

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/NTP Date: \_\_\_\_\_; NTP 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**

**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: \_\_\_\_\_

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

HPAP Documents	
	HPAP NTP (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 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
	Rehabilitaion Loan Agreement

Approval Documents	
	AUS Feedback Results (DU/LPA)
	Additional Documentation refer/no score
	Additional Documentation per feedback results
	Loan Safe Report
Application	
	1003/URLA-initial (3 Years residency for HPAP)
	1003/URLA-Final
Credit Report	
	Credit Report
	Credit Supplements
	Credit Explanation/Inquiry Explanation
	Documentation for any Co-signed/Authorized user
Income	
	Underwriter Income Worksheet
	Self-Employment Documentation; P&L, 3 yrs taxes
	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
	IRS Non-filing for non-purchasing spouse or HH members
	Written VOE; if needed
	Child Support/Alimony, SSI/Disability or other assistance
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/ Underwriter 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 > 45/45 WILL ONLY BE APPROVED ON AN EXCEPTION BASIS.**
- MINIMUM CREDIT SCORE OF **630**
- MINIMUM BORROWER CONTRIBUTION is the **GREATER OF** either \$500 **OR** ½ OF ASSETS EXCEEDING \$3,000 **OR** the **Total Amount of Gift Funds** received by the borrower
- 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.
- Borrower Funds used to Pay Off Debts for Qualifying **MAY NOT BE** considered as Funds in the Transaction to meet the Minimum Required Contribution.
- 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 loan amount may not exceed 1st Trust Loan Amount.
- Gift Funds for IZ/ADU purchase transactions are capped at 6% of the Sales Price.

# 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 3 months reserves after settlement
- Documented Household Member/Spouse income that is not included for qualifying