



Next Home – IHFA Next Home

Highlights

- Does not have to be first time homebuyer
- Income limits
- 30 year fixed rate (set by IHCDA)
- FHA or Conventional financing eligible
- Minimum credit score
 - FHA – 660
 - Conv – 640
- 2 year affordability period
- Down Payment Assistance (DPA)
 - FHA – 3.5% of the lesser of purchase price or appraised value
 - Conv – 3% of the lesser of purchase price or appraised value
- Can use Mortgage Tax Credit (MCC) with either FHA or Conv program
- No cash back at closing except for what the mortgagor paid into the loan
- Reservation fee – \$100
- Must be DU – Approval / Eligible
- [2017 Next Home Program Guide](#)

Encompass Setup – FHA loan

- Borrower Summary
 - Loan Program = IHFA FHA Fixed
 - Closing Cost = IHFA

Transaction Details	
Lender	Hallmark Home Mortgage, LLC
Loan Program	IHFA FHA Fixed
Closing Cost	IHFA

- Subordinate Financing
 - Click the Sub Financing button
 - Enter the amount of the DPA in the 2nd Mortgage field

Subordinate Mortgage Loan Amounts	
1st Mortgage	115,800.00
2nd Mortgage	4,200.00
Additional	0.00

- Special Product Type = IHFA Next Home

Construction Closing Date	// <input type="button" value="Calendar"/>
HHM Loan Type	Retail <input type="button" value="Search"/>
Special Product Type	IHFA Next Home <input type="button" value="Search"/>

- 1003 P1

- Source of Down Payment = FHA – Gift – Source Government Assistance
- Explanation of Down Payment = IHFA Next Home

Source of Down Payment	FHA - Gift - Source Government Assistance
Explanation of Down Payment	IHFA Next Home

- FNMA Streamlined 1003 – MORNTPPlus Community Lending section

- Check the Community Seconds box
- Fannie Mae's Community Lending Product = 07 HFA Preferred

MORNTPPlus Community Lending		
<input type="checkbox"/> Community Lending	<input type="checkbox"/> FannieNeighbors Eligible	<input checked="" type="checkbox"/> Community Seconds
Metropolitan Statistical Area or County		
Fannie Mae's Community Lending Product 07 HFA Preferred		
HUD Median Income		
Income Limit Adjustment Factor		
Community Lending Income Limit		
Community Seconds Repayment Structure		

- HUD-92900LT FHA Loan Transmittal – Mortgage Information section

- Secondary Financing
 - Check Gov't box
 - Enter the Amount of Secondary Financing

Secondary Financing		
Source / EIN	IHFA Next Home	
<input checked="" type="checkbox"/> Gov't	<input type="checkbox"/> NP	<input type="checkbox"/> Family
<input type="checkbox"/> Other	<input type="text" value="4,200.00"/>	
Amount of Secondary Financing		

Encompass Setup – Conventional loan

- Borrower Summary
 - Loan Program = IHFA Conventional Fixed
 - Closing Cost = IHFA

Transaction Details		
Lender	Hallmark Home Mortgage, LLC <input type="button" value="Search"/>	
Loan Program	IHFA Conventional Fixed <input type="button" value="Search"/>	
Closing Cost	IHFA <input type="button" value="Search"/>	

- Subordinate Financing
 - Click the Sub Financing button
 - Enter the amount of the DPA in the 2nd Mortgage field

1st Mortgage	116,400.00
2nd Mortgage	3,600.00
Additional	0.00

OK Cancel

- Special Product Type = IHFA Next Home

Construction Closing Date	11/
HHM Loan Type	Retail
Special Product Type	IHFA Next Home

- Downpayment = 3%

Purchase Price	120,000.00	
Down Payment	3.000 %	3,600.00
Loan Amount	116,400.00	

- 1003 P1
 - Source of Down Payment = Secured Borrower Funds
 - Explanation of Down Payment = IHFA Next Home
- FNMA Streamlined 1003 – MORNETPlus Community Lending section
 - Check the Community Lending box
 - Check the Community Seconds box
 - Fannie Mae's Community Lending Product = 07 HFA Preferred
 - Community Seconds Repayment Structure = 02 Payments deferred 5 or more years, fully forgiven (the deferral period on the program may be less than 5 years)

<input checked="" type="checkbox"/> Community Lending	<input type="checkbox"/> FannieNeighbors Eligible	<input checked="" type="checkbox"/> Community Seconds
Metropolitan Statistical Area or County		
Fannie Mae's Community Lending Product		
HUD Median Income		
Income Limit Adjustment Factor		
Community Lending Income Limit		
Community Seconds Repayment Structure		

02 Payments deferred five or more years, fully forgiven

- Mortgage Insurance
 - Be sure to read your DU findings for the reduced MI coverage amount to request

Mortgage insurance is required for this HFA Preferred loan. The lender must obtain mortgage insurance coverage of at least 18%. Verify the mortgage insurance premium is accurately reflected in the loan application.