

Specialty Program Matrix

Program	DPA Grant	CCA Grant	Plus Second Mortgage	MCC (Originated with Virginia Housing loan ⁴)
	Down Payment and Closing Cost Assistance Programs			
First-Time Homebuyer	Required ^{1,2}			
Homebuyer Education	Required for all First-Time Homebuyers			
Maximum Eligibility / Household Income	<ul style="list-style-type: none"> Lower limits (Targeted Area limits do not apply) Conventional (but not Conventional No MI): When all borrower qualifying income exceeds Fannie Mae/Freddie Mac 80% AMI Limits LLPAs apply 		<ul style="list-style-type: none"> Standard limits Conventional (but not Conventional No MI): When all borrower qualifying income exceeds Fannie Mae/Freddie Mac 80% AMI Limits LLPAs apply 	<ul style="list-style-type: none"> Standard limits, or Lower limits with DPA Grant & CCA Grant Conventional (but not Conventional No MI): When all borrower qualifying income exceeds Fannie Mae/Freddie Mac 80% AMI Limits LLPAs apply
Eligibility Income Calculation	All income of all household members		All income of borrower(s) & those taking title	<ul style="list-style-type: none"> All income of borrower(s) & those taking title, or All income of all household members if originated with DPA Grant or CCA Grant
Loan Purpose	Purchase			
Tax Transcripts (W2 Transcripts, 1099 Transcripts, etc.)	<ul style="list-style-type: none"> Conventional: Tax Transcripts required (in addition to executed 4506-T)⁹ Type of transcript is dependent on qualifying income Number of years required varies based on number of years' documentation required by AUS FHA: Not required 	<ul style="list-style-type: none"> VA: Not required RHS: Not required; RHS may have its own different tax transcript requirements; See RHS Handbook 	<ul style="list-style-type: none"> Conventional: Tax Transcripts required (in addition to executed 4506-T)⁹ Type of transcript is dependent on qualifying income Number of years required varies based on number of years' documentation required by AUS FHA/VA: Not required RHS: Not required; RHS may have its own different tax transcript requirements; See RHS Handbook 	
Loan Program Disclosure /Borrower Affidavit (Ex E)	Pages 1 – 4 required ³			
Seller Affidavit (Ex F)	Required			
Recapture	No (Unless originated with an MCC)			Yes



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Lenders Submission Cover Letter (Ex O)	Required			
Minimum LTV	90.00%			Follow most restrictive of 1 st mortgage, DPA Grant, Plus Second Mortgage, or CCA Grant requirements
Maximum LTV	Follow 1 st mortgage requirements for maximum LTV of 1 st mortgage. The DPA Grant is not a lien but the maximum is: <ul style="list-style-type: none"> • 2% if originated with Conventional, • 2.5% if originated with FHA 	Follow 1 st mortgage requirements for maximum LTV of 1 st mortgage. The CCA Grant is not a lien but the maximum is: <ul style="list-style-type: none"> • 2% if originated with RHS or VA 	Conventional 1st, max LTV for 2nd: <ul style="list-style-type: none"> • 3% (Credit scores 640 to 679)⁵ • 4.5% (Credit scores >= 680) Conventional No MI 1st, max LTV for 2nd: <ul style="list-style-type: none"> • 3% (Credit scores 660 to 679)⁵ • 4.5% (Credit scores >= 680) FHA 1st, max LTV for 2nd: <ul style="list-style-type: none"> • 3.5% (Credit scores 620 to 679)⁵ • 5% (Credit scores >= 680) 	Follow 1 st mortgage requirements
Eligible Virginia Housing First Mortgage	<ul style="list-style-type: none"> • Conventional & Conventional No MI purchase • FHA 	<ul style="list-style-type: none"> • VA • RHS 	<ul style="list-style-type: none"> • Conventional & Conventional No MI purchase • FHA 	All Virginia Housing purchase programs ⁴
Ineligible Virginia Housing First Mortgage	<ul style="list-style-type: none"> • Any 1st mortgage originated with the Plus Second Mortgage • VA and RHS • Any refinance • Any non-Virginia Housing 1st mortgage 	<ul style="list-style-type: none"> • FHA • Conventional • Any refinance • Any non-Virginia Housing 1st mortgage 	<ul style="list-style-type: none"> • Any 1st mortgage originated with the DPA Grant • VA and RHS • Any refinance • Any non-Virginia Housing 1st mortgage 	Any refinance
Other Non-Virginia Housing DPA/Sub Financing	<ul style="list-style-type: none"> • Allowed • Follow 1st mortgage requirements for max CLTV 			
Minimum Credit Score⁵	<ul style="list-style-type: none"> • Conventional 1st: 640⁵ • Conventional No MI 1st: 660⁵ • FHA 1st: 620⁵ 	RHS & VA: 620 ⁵	<ul style="list-style-type: none"> • Conventional 1st: 640⁵ for 3% LTV / for > 3% LTV 680 • Conventional No MI 1st: 660⁵ for 3% LTV / 680 for <u>all</u> borrowers for > 3% LTV • FHA 1st: 620⁵ for 3.5% LTV / 680 for <u>all</u> borrowers for > 3.5% LTV 	Follow 1 st mortgage requirements
Maximum DTI	Follow 1 st mortgage requirements (45% with AUS approval)			



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	Down Payment and Closing Cost Assistance Programs			
Maximum Net Worth	Can't exceed 50% of the sales price			
AUS	<ul style="list-style-type: none"> • DU^{6,7,8}, or • LPA^{6,7,8} 	<ul style="list-style-type: none"> • RHS: GUS⁶ • VA: DU^{6,7,8} or LPA^{6,7,8} 	<ul style="list-style-type: none"> • DU^{6,7,8}, or • LPA^{6,7,8} 	Follow 1 st mortgage requirements
Manual Underwrite Allowed?	<ul style="list-style-type: none"> • Conventional 1st: No^{6,7,8} • FHA 1st: Yes, per FHA requirements⁶ 	<ul style="list-style-type: none"> • VA: Yes, per VA requirements⁶ • RHS: Yes, per RHS requirements⁶ 	<ul style="list-style-type: none"> • Conventional 1st: No^{6,7,8} • FHA 1st: Yes, per FHA requirements⁶ 	Follow 1 st mortgage requirements
Prior Foreclosure/ Deed-in-Lieu/ Short Sale	<ul style="list-style-type: none"> • Event no less than 5 years old • No lates/collections last 3 years • No significant derogatory credit since the event • If 1st mortgage waiting period requirements are more restrictive then the more restrictive guidelines must be followed 			Follow requirements of 1 st mortgage, DPA Grant, Plus Second Mortgage, &/or CCA Grant (if applicable)
Acreage Limitation	<ul style="list-style-type: none"> • Maximum 2 acres, or • Exceptions considered for > 2 up to 5 acres • Exceptions considered > 5 up to 10 acres if <u>no MCC</u> 			<ul style="list-style-type: none"> • Maximum 2 acres, or • Exceptions considered for > 2 up to 5 acres • No exceptions considered above 5 acres
Manufactured Housing	<ul style="list-style-type: none"> • Conventional 1st: Not allowed • FHA 1st: Allowed, see 1st mortgage requirements 	Allowed, see VA or RHS 1 st mortgage requirements	<ul style="list-style-type: none"> • Conventional 1st: Not allowed • FHA 1st: Allowed, see 1st mortgage requirements 	<ul style="list-style-type: none"> • Conventional 1st: Not allowed • Other 1st: Allowed, see 1st mortgage requirements

¹ First-Time Homebuyer requirement applies to all borrowers and non-borrowers on title. If the property is located in a Targeted Area, then the First Time Homebuyer requirement does not apply.

² First-Time Homebuyer is evidenced by the fully executed Exhibit E, 1003, & credit report. If unable to confirm the borrower(s) &/or non-borrower(s) on title are First-Time Homebuyers from the Exhibit E, Form 1003, or credit report, additional documentation may be required, such as: a) Three years' federal tax returns, b) Rent verification(s), c) Lender Data Integrity Report (Examples: Drive Report, FraudGuard, Loansafe).

³ When pages 1 – 4 of the Loan Program Disclosure / Affidavit of Borrower are required, it must be executed by all borrowers **& all those taking title**.

⁴ MCC is also eligible with a non-Virginia Housing 1st mortgage. See Program Guidelines for more information.

⁵ See Program Guidelines for requirements when all borrowers do not have a credit score &/or one borrower with a credit score & one without a credit score. Note that Conventional always requires at least 1 borrower have a credit score.

⁶ DPA Grant must be run in AUS as a GIFT for Conventional & FHA; CCA Grant must be run in AUS as OTHER ASSET for RHS / GIFT for VA; Plus Second must be run in AUS as Subordinate Financing for Conventional & FHA.

⁷ Conventional 1st mortgage:

(a) If using Fannie Mae's DU: Community Lending Program must be "HFA Preferred" for Conventional; "HFA Preferred Risk Sharing" for Conventional No MI.

(b) If using Freddie Mac's LPA: Offering Identifier must be "HFA Advantage" for Conventional; Freddie Mac LPA not eligible for the Conventional No MI program.

⁸ Conventional No MI first mortgage: Fannie Mae's DU will render a decision of *Approve/Ineligible* if the borrower's qualifying income exceeds 80% AMI per [Fannie Mae](#). It is acceptable to proceed using the Conventional No MI program as long as the **only reason for the ineligibility is due to income exceeding 80% AMI**. Loan must be within applicable Virginia Housing Income Limit. Freddie Mac & LPA not eligible for the Conventional No MI program.

⁹ Tax Transcripts for Conventional 1st mortgage:

(a) If using Fannie Mae's DU: When **all** of the borrower's income is validated by the DU validation service, tax transcripts are not required. However, if there are any data discrepancies then additional documentation or information may be required. Originating Lenders are expected to perform due diligence on every loan.

(b) If using Freddie Mac's LPA: If **all** of the borrower's income receives an income rep & warranty result of "Eligible" on the last Feedback Certificate, tax transcripts are not required. However, if there are any data discrepancies then additional documentation or information may be required. Originating Lenders are expected to perform due diligence on every loan.

