

HOME PURCHASE ASSISTANCE PROGRAM (HPAP) LENDER CHECKLIST

Anticipated Closing Date: \_\_\_\_\_ Contract Expiration Date: \_\_\_\_\_

Check ALL that Apply: . DC Open Doors  DCOD DPAL  MCC  HPAP

DCHFA/MCC #: \_\_\_\_\_ Lender's Loan #: \_\_\_\_\_

Borrower: \_\_\_\_\_

Last Name First Name Credit Score

Co-Borrower: \_\_\_\_\_

Last Name First Name Credit Score

Property Address: \_\_\_\_\_, Washington, DC \_\_\_\_\_

Ward: \_\_\_\_\_ Census Tract: \_\_\_\_\_ Targeted Area: Yes \_\_\_ No \_\_\_

Names on Title: \_\_\_\_\_

Manner in which title will be held:  Sole Owner  Joint Tenancy  Tenants by the Entirety

Property Type:  Detached  Duplex  Townhome  Condo-Garden  Condo – High Rise

PUD  Coop

Property:  Existing  New Year Built \_\_\_\_\_

Loan Type:  Conventional  FHA  VA ----  Fixed Rate **OR**  FHA 5/1 ARM

IZ/Subsidy: \$ \_\_\_\_\_

HPAP Down Payment Assistance: \$ \_\_\_\_\_

HPAP Closing Cost Assistance: \$ \_\_\_\_\_

Other Subordinate Financing: \$ \_\_\_\_\_

MCC:  Yes  No

1<sup>st</sup> Trust: Loan Amt: \$ \_\_\_\_\_; Term: \_\_\_\_\_ years; Discount Points: \_\_\_\_\_; Rate: \_\_\_\_\_%

Purchase Price/Acquisition Cost: \$ \_\_\_\_\_; Appraised Value \$ \_\_\_\_\_

Reservation/NOE Date: \_\_\_\_\_; NOE Expiration Date: \_\_\_\_\_

Lender Name: \_\_\_\_\_; Loan Officer: \_\_\_\_\_

Person Submitting: \_\_\_\_\_; Email: \_\_\_\_\_

Phone #: \_\_\_\_\_, Ext. \_\_\_\_\_; Other Contact #: \_\_\_\_\_

Title Company: \_\_\_\_\_; Phone #: \_\_\_\_\_

Person to Contact: \_\_\_\_\_; Email: \_\_\_\_\_

# **INSTRUCTIONS FOR TITLE COMPANY**

**(THIS PAGE MUST BE PROVIDED TO TITLE COMPANY)**

**THIS TRANSACTION INCLUDES A SUBORDINATE HPAP SECOND MORTGAGE**

**THE HPAP LOAN IS A SUBORDINATE SECOND LIEN THAT REQUIRES RECORDATION & TITLE INSURANCE (LENDER'S COVERAGE ONLY)**

**IT IS NOT A GRANT**

**WE REQUIRE A SEPARATE ICL/CPL, AND THE SECOND MUST BE LISTED ON BOTH SCHEDULE A & B**

**THE MORTGAGEE CLAUSE IS:**

**DC Dept of Housing & Community Development c/o DCHFA  
ISAOA, ATIMA  
815 Florida Avenue, NW  
Washington DC 20001**

**HPAP DOES NOT CHARGE FEES, HOWEVER THE LOAN MUST BE RECORDED AND TITLE INSURANCE (LENDER'S COVERAGE) IS REQUIRED**

**OF THE TOTAL HPAP LOAN AMOUNT, UP TO \$4000 COVERS CLOSING COSTS ONLY AND THE REMAINDER GOES TOWARDS DOWN PAYMENT ALONE.**

**THE FINAL HPAP LOAN AMOUNT MAY BE REDUCED DEPENDING ON FINAL CLOSING COSTS/TOTAL CREDITS AND THE BORROWER'S MINIMUM REQUIRED CONTRIBUTION**

**TITLE COMPANY SHOULD REVIEW BUYER'S DOCUMENTATION TO DETERMINE ELIGIBILITY FOR THE DC TAX ABATEMENT CREDIT PRIOR TO SETTLEMENT**

# UNDERWRITING CHECKLIST

Borrower Name: \_\_\_\_\_

File Contact Email: \_\_\_\_\_

Lender & Contact \_\_\_\_\_

File Contact Phone No: \_\_\_\_\_

**DCHFA RESERVES THE RIGHT TO REQUEST ADDITIONAL DOCUMENTATION TO EVALUATE THIS LOAN PACKAGE**

HPAP DOCUMENTS	
	HPAP NOE (Signed by Borrower)
	HPAP/EAHP Home Sales Contract Addendum
	HPAP Inspection Form Pages: 1-3 and/or Re-Inspection Form
DISCLOSURES	
	Borrower Signature Authorization
	4506C
	Patriot Act Disclosure
	Borrower Consent to Use Tax Returns
	Intend to Proceed
	ECOA (URLA can be used for ECOA)
Conventional	
	1008 Transmittal Summary
	LPA Feedback Results "Accept" Including Document Checklist
FHA	
	Identity of Interest Certification
	92564-CN Home Inspection
	92900.B Important Notice to Homebuyers
	FHA Connection Case Number Assignment, Borrower Validation, Appraisal Logging, CAIVRS
	FHA Amendatory Clause
	92900.A HUD/VA Addendum to URLA. Pgs 1-4;-executed
	FHA Loan Underwriting & Transmittal Summary
	Informed Consumer Choice Disclosure
VA	
	Loan analysis
	HUD/VA Addendum to URLA Pages 1-2 executed by borrower
	DD-214 or DD-4
	Certificate of Eligibility
	LNV-Lender Notification of Value
	VA Amendatory Clause
If Applicable Documents	
	Lead Disclosure(s) *DC and Federal (built before 1978)
	Final Inspection reflecting all repairs are complete
203K Streamline (\$35k max repairs)	
	Borrower's Acknowledgment; Form 92700-A
	Borrower's Certification- Identity of Interest
	Consultant Borrower Agreement
	Consultant's Certification- Identity of Interest
	Copy of SOW and Cost Estimate
	Homeowner/Contractor Agreement

Approval Documents	
	AUS Feedback Results (DU/LPA)
	Additional Documentation refer/no score
	Additional Documentation per feedback results
	Excessive submissions addressed
Application	
	1003/URLA-initial (Must match transmittal)
	1003/URLA-Final
Credit Report	
	Credit Report
	Credit Supplements
	Credit Explanation/Inquiry Explanation
	Documentation for any Co-signed/Authorized user
Income	
	Underwriter Income Worksheet*
	Written Verification of Employment
	Paystub within 30 days of submission to DCHFA
	VOE prior employment for 2 yrs/match W2s
	Signed tax returns 3 years, including W2(s) or IRS Non-filing
	SSI/Disability or other assistance
	Child Support/Alimony
	Self-Employment Documentation; P&L, 2 yrs taxes; see Guide for additional documentation
Assets	
	Copy of Earnest Money Deposit
	Gift Letter or source funds to close
	Gift Transfer/Donor's Ability to Give
	Verification of Deposit; 2 months bank statements
Property	
	Termite Report (SF, TH, and Condo units below 4th floor- Signed by Inspector)
	Sales Contract, all addendums and extension if needed
	Appraisal Report-must state Purpose/Intent of Use
	Passing Inspection report
	HO3/HO6 insurance reflecting DCHFA mortgagee clause
	Flood Certification-reflecting ISAOA
	Condo Questionnaire, Master HO Policy (Condo and PUD)
Compliance	
	8-Hour Homebuyer Education Certificate
	Lenders Commitment/ UW Approval
Other	
	Specific Power of Attorney (original recorded)

# HPAP GUIDELINE SUMMARY

- WITH EXCEPTION OF DTI RESTRICTIONS, FOLLOW FANNIE MAE/ FREDDIE MAC/HUD GUIDELINES
- **MAX DTI 40/45 FOR APPROVE/ELIGIBLE DU AND ACCEPT LP LOANS** (MANUAL/PORTFOLIO LOANS AND ARM PRODUCTS ARE SUBJECT TO STRICTER RATIO REQUIREMENTS)
- **AN EXCEPTION REQUEST (SEE ATTACHED) MUST BE COMPLETED FOR ANY LOANS WITH DTI > 40/45 RATIOS. LOANS WITH DTI > 40/45 WILL ONLY BE APPROVED ON AN EXCEPTION BASIS.**
- MINIMUM CREDIT SCORE OF 600
- **MINIMUM BORROWER CONTRIBUTION IS GREATER OF \$500 or ½ OF ASSETS EXCEEDING \$3,000**
- **UP TO \$4,000 CLOSING COST ASSISTANCE IS INCLUDED IN TOTAL HPAP LOAN. It MAY be used TOWARDS DOWN PAYMENT IF IT IS NOT NEEDED FOR CLOSING COSTS, however NONE of the amount allotted towards down payment can be used for Closing Costs.**
- **HPAP LOAN AMOUNT IS BASED UPON HOUSEHOLD SIZE AND INCOME AT THE TIME OF PURCHASE AND IS SUBJECT TO CHANGE**
- HPAP LOAN SHOULD REPRESENT 'GAP' FINANCING', FIRST TRUST SHOULD BE STRUCTURED FOR MINIMUM 28% FRONT RATIO, WHICH MAY REDUCE HPAP BELOW THE MAXIMUM ELIGIBILITY/LOAN AMOUNT ON THE NOTICE OF ELIGIBILITY, with some exceptions for IZ Units or if DTI > 45% with a 28% Front Ratio
- **HPAP DPA loans cannot exceed 30% Loan to Value (LTV), meaning HPAP DPA loans cannot be more than 30% of the purchase price of the home, and HPAP DPA loans cannot exceed the first trust mortgage. The \$4,000 closing cost assistance is separate and not included in the 30% LTV calculation, each borrower still qualifies for the \$4,000 closing cost assistance even after the 30% HPAP DPA is met.**
- DHCD will publish an online dashboard at [dhcd.dc.gov/hpap](http://dhcd.dc.gov/hpap) that displays the current HPAP funding availability on a weekly basis. Once funding levels fall below \$5 million the dashboard will be updated within 24-48 hours. This will provide you with the information to plan and adjust the expectations around purchasing a home using HPAP funds.
- Once HPAP funding availability falls below \$1 million, lenders will be required to contact an HPAP administrator to confirm funds are available prior to submitting lender packages to reserve funds. Funds will be reserved for up to 48 hours awaiting receipt of the lender package. Please contact the applicable HPAP administrator listed on your client's Notice of Eligibility (DCHFA OR GWUL) for additional guidance if needed.

## EXCEPTION REQUEST FOR BACK RATIO > 45

Loan Type  Conventional  FHA  Portfolio

Loan Product  FIX30  ARM

DTI \_\_\_\_ / \_\_\_\_

Qualifying Credit Score \_\_\_\_\_

Current Monthly Housing Payment \$ \_\_\_\_\_

Proposed Monthly Housing Payment \$ \_\_\_\_\_

Compensating Factors:

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### **COMPENSATING FACTORS EXAMPLES:**

- Reduction in Housing Payment (Proposed Payment is lower than Current Documented Payment) - must be documented with satisfactory 12-month VOR
- Documented Overtime/Bonus received in current year and likely to continue but not used for qualifying
- Documented savings history with fully available 6 months liquid reserves after settlement
- Documented Household/Spouse income that is not included for qualifying