



General Qualifications

- No First Time Homebuyer requirement
- All borrowers must occupy the subject property as principal residence within 60 days of mortgage loan closing
- Subject property must be located within the State of Texas.
- Maximum Income Limits
- Mortgage loan must conform to the requirements of FHA, VA, USDA, Fannie Mae or Freddie Mac as it relates to non-U.S. citizen applicants
- Homebuyer Education required for all borrowers including Non-Purchasing Spouse (NPS)

FICO and DTI Requirements

Minimum Middle Credit FICO	620
Maximum DTI	Follow AUS Findings for DTI and Reserve Requirements *Except for Manual UW*

***Manual Underwrite Max DTI is 45% and minimum middle credit FICO 620. Must follow agency guidelines.** Freddie Mac HFA Advantage does not allow for Manual UW.

Income Limits

Income limits apply - [Income and Purchase Price Limits Table](#)

Only the income of the borrower(s) as shown on the 1003 Residential Loan Application will be considered. The income of a Non-Purchasing Spouse will not be included in the calculation. Co-signers income **IS** included for My Choice **Conventional loans ONLY** for the purposes of Income Limit qualification.

Income includes but is not limited to:

Annual Wages	Annuities	Commissions	Pensions	Bonuses	Child Support
Self Employment (plus depreciation)	Alimony	Dividends	Public Assistance	Interest	

Fannie Mae HFA Preferred and Freddie Mac HFA Advantage offer two different options with My Choice:

- Borrowers with incomes of 80% AMI or below
- Borrowers with incomes of over 80% AMI

***Do your due diligence with qualifying borrowers on the 80% and over product.

Fannie Mae HFA Preferred loans must be run through Fannie Mae's DU (Approve Eligible) refer to [FNMA HFA Preferred Guidelines](#) for details.

The AMI classification is determined by the AUS/DU findings. AUS/DU factors in the **total qualifying income** (not MFA income) and the address of the subject property. Please utilize [Fannie Mae's AMI look up tool](#) to run a preliminary assessment.

Freddie Mac Advantage loans must be run through LPA. No manual underwrites will be eligible for purchase for Freddie Mac HFA Advantage. All loans are subject to TDHCA and Master Servicer overlays as well. [Freddie Mac HFA Advantage Fact Sheet](#) For more information visit: [Freddie Mac HFA Advantage Resource Page](#).

Program Specific Requirements

- Co-signers are allowed and are required to execute the Cosigner/Guarantor Affidavit, sign the Note, and may not be vested on title.
- Co-signers are not permitted to occupy the subject property
- Not subject to Recapture Tax
- Tax returns not required
- No purchase price limits

Eligible Properties

- New or Existing
- Single Family Homes
- Condominiums
- Planned Unit Developments (PUD)
- Manufactured Homes
 - must be real property by the time of loan purchase, single and double wide are acceptable
- Duplexes
 - one unit must be owner occupied by eligible homeowner as principal residence and property was first occupied as a residential property at least 5 years prior to closing date (5-year requirement waived for duplexes located in a [Qualified Target Census Tract](#))

Homebuyer Education	• Must complete pre-purchase counseling: • TDHCA's FREE online Homebuyer Education Course "Becoming a Homeowner" ◦ See Lender Guide Section 1.3 for alternative pre-purchase counseling options ◦ A certificate of completion will be required for each borrower including a non-purchasing spouse. *Non-occupying co-signers are not required to complete a homebuyer education course and not subject to the first-time homebuyer requirement.												
Program Fees	<table><tr><td>Compliance File Review Fee</td><td>\$225</td><td>Lender Fee to Hilltop Securities**</td></tr><tr><td>Purchase File Review Fee</td><td>\$150</td><td>Lender Fee to IDAHO HFA*</td></tr><tr><td>Tax Service Fee</td><td>\$85</td><td>Lender Fee to IDAHO HFA*</td></tr><tr><td>Flood Determine Fee</td><td>\$10</td><td>Lender Fee to IDAHO HFA*</td></tr></table> *Netted out at loan purchase **Via HilltopPay (ACH Only)	Compliance File Review Fee	\$225	Lender Fee to Hilltop Securities**	Purchase File Review Fee	\$150	Lender Fee to IDAHO HFA*	Tax Service Fee	\$85	Lender Fee to IDAHO HFA*	Flood Determine Fee	\$10	Lender Fee to IDAHO HFA*
Compliance File Review Fee	\$225	Lender Fee to Hilltop Securities**											
Purchase File Review Fee	\$150	Lender Fee to IDAHO HFA*											
Tax Service Fee	\$85	Lender Fee to IDAHO HFA*											
Flood Determine Fee	\$10	Lender Fee to IDAHO HFA*											
Loan Types/ Payments/Terms	• FHA, VA, USDA, FNMA HFA Preferred, FHLMC HFA Advantage • 30 year loan, fully amortized with a fixed rate • Available assistance ranging from 2% - 5% of the total mortgage loan funding permitting ◦ No loan level or discount pricing allowed 2nd Lien 30 Year Deferred (DPA Loan) <table><tr><td>0% Interest</td></tr><tr><td>No required monthly payments. Borrowers do have the option to make voluntary payments to reduce balance owed</td></tr><tr><td>Due in full upon sale, refinance, transfer, or payoff of 1st lien mortgage</td></tr><tr><td>No costs other than recording fees associated with the 2nd lien</td></tr><tr><td>No pre-payment penalties</td></tr></table> 2nd Lien 3 year Forgivable (DPA Loan) <table><tr><td>0% Interest</td></tr><tr><td>No required monthly payments and fully forgivable after 36-month maturity date</td></tr><tr><td>Due in full upon sale, refinance, transfer, or payoff of 1st lien mortgage</td></tr><tr><td>No costs other than recording fees associated with the 2nd lien</td></tr><tr><td>No pre-payment penalties</td></tr></table> NO EXCESS CASH BACK allowed to borrower including gift funds; above and beyond reimbursement for POC items. Any excess may be applied to Principal Reduction up to a max of 15% of the DPA Assistant Amount OR 0.50% of the TDHCA Unassisted First Lien amount.	0% Interest	No required monthly payments. Borrowers do have the option to make voluntary payments to reduce balance owed	Due in full upon sale, refinance, transfer, or payoff of 1st lien mortgage	No costs other than recording fees associated with the 2nd lien	No pre-payment penalties	0% Interest	No required monthly payments and fully forgivable after 36-month maturity date	Due in full upon sale, refinance, transfer, or payoff of 1st lien mortgage	No costs other than recording fees associated with the 2nd lien	No pre-payment penalties		
0% Interest													
No required monthly payments. Borrowers do have the option to make voluntary payments to reduce balance owed													
Due in full upon sale, refinance, transfer, or payoff of 1st lien mortgage													
No costs other than recording fees associated with the 2nd lien													
No pre-payment penalties													
0% Interest													
No required monthly payments and fully forgivable after 36-month maturity date													
Due in full upon sale, refinance, transfer, or payoff of 1st lien mortgage													
No costs other than recording fees associated with the 2nd lien													
No pre-payment penalties													
Extension Costs (if applicable)	Loans not purchased within the 60-day deadline will incur an extension fee that is applicable to the extension necessary and will be netted out of the lender SRP upon loan purchase by IHFA. <table><tr><td>7 days</td><td>0.0625%</td></tr><tr><td>15 days</td><td>0.125%</td></tr><tr><td>22 days</td><td>0.1875%</td></tr><tr><td>30 days</td><td>0.250%</td></tr></table> Lock extension form required, see Lender Guide for form and instructions.	7 days	0.0625%	15 days	0.125%	22 days	0.1875%	30 days	0.250%				
7 days	0.0625%												
15 days	0.125%												
22 days	0.1875%												
30 days	0.250%												
Insurance Requirements	Minimum coverage amount: equal to the loan amount OR replacement cost Homeowners maximum deductible: \$2,500 OR 2% whichever is higher If on a separate policy: Flood, Hurricane, Wind, Hail and other Perils - Maximum deductible \$5,000 or 2.5%, whichever is higher												
Exclusive TDHCA Additional Bonus Money Options	Must be combined with a TDHCA Product (My First, My First Combo with MCC, Unassisted No DPA, or MyChoice) Available on a first come first served basis and subject to funding availability Provided in the form of a gift - no repayment required! Income Limits apply, and coincide with My Choice Texas Home income limits. <table><tr><th colspan="2">Capital Area HFC</th></tr><tr><th>Eligible Counties</th><th>Assistance Amount</th></tr><tr><td>Bastrop, Blanco, Burnet, Caldwell, Fayette, Lee, Llano</td><td>\$10,000</td></tr><tr><td>Hays, Williamson</td><td>\$5,000</td></tr></table>	Capital Area HFC		Eligible Counties	Assistance Amount	Bastrop, Blanco, Burnet, Caldwell, Fayette, Lee, Llano	\$10,000	Hays, Williamson	\$5,000				
Capital Area HFC													
Eligible Counties	Assistance Amount												
Bastrop, Blanco, Burnet, Caldwell, Fayette, Lee, Llano	\$10,000												
Hays, Williamson	\$5,000												

Required Program Documents	Applicable Party Signatures
Underwriter's Certification Form	
FINAL URLA(s)	
FINAL CD(s)	
Warranty Deed	Seller
Real Estate Purchase Contract	
Notice to Buyers	Borrower, Co-Borrower, NPS
Applicant Affidavit - TBA Taxable	Borrower, Co-Borrower, Co-signor (if applicable), Lender
Applicant Affidavit- Co-Signor (if applicable)	Co-signor(s)
Disclosure of Second Mortgage Loan Terms	Borrower, Co-Borrower, NPS
Final - Second Lien DPA Note	Borrower, Co-Borrower, Co-signor
Final - Second Lien DPA DOT	Borrower, Co-Borrower, NPS
Legally Enforceable Obligation Letter (FHA Only)	Borrower, Co-Borrower, NPS
Homebuyer Education Certificate for all borrowers (including NPS)	
Additional Gift Funds Letter (if applicable)	Borrower, Co-Borrower, NPS