

We are pleased to roll out the Oklahoma Housing Finance Authority (OHFA) program. OHFA offers mortgage loan products that include 3.5% of the total loan amount to be used for down payment and closing costs for home purchases across the state.

Please note, all must be done as PL leads and we must charge a 1 origination fee. WE cannot lock until loan is approved by US Mortgage and 15 days or less from closing.

There are two programs offered – *Gold and Dream*. Both programs have purchase price and income limits. Conventional and Government product options are available under both programs.

An OHFA Condition Set with underwriting and closing conditions has been added in Encompass. ***However, there are way too many program specific guidelines to build into Encompass, so it is absolutely critical that anyone working on a loan review ALL of the guidelines on the OHFA website***

An OHFA Closing Cost Template with a 1% origination fee and our standard closing costs has been created in Encompass, as well as an OHFA loan program.

RATES: <https://www.ohfa.org/interest-rates/>

WEBSITE: <http://www.ohfa.org/Lenders>

MASTER SERVICER: U.S. Bank - All loans will utilize MERS to US Bank

DOWN PAYMENT ASSISTANCE:

- The 3.50% Down Payment Assistance is in the form of a second mortgage
- Zero percent (0%) interest, Zero (0) monthly payment.
- DPA second mortgage is funded at closing along with first mortgage funds by USMC
- DPA should be entered in AUS as Zero Percent (0%), \$0.00 monthly payment, subordinate mortgage from State Agency

DISCLOSURE REQUIREMENTS:

- An LE and CD is not required for the second mortgage.
- The OHFA “Partial Exemption Disclosure” (LE for the 2nd lien DPA) must be sent with the initial disclosure package within 3 days of the application date.

GOVT. PRODUCTS OFFERED:

- FHA –Fixed Rate Section 203(b) and 234(c)
- VA – Fixed Rate
- USDA – RD – Fixed –Rural Housing Guaranteed Loan

Please note that we cannot offer the FHA 184 product as we do not have the ability to insure these loans

CONVENTIONAL PRODUCTS OFFERED:

- Freddie Mac - HFA Advantage up to 97% LTV
- CLTV maximum 105%
- Freddie CLTV's will include any combination of liens, grants, and payable gift.

LOCKING LOANS:

- All loans are locked/reserved by Secondary through OHFA Lenders Login located under Lenders Login tab or the Lenders/Realtors tab on the website.
- The initial review/underwriting is to be completed by the underwriter before the loan is reserved with OHFA.
- Loans are to be approved by USMC prior to lock & Processors lock

FEES (these have been built into our closing cost template):

- Investor Funding Fee of \$400 (reflected in Box A of the LE & CD)
- Tax Monitoring Fee of \$84 (reflected in Box A or B of the LE & CD)
- No Review Fee is charged by OHFA
- The Investor Funding Fee and Tax Monitoring Fee should not have “Bond”, “OHFA”, “HFA”, “Agency” or “US Bank” associated with it on the LE or CD. These are USMC fees until US Bank purchases the loan.
- 1% Origination Fee allowed

OHFA UNDERWRITING OVERLAYS:

- 10 Acre Limit
- Additional Second Mortgages or any type of lien from other entities not allowed
- Mortgage Credit Certification not allowed
- Multiple OHFA loans not allowed
- Not allowed to be used as rental or vacation home, co-op, or investment home

HAZARD INSURANCE COVERAGE FOR 1-2 FAMILY PROPERTIES, PUD'S & CONDOMINIUMS

- Amount of Coverage – If the policy does not indicate guaranteed replacement or 100% full replacement cost of the insurable improvements, the insurance limits must at least equal the higher of:
 - The unpaid principal balance (UPB) of the first mortgage
 - 80% of the full replacement cost of the insurable improvement
- IMPORTANT NOTE: The coverage must not exceed the replacement cost of the insurable improvements even when the UPB exceeds the replacement cost.
- Type of Coverage – Must be all risk or named perils with extended coverage
- Maximum Deductible for: FHA & VA loans – Deductible does NOT exceed the greater of \$2,500 or 2.5% of the face amount of the policy. For USDA-RD loans – Deductible does NOT exceed the greater of \$1,000 or 1% of the face amount of the policy unless state law requirement differ.
- See Condominium Project Review – Policies and Procedures – Insurance Requirements for on Walls in H06 Insurance refer to 711.12

LOAN REVIEW: We are not delegated for this program; prior approval from OHFA is required

Email loan documents to ohfasinglefamily@ohfa.org

Subject Line: OHFA Loan number, Borrower Last Name, and the word “Review”

Submit files 1 week prior to closing or earlier and allow 72 hours for initial review (conditions reviewed within 24 hours)

OHFA DOCUMENTS REQUIRED REQUIRED:

- OHFA Loan Confirmation
- OHFA Lender’s Review Certification
- Loan Transmittal
- Uniform Residential Mortgage Application

- Purchase Contract
- OHFA Partial Exemption Disclosure (replaces LE on 2nd Mtg)
- Loan Estimate
- Three years validation of residency: Verification of Residency OR Credit report reflecting 3-years residential (rental) verification. One or a combination of the above must cover three years residency history preceding their date of application of a Mortgage Loan.

OHFA LOAN APPROVAL DOCUMENTS:

- OHFA issues Approval/Award Letter
- OHFA issues Down Payment Assistance Letter – Second Lien
- OHFA issues Mortgage Revenue Bond (MRB) Disclosure (delivered to borrower(s))
- OHFA issues Mortgagor’s Closing Certification
- All documents are sent/emailed to lender of record

AT CLOSING DOCUMENTS:

- Fund OHFA DPA Second Mortgage along with First Mortgage Loan
- OHFA Down Payment Assistance Letter
- Second Lien executed at closing
- OHFA Mortgagor’s Closing Certification executed at closing
- OHFA Partial Exemption Disclosure executed at closing (replaces CD for 2nd Mtg)
- OHFA Subordinate Mortgage executed at closing
- OHFA Promissory Note executed at closing
- OHFA Tax Exempt Rider executed at closing and recorded with the first mortgage
- OHFA Notice of Potential Recapture Tax executed at closing
- OHFA Mortgagor Affidavit and Certification – Reaffirmation of Mortgagor executed at closing
- OHFA Mortgagor Revenue Bond (MRB) Disclosure delivered to mortgagor(s) at closing

POST CLOSING (within 5 business days of closing provide all the following):

Email loan documents to ohfasinglefamily@ohfa.org

- Copy of executed Closing Disclosure
- Copy of executed Mortgagor’s Closing Certification
- Copy of executed Down Payment Assistance Letter – Second Lien
- Copy of executed Partial Exemption Disclosure (replaces CD for 2nd Mtg)
- Copy of executed Subordinate Mortgage
- Copy of executed Promissory Note MASTER SERVICER

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Certification & Approval Documents

The lender submits the following documents to OHFA at ohfasinglefamily@ohfa.org for certification:

- OHFA Loan Confirmation
- Loan Transmittal/1008
- URLA (Application)
- Loan Estimate
- [OHFA Partial Exemption Disclosure - Second Lien - \(Application time\)](#)
- Purchase Contract
- LOE (Letter of Explanation) if omitting spouse or joint occupant from purchase of subject property

OHFA provides these documents to Lender upon Loan Approval:

- OHFA Approval/Award Letter
- OHFA Second Lien DPA Letter
- OHFA Mortgagor Certification & Income Statement