waverly</p> <p>Cowley County Arkansas City Burden Dexter Udall Winfield</p> <p>Crawford County Arcadia</p>	<p>Crawford County continued Girard Pittsburg</p> <p>Dickinson County* Abilene Carlton Chapman Enterprise Herington Manchester Soloman Woodbine</p> <p>Doniphan County* Elwood Troy</p> <p>Douglas County Baldwin City Eudora Fairway Lawrence Lecompton</p> <p>Edwards County Kinsley</p> <p>Elk County Howard Longton</p> <p>Ellis County Ellis Hays Victoria</p> <p>Ellsworth County Ellsworth Holyrood Kanopolis Wilson</p> <p>Finney County Garden City Holcomb</p>
--	--	--

Eligible Areas - **Asterisk (*)** indicates County has not taken action to participate.
 Cities listed below such counties **ARE** participating.

<p>Ford County Bucklin Dodge City Ford Spearville</p> <p>Franklin County Ottawa Pomona Wellsville Williamsburg</p> <p>Geary County Grandview Plaza Junction City Milford</p> <p>Gove County* Grainfield</p> <p>Graham County</p> <p>Grant County Ulysses</p> <p>Gray County Cimarron Copeland Ensign Ingalls Montezuma</p> <p>Greenwood County Eureka</p> <p>Hamilton County Syracuse</p> <p>Harper County Anthony Harper</p> <p>Harvey County Burrton Halstead Hesston Newton North Newton Sedgwick Walton</p>	<p>Hodgeman County* Jetmore</p> <p>Jackson County (added 12-08-16) Circleville Holton (added 5-24-16) Hoyt (added 1-26-15) Mayetta</p> <p>Jefferson County Mclouth Meriden Perry Valley Falls Winchester</p> <p>Jewell County Esbon Formoso Jewell Mankato Randall</p> <p>Johnson County DeSoto Edgerton Fairway Gardner Leawood Lenexa Merriam Mission Olathe Overland Park Prairie Village Roeland Park Shawnee Spring Hill Westwood</p> <p>Kearney County Deerfield Lakin</p> <p>Kingman County Cunningham Kingman Norwich</p>	<p>Kiowa County</p> <p>Labette County Altamont Oswego Parsons</p> <p>Lane County Dighton</p> <p>Leavenworth County Basehor Lansing Leavenworth Linwood Tonganoxie</p> <p>Lincoln County Lincoln Center Sylvan Center</p> <p>Linn County LaCygne Mound City Pleasanton Prescott</p> <p>Logan County Oakley</p> <p>Lyon County* Americus Emporia Olpe</p> <p>Marion County Florence Goessel Hillsboro Marion Peabody Tampa</p> <p>Marshall County Marysville</p>
---	---	--

Eligible Areas - **Asterisk (*)** indicates County has not taken action to participate. Cities listed below such counties **ARE** participating.

<p>Meade County Fowler Meade Plains</p> <p>McPherson County Canton Galva Inman Lindsborg Marquette McPherson Moundridge</p> <p>Miami County Louisburg Osawatomie Paola Spring Hill</p> <p>Mitchell County Beloit Cawker City Glen Elder Tipton</p> <p>Montgomery County Caney Cherryvale Coffeyville Dearing Elk City Independence</p> <p>Morris County Council Grove</p> <p>Morton County Elkhart</p> <p>Nemaha County Bern Centralia Wetmore</p> <p>Neosho County Chanute Erie Thayer</p>	<p>Ness County Utica</p> <p>Norton County</p> <p>Osage County Burlingame Carbondale Lyndon Osage City Overbrook Scranton</p> <p>Osborne County Downs Osborne</p> <p>Ottawa County Bennington Minneapolis Tescott</p> <p>Pawnee County Larned</p> <p>Phillips County* Logan Phillipsburg</p> <p>Pottawatomie County Belvue Olsburg Onaga St. George St. Marys Wamego Westmoreland</p> <p>Pratt County Pratt</p> <p>Rawlins County</p> <p>Reno County Arlington Buhler Haven Hutchinson Nickerson Plevna continued in next column</p>	<p>Reno County Continued Pretty Prairie South Hutchinson Sylvia</p> <p>Republic County* Belleville Munden</p> <p>Rice County Lyons Sterling</p> <p>Riley County Leonardville Manhattan Ogden Randolph Riley</p> <p>Rooks County Plainville Stockton</p> <p>Rush County La Crosse Otis</p> <p>Russell County* Dorrance Luray Russell</p> <p>Saline County Brookville Gypsum New Cambria Salina Smolan</p> <p>Scott County Scott City</p> <p>Sedgwick County Andale Bel Aire Bentley Cheney Clearwater continued on next page</p>
--	--	---

Eligible Areas - **Asterisk (*)** indicates County has not taken action to participate.
 Cities listed below such counties **ARE** participating.

<p>Sedgwick County Continued Clearwater Colwich Derby Garden Plain Goddard Haysville Kechi Maize Mount Hope Mulvane Park City Sedgwick Valley Center Viola Wichita</p> <p>Seward County Kismet Liberal</p> <p>Shawnee County Auburn Rossville Silver Lake Topeka Wakarusa (census designated place) Willard</p> <p>Sheridan County Hoxie</p> <p>Sherman County Goodland</p> <p>Smith County Smith Center</p> <p>Stafford County* Hudson St. John Stafford</p> <p>Stanton County Johnson City</p> <p>Stevens County Hugoton Moscow</p>	<p>Sumner County Argonia Belle Plain Caldwell Conway Springs Oxford South Haven Wellington</p> <p>Thomas Co.</p> <p>Trego County Wakeeney</p> <p>Wabaunsee County Alma Alta Vista Eskridge Harveyville Maple Hill McFarland Paxico</p> <p>Wallace County* Sharon Springs</p> <p>Washington County Linn Washington</p> <p>Wilson County* Buffalo Coyville Fredonia Neodesha</p> <p>Wichita Co.</p> <p>Woodson County Yates Center</p> <p>Wyandotte County Bonner Springs Edwardsville Kansas City</p>	
---	--	--

TARGETED AREAS

Kansas Counties:

Barton County	9714.00
Crawford County	9572.00
Decatur County	9511.00
Douglas County	0004.00
Ford County	9621.01
Geary County	0001.00
Lyon County	0005.00
Montgomery Cty	9512.00
Neosho County	9517.00
Reno County	0006.00, 0007.00, 0008.00
Riley County	0010.02
Saline County	0001.00, 0002.00
Sedgwick County	0001.00, 0004.00, 0006.00, 0007.00, 0008.00, 0009.00, 0018.00, 0024.00, 0026.00, 0027.00, 0031.00, 0032.00, 0036.00, 0037.00, 0040.00, 0043.00, 00.0058, 0060.00, 0061.00, 0065.00, 0067.00, 0068.00, 0075.00, 0078.00
Seward County	9660.00
Shawnee County	0004.00, 0005.00, 0008.00 ,0011.00, 0012.00, 0029.00, 0030.01, 0040.00
Wyandotte County	0403.00, 0406.00, 0407.00, 0408.00, 0409.00, 0410.00, 0411.00, 0412.00, 0413.00, 0415.00, 0418.00, 0420.01, 0420.02, 0421.00, 0422.00, 0423.00, 0424.00, 0430.00, 0439.04, 0441.04, 0451.00

Get free census tract information for a specific property address at:

<http://www.ffiec.gov/Geocode/default.aspx>

ABOUT THE FINANCING

It's expected that lenders have reviewed some **preliminary documentation and believe that applicants will also qualify for credit. Excessive cancellations will be reviewed** to assure that allocation is not being utilized **inappropriately**.

FHA, VA, RD and Freddie Mac HFA Advantage conventional loans are permitted. Find the specific government and conventional loan products permitted on the US Bank website. (Rev 12-08-16)

Check with your underwriter for updates to information for Freddie Mac HFA Advantage. Such information is provided by a third party (i.e. Freddie Mac, U.S. Bank, etc) who do not provide updated information to eHousingPlus. (Added 12-08-16)

Freddie Mac HFA Advantage Fact Sheet: http://www.freddiemac.com/singlefamily/pdf/hfa_factsheet.pdf (Added 12-08-16)

- Appraisal must indicate that the home has at least a 30 year remaining useful life.
- Buydowns are not permitted.
- Cash Back to the borrower is not permitted. However, borrowers are permitted a reimbursement of prepaids and overage of earnest money deposit to the extent any minimum contribution has been satisfied and is permitted by Agency guidelines.
- Cosigners are not permitted
- Minimum Loan Amount - There is no minimum loan amount in this program.
- Manual Underwriting for FHA loans - See U.S. Bank bulletin 2016-06 effective with new reservations as of September 1, 2016. (Rev 07-26-16)
- Prepayments - The first mortgage may be prepaid at any time without penalty.
- Recapture Tax - There is no Recapture Tax in this program.
- Refinances are not permitted. However, temporary, construction or bridge financing with a term of 2 years or less may be taken out with a program loan
- Remaining reserves are not established by the program. Follow Agency (FHA,VA, etc.) guidelines

SUMMARY OF THE COMPLIANCE ORIGATION PROCESS

MANDATORY PROGRAM TRAINING

Lender training is mandatory for anyone working with this program. eHousingPlus and US Bank provide program training online 24/7. [To attend click on this link.](#)

eHousingPlus LENDER PORTAL SYSTEM TRAINING

Conducted once a week via live WebEx with the eHousingPlus Compliance Office. We highly encourage anyone who will reserve funds, complete an underwriter certification, print forms or clear exceptions to attend this 30 minute training. [Click here to register to attend.](#)

LENDER PORTAL USER CREDENTIALS

Following completion of Program training at eHP University training, an email will be sent to lenders giving directions on how to apply for User Credentials for the lender portal. These instructions are for both new users of system and existing users looking to add programs to their profile.

QUALIFY

Lenders use program requirements to qualify applicants for the program. Buyers must present an executed sales agreement before being entered into the program reservation system.

RESERVE

To reserve funds in program's online system [click on this link.](#) Log in and reserve the first mortgage that automatically provides Assistance. You will receive a loan number and a message that you've completed the reservation successfully.

PROCESS

Lenders process the loan as they would normally keeping in mind the program timelines.

UNDERWRITE AND CERTIFY

Lenders underwrite & are responsible for credit decisions of the loans in the program. Servicer does not re-underwrite loans. Following credit approval AND WITHIN 15 DAYS OF LOAN RESERVATION, Underwriter completes the online Underwriter Certification within the eHousingPlus Lender Portal.

CLOSE

Borrower executes the Affidavit (Mortgagor & Seller/Builder Affidavit & Lender Certificate) and the Down Payment/Closing Cost Assistance Grant Commitment Approval Letter. IT'S IMPORTANT that lenders have the borrower(s) sign the DPA Approval Letter that meets requirements of 2013-14 (appears in the auto-fill Forms available for closing). Lenders retain original, copies in their FHA Case Binder, to borrowers and to U.S. Bank (FOLLOW U.S. BANK requirements per USB002. (Rev 7/29/14)

SHIP / SUBMIT

There are two (2) files shipped post closing:

File #1 is the Compliance File and it is sent to eHousingPlus. The Compliance File Checklist is found within the eHousingPlus Lender Portal in the Loan Forms section.

File #2 is the Mortgage File including Credit Package and it is sent to US Bank. The US Bank Delivery and Funding Checklist is found within the US Bank web site. To locate the US Bank Checklist click on this link: www.mrbp.usbank.com

Click on US Bank Lending Manuals.

Pop-up box will appear, click on Continue.

Web page will be redirected to US Bank All Regs site.

Click on Housing Finance Authority folder.

EXCEPTIONS

Lenders are notified by eHousingPlus and US Bank of exceptions. Exceptions for both eHousingPlus and U.S. Bank are available in the eHousingPlus web-based system.

TIMING IS EVERYTHING

Buyers MUST HAVE A FULLY- EXECUTED SALES CONTRACT FOR A SPECIFIC PROPERTY in order to have funds available for purchase by the Master Servicer. The contract may be dated prior to the date of the loan application. (Buyers may be pre-qualified. However, if the buyer does not have a contract on a property, PROGRAM FUNDS MAY NOT BE HELD for the buyer until such time as the buyer presents a valid contract.)

Program funds are locked for a buyer when a reservation is submitted on and accepted by the system and a loan number is obtained.

Complete the reservation online and submit. Reservations submitted correctly receive a confirmation that the loan has been accepted and receive a loan number that is valid through the life of the loan.. If submitted incorrectly, there is instant online feedback identifying non-compliance and/or missing information issues. Lenders may print the Confirmation.

System Availability

Mortgage Loan Rates will be posted daily at ehousingplus.com between 9:00 a.m. CT and 4:00 p.m. CT, Monday through Friday, excluding Holidays. Rates are subject to change. Lenders check the system for rates prior to quoting rates. Loans must be reserved in order to guarantee rates.

Loan Processing, Delivery and Purchase Timetable

Reservation to Underwriter Certification = 15 days

Reservation to Exceptions Cleared, Loans Purchased = 70 days

Lender must deliver the Mortgage Loan and related documents to Servicer (US Bank) and Compliance Package to Administrator (eHousingPlus) within twenty (20) days after the loan closing for purchase approval keeping in mind the 70 day rule.

Extensions

- Any Mortgage Loan not purchased within a 70-day period referenced above is ineligible for purchase by the Master Servicer and shall be cancelled unless the Lender elects a one-time only 30-day extension. The extension request must be submitted by the Lender to the Program Administrator **before** the 70 day deadline. **The cost of the extension is \$375** and the fee is due whether or not the Mortgage Loan is ultimately delivered by the Lender for purchase. If the extended Mortgage Loan is delivered and purchased, the fee shall be charged and netted out of the Mortgage Loan purchase price paid to the Lenders, with a separate monthly payment to the Issue for all collected extension fees. If the extended Mortgage Loan is not delivered for purchase to U.S. Bank, the fee will be separately invoiced by the Issuers and paid by the Lender to the Issuers.
- If a Rate Lock period (including extensions) expires with respect to a Mortgage Loan and such Mortgage Loan has not closed, no new Rate Lock may be made for the same Borrower, whether the property address is new or the same as the previous reservation, until sixty (60) days after expiration of the prior Rate Lock period (including extensions).
- If a Lender participating in the Program has a high rate of cancellations of loan reservations, or otherwise engages in behavior inconsistent with Program goals, the Issuers reserve the right to consider the suspension or termination of such Lender with respect to the Program, even if such Lender is in good standing with the Master Servicer.

Rate Locks to Borrowers

Rate locks to Borrowers are determined by the Lender given the 70-day rule.

Example: a 30-day rate lock to the Borrower allows for a 35-day loan delivery to U.S. Bank, with an additional 5 days for suspense items, review and funding by U.S. Bank. If needed, a 30-day extension is available in exchange for an extension fee, as defined on the Interest Rate Notice, and netted out of the Mortgage Loan purchase price.

PROGRAM FEES

Origination or Discount fees may not be charged for loans in this program unless otherwise directed by the Issuers.

eHousingPlus Fees

The program includes a first mortgage Compliance/Admin Fee \$250 and a penalty fee of \$100 for files that are chronically deficient. The Compliance/Admin Fee is collected at closing, payable to eHousingPlus and submitted with the Compliance File. ONLY Cashier's or Corporate checks are acceptable and the fee may not be financed. (Rev 01/01/16)

The **Compliance/Admin Fee** is the fee charged by the Program Administrator/Compliance Agent to process the applicant/borrower from Origination to Compliance Approval, and to assess that the lenders originating such loans are following Program guidelines for the benefit of the eligible borrower(s). The Program Administrator/Compliance Agent tracks the loan via its web-based system, and assists the lender in processing the loan ensuring eligibility to the program available offerings, which can include various rate options, and down payment assistance. (Added 10/14/15)

The Compliance/Admin fee includes the review of information and documents delivered in the form of a Compliance File by the originating lender, on behalf of the borrower. Additionally the Compliance review verifies that the lender has charged only the fees allowed by the Program. Contrary to this, approval may be denied and/or fees may have to be reimbursed to the borrower. The compliance file processing consists of required affidavits, application, closing documents, certain non-mortgage documents, tax returns where applicable and other pre-defined Program documents that are disclosed to the potential borrower(s). This is required to ultimately receive Compliance Approval. These documents can support both the first mortgage and any down payment assistance available, and are required to ensure eligibility to the Program, Federal, State and Local requirements, where applicable. The Compliance review verifies that the data and documents submitted meet all requirements, and may include those for first-time homebuyer, income limits, sales price limits, targeted areas, homebuyer education, rate, term, points, fee limits, LTV, FICO score, special state, city, county program requirements for qualified military, first responders, teachers, etc.). (Rev 08/22/16)

US Bank Fees

\$85 Tax Service Fee and \$400 Funding Fee. These fees will be netted out at time of purchase by U.S. Bank. Note: Please do not send separate checks for these fees. (Rev 11/01/15)

Lenders are permitted to charge reasonable and customary charges for out of pocket expenses and costs. Other financing costs such as legal fees and underwriting fees may be charged and courier fees may be charged if such fees are normally charged. Lenders may charge the usual and reasonable settlement costs. Settlement costs include titling and transfer costs, title insurance, survey fees or other similar costs. Other allowable fees include doc prep fees, notary fees, hazard, mortgage and life insurance premiums, recording or registration charges, prepaid earnest money deposits and other similar charges allowable by the insurer/guarantor. "Junk" fees are not a defined term and may not be charged. Excessive fees are not permitted in the program.

Lender Compensation: Rev 3-20-14

For Freddie Mac, FHA and RD loans:

2.50% in addition to the Lender Fees discussed in the preceding paragraph.

For VA loans:

2.00% in addition to the Lender Fees discussed in the preceding paragraph

PROGRAM COMPLIANCE UNDERWRITING

Underwriters should remember that CALCULATION OF PROGRAM (COMPLIANCE) INCOME IS DIFFERENT THAN CALCULATION OF INCOME FOR CREDIT PURPOSES. The program requires that underwriters consider the income of borrowers and their spouses (regardless of their address) and all household members 18 years of age or older (related or unrelated). Use the information below as a general guide. Because each case is different, please contact eHousingPlus Compliance if you have questions.

Unlike income that is averaged for credit underwriting, the program is concerned with **actual current income**. You should be reviewing the YTD income, the income of the last 4 months and the income shown on previous tax returns for consistency. You should not be averaging income. If there are not inconsistencies in earnings, use the guidelines for each loan type to determine current gross monthly income. Current gross monthly income is multiplied by remaining months in the year to determine "total current annualized income".

For the tax year in which the closing occurs, consider YTD income. Then establish current base income for the balance of the year using the guidelines for each type of income. Then consider any additional income. For assistance, contact the Compliance Office.

Gross monthly income is the sum of monthly gross pay; any additional income from overtime, part-time employment, bonuses, income from self-employment, dividends, interest, royalties, pensions, VA compensation and net rental income, other income (such as alimony, child support, public assistance, sick pay, social security benefits, unemployment compensation, income received from trusts, and income received from business activities or investments, continuation of which is probable based on foreseeable economic circumstances based upon the Mortgagor's Affidavit (to such effect), all as computed at the time of application for a mortgage loan and confirmed at the time of closing. We will check information with respect to gross monthly income obtained from the reservation form, Underwriter's Certification and applicable certificates and affidavits executed the date of the Closing of the Mortgage Loan, provided that any gross monthly income not included for credit underwriting purposes must be included in determining gross monthly income. The limit is the limit and any amount over the limit is not acceptable. Include the income of non-borrower co-habitants who will reside in the property. However, do not include (1) dependents that are claimed on tax returns but who will not permanently reside in the home the majority of the time and (2) co-signers. The Affidavit, executed by the borrower(s), and certified by the lender, must include the total verified annual household income.

This program considers HOUSEHOLD INCOME not income of the borrower. Household income includes the income of borrower, spouse. Remember if persons are not divorced they are married. We count the income of the spouse whether they reside in property or not. Also include the income of all who will reside in the home 18 years of age or older (children, parents on social security, etc).

Questions regarding the calculation of income for program purposes should be directed to the Compliance office services@ehousingplus.com or 954-217-0817. There are many variables and the Compliance office will be pleased to assist.

The Servicer requires the complete closing and credit documentation as identified on their specific loan delivery checklists. Lenders may rely on the same documentation for program compliance purposes. Although mentioned in this section of the guidelines, VOE's and VOD's, current pay stubs which delineate "current period", W-2's, for all borrowers from all employers, and bank statements to

verify assets may be included to the extent required by the Servicer for their purposes. Figures shown on all documents should be consistent. **Rev 12/01/15**

Because a program qualifier is "income", even if not required for credit purposes (i.e. automated underwriting), you should be seeking the two most current paystubs with YTD. Do not include in the compliance file, keep copies for your records.

Although reference is made to the last 4 to 6 weeks income, Underwriters should be reviewing the income tax returns submitted to verify that there are no unexplained and/or unacceptable differences current income to past income.

Examples below not intended to serve as exclusive methodology. Please contact the Compliance office services@ehousingplus.com or 954-217-0817 with questions regarding individual cases.

Please note that the income reported for income calculation CAN NEVER BE LOWER THAN THE INCOME USED TO QUALIFY FOR CREDIT PURPOSES.

Hourly Employees

For the tax year in which the loan is closing, use the Year to Date base income. If consistent, utilize the base to determine the balance of the year by

1. Using last 4 to 6 weeks' pay stubs, identify hourly rate of pay and average number of regular hours worked per week. Multiply hourly rate times regular weekly hours. Multiply result times number of weeks for balance of year and add to YTD for an annualized base salary.
2. If the person has no other sources of income (for example: overtime, bonus, commissions, second jobs, interest, dividends, child support, alimony, public assistance), this will be the Current Total Annual Income.
3. Compare the total annual income in #2 above to Paystubs, VOE's, previous year's income per W2's and tax returns. You should not find significant differences. In some cases, the Current Total Annual Income will be higher than the previous year's income. Variances should be attributable to increases/decreases in pay or number of hours worked. You should not find significant differences. In some cases, the Current Total Annual Income will be higher than the previous year's income. Variances should be attributable to increases/decreases in pay or number of hours worked.

Salaried Employees

1. Using last 4 to 6 weeks' pay stubs, identify weekly (or other frequency) rate of pay. Multiply rate times the number of regular pay periods in the year (52 weeks, 12 months, 24 semi-months)
2. If the person has no other sources of income (for example: overtime, bonus, commissions, second jobs, interest, dividends, child support, alimony, public assistance), this will be the Current Total Annual Income.
3. Compare the total annual income in #2 above to Paystubs, VOE's, previous year's income per W2's and tax returns. You should not find significant differences. In some cases, the Current Total Annual Income will be higher than the previous year's income. Variances should be attributable to increases/decreases in pay or number of hours worked

Business, Self Employment (Rev. 10-31-07)

1. Use the quarterly tax returns and financial statements to identify the current NET year to date income.
2. Divide the year to date income by the number of months during which it was earned and multiply times remaining number of months in year. Add to actual YTD. ADD DEPRECIATION.

3. If the person has no other sources of income (for example: overtime, bonus, commissions, second jobs, interest, dividends, child support, alimony, public assistance), this will be the Current Total Annual Income.

4. Compare the total annual income in #2 above to the previous year's income per W2's and tax returns.

You should not find significant differences.

Verified Termination of Overtime, Commission, Bonus, Seasonal, Periodic, One Time Overtime, Bonus, Commissions

Using last 4 to 6 weeks' pay stubs, identify the year to date total earnings of the borrower. Subtract the Current Total Base Income (see above) to arrive at the total year to date extraordinary income. If verification of termination of overtime, commission or bonus is provided in writing (i.e. a letter from an employer) or such termination is due to a change of employment, use the current YTD overtime, commission or bonus, do not annualize and add as a lump sum to the Current Total Annual Income.

Regular Overtime, Bonus, Commissions

1. Using last 4 to 6 weeks' pay stubs, identify the year to date total earnings of the borrower. Subtract the Current Total Base Income (see above) to arrive at the total year to date extraordinary income.

2. Divide the year to date extraordinary income by the number of pay periods during which it was earned (to obtain an average). Multiply times the appropriate factor (Balance of year weeks, months, semi- months, etc.) for balance of year figure and add to actual YTD extraordinary income for annual income.

3. If the person has no other sources of income (for example: second jobs, interest, dividends, child support, alimony, public assistance), this will be the Current Total Annual Income.

4. Compare the total annual income in #2 above to Paystubs, VOE's, previous year's income per W2's and tax returns. You should not find significant differences. In most cases, the Current Total Annual Income will be higher than the previous year's income. It will also generally be higher than the annualized year to date income. The variances should be attributable to increases/decreases in pay.

Interest, Dividends

1. Use current earnings statements issued by the bank, investment broker or agent. Identify the year to date interest or dividend earnings. Divide by the investment term year to date (for an average) and multiply times appropriate factor to annualize the earnings.

2. If statements are not available, and the terms of the investment agreement are available, multiply the principal amount of the asset times the annual interest yield factor for a projected interest earnings amount.

3. If neither are available, use the previous year's earnings statements or tax returns to identify total annual interest and dividend income. If the assets are still invested in the same instruments, use the previous year's figure.

4. Add the result of the computation in either #1, #2 or #3 above to the Current Total Annual Income.

Alimony, Child Support

1. Use the monthly amount appearing in the divorce decree, separation agreement or other support document.

2. If the borrower receives more than the amount stipulated in the agreements, use the monthly figure that the borrower declares and can be verified.

3. If the borrower receives less than the amount stipulated in the agreements and there is a verifiable history of the underpayments for at least 2 years (as evidenced by Court records), then use the past 2 years' historical monthly earnings. If there is no such history that can be verified, use the amount stipulated in #1 above.

4. Multiply the monthly amount of alimony or child support times 12. Add to the Current Total Annual Income (plus any other income sources).

Pensions, Temporary Payments

1. Use the benefits statement issued by the benefits provider (pensions, workers compensation, disability compensation, social security, AFDC, etc.) to identify the amount of the benefit, payment frequency and expected term of the benefit.

2. Multiply the amount of the benefit times the payment frequency for the balance of year and add to actual YTD for an annualized amount. Add to the Current Total Annual Income (plus any other income sources).

3. If the benefit is absolutely not payable to the recipient beyond a given date (that means a complete and permanent stop of benefits without extensions, exceptions, waivers or other conditions) and such date is within 12 calendar months of the anticipated closing date, then calculate the benefits expected through the end of the benefits term. That will be the total annual income amount from the specific benefits source. Add to the Current Total Annual Income (plus any other income sources).

Boarder's Income and Rental Income in One Unit Properties

The Boarder's wages/income and rental income paid to the borrower must be included in the program calculation of income.

Rental Income from 2-4 Unit Properties

Anticipated rental income from the property being purchased is not included in the program calculation of income but may be treated as detailed in Agency (FHA, VA, Freddie, etc) guidelines. If the borrower's own other rental property from which income is derived, that income must be included in the program calculation of income.

PROGRAM FORMS

The Compliance File contains copies of standard forms as listed below.

Original, personal signatures of all borrowers and sellers are required and must match on all documents associated with the transaction. Whenever a party is known in any of the documents by more than a single name, a Name Affidavit Will Be Required. Powers of Attorney and/or Personal Representatives for the Borrower Are Not Acceptable. Exception: Active Duty Military Personnel may provide an "Alive and Well" letter.

The simple rule of who signs program forms – if the person is named on the Mortgage/Deed, they sign the program forms. If they are not on the Mortgage/Deed, they do not sign the program forms. Having people sign documents who should not sign is as incorrect as not having all sign who should. Under no circumstances may a cosigner's name appear on title or warranty deed.

DOCUMENTS REQUIRED FOR THE COMPLIANCE FILE**(Rev 9/26/15)**

(Effective for loan applications dated 10/03/15 and after)

The program forms are generated directly from the eHousingPlus Lender Portal at the loan level. The program forms **MUST** be printed from the Lender Portal. It is not acceptable to re-create program forms. (Rev 10/15/15)

eHousingPlus has developed a checklist to be utilized after closing to assemble the Compliance File that is delivered to eHousingPlus. The checklist is located in the eHP Lender Portal in the Loan Forms area.

PLEASE SUBMIT ONLY COMPLETE FILES IN AN ACCO-BOUND FILE FOLDER IN THE EXACT ORDER SHOWN BELOW. INCOMPLETE AND NON ACCO-BOUND FILES WILL BE RETURNED AT LENDER EXPENSE.

- The Compliance Checklist
- Compliance/Admin Fee

ORIGINAL OR CERTIFIED TRUE ONLY OF THE FOLLOWING:

- Affidavit (Mortgagor & Seller/Builder Affidavit & Lender Certificate)

COPIES OF THE FOLLOWING:

- SIGNED Income Tax Returns OR Transcripts OR any combination
- Real Estate Purchase Contract
- FINAL SIGNED 1003
- FINAL SIGNED CLOSING DISCLOSURE (TRID form)
- Warranty Deed
- Discharge papers (DD214) only if Veteran is qualifying under the Veterans Exception

THE COMPLETE ACCO-BOUND COMPLIANCE FILE FOLDER IS SUBMITTED:**eHousingPlus****3050 Universal Blvd., Suite 190****Weston, FL 33331****PLEASE NOTE: MORTGAGE FILE, INCLUDING CREDIT PACKAGE IS SENT TO U S BANK.**

US BANK WEBSITE INFORMATION

Down Payment Assistance Funding Verification Form - USB002

This form may be found on the US Bank ALL Regs web site.

U.S. Bank Checklists

U.S. Bank Lender Training

Click on this link: www.mrbp.usbank.com

Click on **US Bank Lending Manuals**

Pop-up box will appear, click on **Continue**

Web page will be redirected to US Bank All Regs site.

Click on **Housing Finance Authority** folder

Click **Kansas**

Click **Sedgwick/Shawnee Housing Finance**

Then click on the information you want to access