



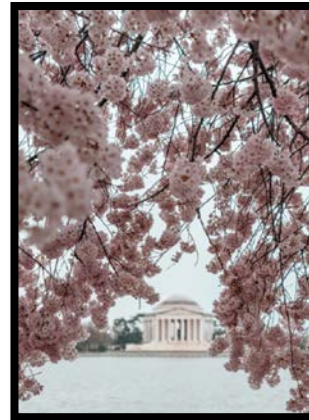
# DC HFA Program

Last Updated: August 26, 2020



# The Key to Homeownership in the City!

## New Partnership between DC Housing Finance Agency (DC HFA) and Lakeview Loan Servicing



# DC HFA

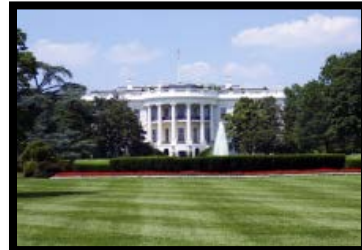
- The DC HFA Program was created by the District of Columbia Housing Finance Agency to help **make home ownership both affordable and attainable in Washington D.C.**
- Qualifies as a provider of down payment assistance under Fannie Mae, Freddie Mac, and FHA guidelines.



# Benefits

## Fewer Restrictions & Easier to Use

- No Underwriter Certification
- Assistance is available for both first-time and repeat homebuyers
- No minimum required investment
- Conventional High Balance loans are now permitted
- No additional condominium reviews required (condominiums must meet agency/investor guidelines)



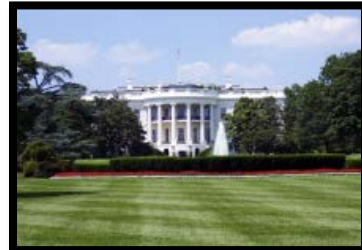
# Program Highlights

- Purchase transactions only
- Owner-occupied, single-family properties, including
  - Condos
  - PUDs
  - Townhomes
- Government and Conventional first loan options available
- Homebuyer Education (in person or on-line) is required **prior to close per investor/agency guidelines.**
- Proceeds of the optional assistance can be used for **100%** of the borrower's down payment.



# Income Limits

- **Program Income Limit:** Currently at **\$151,200**
  - Additional limits may apply depending on product selected.
  - Use [Fannie Mae's income lookup tool](#) to find AMI information.
- **All verified qualifying income must be applied against the applicable program income limit.**



# Qualifying Income

**Lender must attempt to verify all income listed on the application or disclosed through the loan process.**

- What is the definition of **disclosed through the process?**
  - Listed on the 1003
  - Shown on the pay stubs
  - Shown on a written verification of employment
  - Shown on tax documents
- If the additional income does not meet investor guidelines (ex. one-time bonus), it does not need to be added to the application and run through the AUS. However, the Underwriter must indicate on the 1008/applicable government forms why it was not used for qualification.

**Example:** “Verified that borrower’s bonus was one-time.”



# Qualifying Income Examples

## Example 1

- The 1003 lists a second job, but it is not needed to pass ratios.

### Does the income need to be developed?

- **Yes**, review the income documentation and determine if the income meets the guidelines: continuity, history, etc.
  - » **If it does**, add it to the LOS and run through AUS for qualification.
  - » **If it does not**, underwriter documents why.

## Example 2

- The underwriter reviews a pay stub and sees a bonus or overtime income that was not listed on the 1003.

### Does the income need to be developed?

- **Yes**, review income documentation and determine if the income meets guidelines: continuity, history, etc.
  - » **If it does**, add it to the 1003, LOS, and run through AUS for qualification.
  - » **If it does not**, underwriter documents why.





# First Mortgage Loans – Conventional

- Fannie Mae's **HFA Preferred** loans and Freddie Mac **HFA Advantage** loans only
  - Standard Freddie Mac and Fannie Mae loan products are not permitted.
  - High Balance loans must utilize DU and Fannie Mae's HFA Preferred.
- **LTV/CLTV:** Up to maximum **97/105%\***  
(\*High Balance loans are limited to **95/105%**)
- All Borrowers must have a **FICO score** of no less than **640**
- Co-signors and non-occupant co-borrowers are not permitted
- **DTI:** Not to exceed **50%** subject to a DU or LPA approval
- **Underwriting:** **Approve/Eligible** from DU or **Accept/Eligible** from LPA; manual underwriting and/or non-traditional credit are not permitted
- **Employment and income documentation follow DU/LPA findings**, with a few exceptions:
  - Tax transcripts are required when utilizing 1040 income, working for family, or using WVOE as stand-alone income verification.\*\*

*Please refer to the [product matrix](#) for complete program guidelines, including the interim COVID-19 Guidance Pages*

\*\*See COVID interim guidance page.



# First Mortgage Loans – Conventional (Continued)

- Lower “Charter or Custom” Mortgage Insurance coverage is available for loans with **AMI ≤ 80%**

LTV	Coverage
95.01%-97%	18%
90.01-95%	16%
85.01-90%	12%
80.01-85%	6%

- See the [product matrix](#) for more information

**In the case of conflicting guidelines, lender must follow the more restrictive guidelines of DC HFA, Fannie Mae or Freddie Mac (as applicable), Mortgage Insurer, Lender, or Lakeview Loan Servicing.**



# First Mortgage Loans – FHA

- 203b or limited 203k available
- **96.5 LTV/CLTV – per FHA guidelines**
- All borrowers must have a **FICO** score of no less than **640**
- Co-signors and non-occupant co-borrowers are not permitted
- **DTI**: Not to exceed **45%** subject to a DU or LPA approval
- **Underwriting: Approve/Eligible** from DU or **Accept/Eligible** from LPA
  - Manual downgrades are permitted only if additional information was not considered in the Approve/Eligible or Accept/Eligible decision, subject to:
    - **660 minimum FICO** score for all borrowers
    - **43% maximum DTI**

**In the case of conflicting guidelines, lender must follow the more restrictive guidelines of DC HFA, FHA, Lender or Lakeview Loan Servicing.**

*Please refer to the [product matrix](#) for complete program guidelines, including the interim COVID-19 Guidance Pages*



# Optional Second Mortgage Assistance Programs- DC Open Doors

- Can be paired with Government and Conventional first mortgages
- **3%** Assistance for conventional loans and **3.5%** assistance for FHA loans
- Open to first time and repeat homebuyers
- Open to all neighborhoods and wards
- Open to both residents and non residents of DC
- No maximum sales price limit
- Can be paired with a Mortgage Credit Certificate (MCC)
- Down Payment Assistance second mortgage loan:
  - Proceeds may be used to fund up to **100%** of the borrowers' cash to close.
  - **0%** interest non amortizing.
  - Due upon sale, refinance, or if you no longer occupy the property as a primary residence
  - Not eligible for subordination.

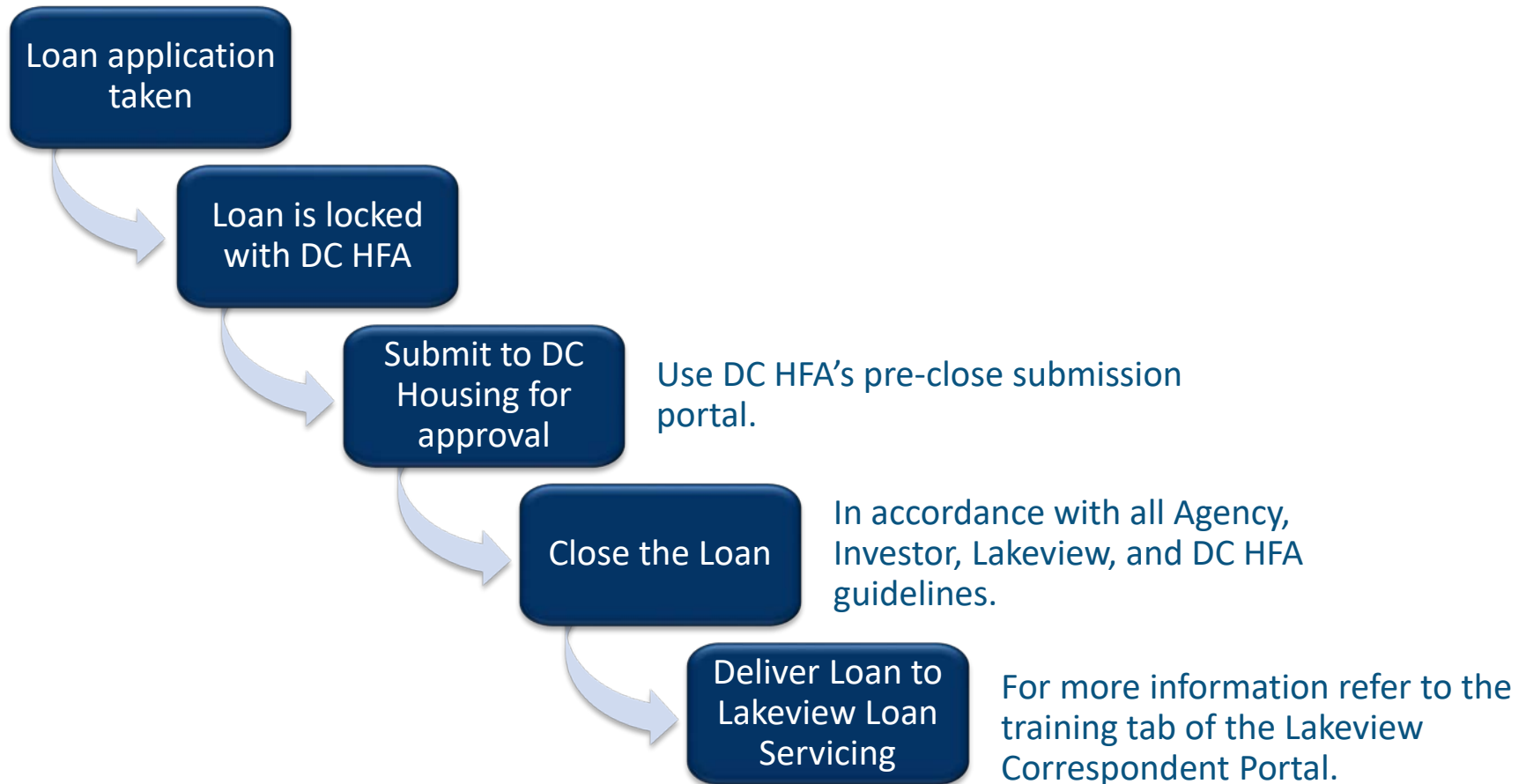


# Optional Second Mortgage Assistance Programs- DC4Me

- Reduced interest rate on First Mortgage
- Available with or without **3% down payment assistance loan**
- Must be a first time homebuyer
- At least one borrower must be a full time district government employee (see [DCHFA.org](http://DCHFA.org) for eligible employer list.)
- Maximum sales price may not exceed **\$525,000**
- Conventional first mortgage only
- Down Payment Assistance second mortgage loan:
  - Proceeds may be used to fund up to **100%** of the borrowers' cash to close.
  - **0%** interest non amortizing.
  - Due upon sale, refinance, or if you no longer occupy the property as a primary residence.
  - Not eligible for subordination.

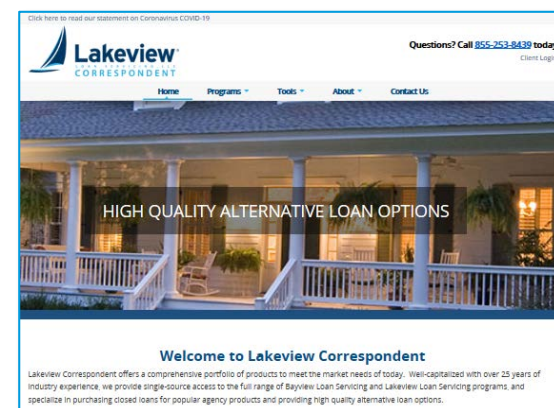
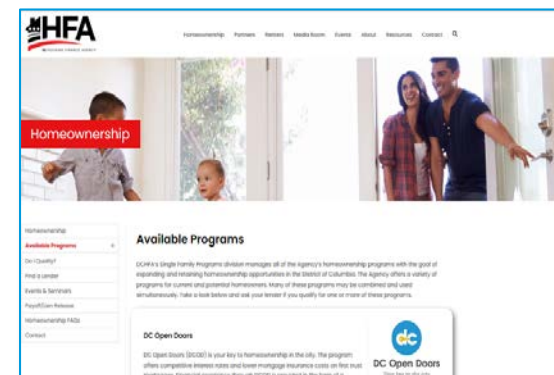


# The Process



# On-Line Resources

- For more information or questions about the **Second Mortgage** options, refer to the [DC HFA Website](https://www.dchfa.com)
- For more information or questions about the **First Mortgage** or **delivery process** go to the Lakeview Correspondent Portal at: [www.lakeviewcorrespondent.com](https://www.lakeviewcorrespondent.com)
  - Please note access to the site may be limited by your organization. Follow your internal process for obtaining information on program details.



# Lakeview Correspondent Portal MRN/Evolve

Here you will find:

1. Announcements
2. Product Matrix Documents for all the affordable lending programs
3. Seller Guides
4. Reference library which houses:
  - Quick reference guide
  - Compliance FAQs
  - Delivery file checklist for closing and credit
  - Sample documents
5. Training Resources

**Lakeview** LOAN SERVICING **BAYVIEW** ACQUISITIONS, LLC.

Main  
Loan Registration/Lock/Pr  
Current Rate Sheet  
Broker Current Rate Sheet  
(3021) Bayview/Lakeview UW  
- Deliver Loans & Reporting  
(6033) Bayview/Lakeview Closed Loan  
- Deliver Loans / TDOCs  
- Titanium ULDD/XML Upload  
- Reporting  
Post Purchase  
- Reporting  
Announcements  
Archived Announcements  
Product Matrix Documents-Lakeview & Bayview  
Product Matrix Documents - Affordable Lending  
Seller Guides  
Exclusionary List  
Reference Library  
Training Resources  
User Profile  
Logout

## Announcements

**Descriptions**

- [2020 All Announcements](#)
- [C2020-28 Denverdpa Update](#)
- [C2020-27 - Agency and VA Updates](#)
- [BLS LLS Disaster File](#)
- [COVID-19-08 FAQs](#)
- [C2020-26 - FHA USDA metroDPA Updates](#)
- [C2020-25 - VVOE and Forbearance Requirements and Other Miscellaneous Updates](#)
- [C2020-24 - Address Change for Final Documents](#)
- [C2020-23 - Agency Self-Employment and Government FICO and VA Updates](#)
- [C2020-22 - COVID-19 Agency Updates and metroDPA updates and Client Report Card Reminder](#)
- [C2020-21 - USDA and VA and FHA Updates and ARM Reminder](#)
- [C2020-20 - Updated Forbearance Guidance](#)
- [C2020-19 - Overnight Rate Protection - Agency - metroDPA and USDA Updates](#)
- [COVID-19-05 FAQs](#)
- [C2020-18 - Forbearance Guidance - Lock Commitment - Client Report Cards - HIF Reminder](#)
- [C2020-16 - FHA Catalyst and Updated Tax Returns and Transcripts and Jumbo Elite Reminder](#)
- [C2020-17 - Agency and VA and HFA Government Updates](#)



# Questions?

Topic	Who to contact
General Product or Process	Contact your internal product development or training team.
Pricing and Program Guidelines	Pricing and guidelines are available in most product and pricing engines. Contact your internal lock desk on how to access pricing.
Loan-level Issues	Consult your Lakeview Business Development Director, Client Manager, or the Lakeview Underwriting Scenario desk (Phone: 855-253-8439, Option 2 or <a href="mailto:UnderwritingQuestions@Bayview.com">UnderwritingQuestions@Bayview.com</a> ), or DC HFA (William Milko <a href="mailto:wmilko@dchfa.org">wmilko@dchfa.org</a> or 202. 321. 2156) as applicable.

