

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

1st 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
Title Documents	
	Title Wiring Instruction
	Closing Protection Letter (CPL) for HPAP loan
	Title Commitment signed by Authorized Title Agent for HPAP
Conventional	
	1008 Transmittal Summary
	LPA Feedback Results "Accept" Including Document Checklist
FHA	
	FHA Loan Underwriting & Transmittal Summary
	92900.A HUD/VA Addendum to URLA. Pgs 1-4;-executed
	FHA Amendatory Clause
VA	
	Loan analysis
	HUD/VA Addendum to URLA Pages 1-2 executed by borrower
	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 Limited/Streamline (\$75k max repairs)	
	Borrower's Acknowledgment; Form 92700-A
	Borrower's Certification- Identity of Interest
	Copy of SOW and Cost Estimate
	Homeowner/Contractor Agreement
	Rehabilitation Loan 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
	10-day (business) Verbal VOE prior to Note date
	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
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
	Master HO Policy (Condo and PUD)
Compliance	
	8-Hour Homebuyer Education Certificate
	Lenders Commitment/ UW Approval
	Borrower Signature Authorization
Other	
	Specific Power of Attorney (original recorded)

HPAP GUIDELINE SUMMARY

- WITH EXCEPTION OF DTI RESTRICTIONS, FOLLOW FANNIE MAE/ FREDDIE MAC/HUD GUIDELINES
- **MAX DTI 45/45 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 > 45/45 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 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 > 40/45

Loan Type Conventional FHA Portfolio

Loan Product FIX30 ARM

DTI ____ / ____

Qualifying Credit Score _____

Current Monthly Housing Payment \$ _____

Proposed Monthly Housing Payment \$ _____

Compensating Factors:

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