



Choice Down Payment Assistance (DPA) Program Snapshot

As of 09.01.2023

All GHMC overlays are written in **BLUE**
Newest updates are written in **RED**

Purchase Eligibility Matrix

Primary Residence Only

Property Type	Min FICO	Max LTV/CLTV	DPA lien	Underwrite Method	Loan Type
SFR/ PUD; Condo; 2 Unit	600	96.50%/100%	3.5% of Purchase Price or Appraised Value (lesser of the two)	AUS Approval	FHA Only

DPA for FHA Program Summary & Overlays

The following is an overview of core guidelines and overlays. This is not a complete set of guidelines. Please refer to the FHA [HUD Handbook 4000.1](#) for additional program requirements.

Topic	Description		
	Term	Lien	Product Code
Products & Terms	360	First Mortgage	Choice DPA FHA 30 Fixed
	120	Second Mortgage	Choice DPA 2 nd Mtg 10 Yr.
Underwriting Method	<ul style="list-style-type: none"> • Loan must be run through FHA Total Scorecard and receive AUS Approve/Accept Eligible • Manual underwrite not permitted • Loan parameters must meet FHA Handbook 4000.1, unless otherwise stated in this Snapshot 		
Customer Type	<ul style="list-style-type: none"> • Permitted for TPO Broker transactions only- Non-Delegated transactions not permitted 		
Loan Limits	<ul style="list-style-type: none"> • Follow FHA <ul style="list-style-type: none"> ○ Maximum Loan amount: <ul style="list-style-type: none"> ▪ Conforming Limit or ▪ Maximum HUD County limit if lower <ul style="list-style-type: none"> • Loan amount can exceed county loan limits by the amount of UFMIP and the 2nd lien. 		
DTI	<ul style="list-style-type: none"> • Per AUS Approval 		
Homebuyer Education	<ul style="list-style-type: none"> • Homebuyer Education is REQUIRED by at least one borrower (regardless of FTHB status) • Must be provided by Fannie/Freddie or HUD approved provider including but not limited to: <ul style="list-style-type: none"> ○ FNMA HomeView ○ FHLMC Credit Smart 		
Eligible Properties	<ul style="list-style-type: none"> • Attached/Detached, Single Family Residences • 2 Unit Residences • Manufactured Homes- Double Wide only • PUD • Condominium (Must be HUD approved with no litigation) 		



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Income Limits	<ul style="list-style-type: none"> N/A
DPA Loan Details	<ul style="list-style-type: none"> Interest rate = 1st mtg note rate +2% Fully amortizing loan for 120 months Include payment in DTI Cannot be re-subordinated Can borrow up to 3.5% of sales price or appraised value (lesser of the two) Funds can be used for down payment or closing costs
Occupancy	<ul style="list-style-type: none"> Primary Residence Non-Owner occupant permitted subject to FHA Guidelines 4000.1
Ineligible Properties	<ul style="list-style-type: none"> Condo Hotels/motels Cooperatives Condo subject to Litigation Resort condos or timeshares Properties that do not meet Minimum property Requirements (MPR) and Minimum Property Standards (MPS) 2- unit properties with an ADU. 3-4 Unit Properties Properties located within the coastal barrier resources system Properties on Native American lands/Indian Tribal Land Properties with a condition rating of C5/C6 Properties with a quality rating of Q5/Q6 Unimproved land, working farms, and ranches Second Homes Investment Properties Properties located in New York, or Washington State
Credit	<ul style="list-style-type: none"> At least one credit score is required for each borrower. Clear CAIVRS required for all borrowers.
Allowable Charges	<ul style="list-style-type: none"> First Mortgage: <ul style="list-style-type: none"> Any normal and customary fees are allowed (appraisal, credit report, survey, title insurance) Must be charged in accordance with Agency policy Maximum Origination fee/discount points= 2.00% No lender fees can be charged on the 2nd except title or escrow fees
Required Documents	<ul style="list-style-type: none"> Reservation Confirmation <ul style="list-style-type: none"> Will be requested by GHMC once loan is cleared to close by GHMC UW, please allow 48 hours for closing. NHF Funding Commitment Notice <ul style="list-style-type: none"> Obtained with registration confirmation (Borrowers signature is not required)
Additional	<ul style="list-style-type: none"> No cash back to borrower other than refund of EMD or other borrower costs paid outside of closing 2nd Mortgage will need to be registered as separate loan in LOS, with all 2nd loan documents uploaded into images



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Updates

All new updates will be in **RED** font.

Section	Date	Update
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