



GOVERNMENT PROGRAM SUMMARY
HOME NOW \$0 DOWN MORTGAGE PROGRAM

PROGRAM SPONSOR	Montana Community Development Corporation, doing business as “MoFi” – www.mofi.org		
DESCRIPTION OF PROGRAM	<ul style="list-style-type: none">• The HomeNow Government Loan Program (the “Government Program”) provides first mortgage financing and down payment/closing cost assistance to eligible borrowers. The down payment/closing cost assistance is in the form of a non-repayable grant to the borrower. MoFi established the Program to fulfill its mission to provide Montana residential borrowers (whose income does not exceed the Income Limits set forth below) with down payment/closing cost assistance to enable such borrowers to access financing for the purchase or refinance of a home. MoFi is a 501(c)3 non-profit organization.• This Program Summary is a complement to, and not a substitute for, the more detailed Program Guidelines.• FHA, USDA Rural Development and VA Mortgage guidelines apply except as modified by this program summary for the purpose of this program only.• HomeNow first mortgage loans are subject to Qualified Mortgage/Ability-to-Repay (QM/ATR) rules. All HomeNow first mortgages must be QM loans.		
PROGRAM AREA	Properties located within the State of Montana		
ELIGIBLE LENDERS	Lenders must be approved by U.S. Bank (acting as Master Servicer) to participate in the HomeNow Program. Interested lenders should contact U.S. Bank Help desk at 1-800-562-5165 (option 2) or hfa.programs@usbank.com . You may also contact Jenn Marrow, HomeNow Program Administrator, MoFi, at 406-532-5701 or at jennm@mofi.org . ***Third Party Origination is not allowed***		
MASTER SERVICER & COMPLIANCE AGENT	<table><tr><td data-bbox="363 1339 893 1820">Master Servicer U.S. Bank Home Mortgage, HFA Division 17500 Rockside Road Bedford, OH 44146-2099 (800) 562-5165 (option 2) hfa.programs@usbank.com U.S. Bank HFA Division & Lending Manual</td><td data-bbox="893 1339 1559 1820">Compliance Agent Hilltop Securities Inc. Attn: Sharon Gonzalez or Lori Wood 1201 Elm Street, Suite 3500 Dallas, TX 75270 (214) 953-4122 (214) 953-4231 sharon.gonzalez@hilltopsecurities.com lori.wood@hilltopsecurities.com htshousing@hilltopsecurities.com</td></tr></table>	Master Servicer U.S. Bank Home Mortgage, HFA Division 17500 Rockside Road Bedford, OH 44146-2099 (800) 562-5165 (option 2) hfa.programs@usbank.com U.S. Bank HFA Division & Lending Manual	Compliance Agent Hilltop Securities Inc. Attn: Sharon Gonzalez or Lori Wood 1201 Elm Street, Suite 3500 Dallas, TX 75270 (214) 953-4122 (214) 953-4231 sharon.gonzalez@hilltopsecurities.com lori.wood@hilltopsecurities.com htshousing@hilltopsecurities.com
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HomeNow – Government Program Summary

FIRST MORTGAGE PRODUCTS	<p>Purchase money and rate and term refinances of primary, owner-occupied residences only. No cash out refinances allowed.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;"><u>Product</u></th> <th style="text-align: right; border-bottom: 1px solid black;"><u>Amortization Terms</u></th> </tr> </thead> <tbody> <tr> <td style="padding-left: 20px;">• FHA</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">◇ Fixed Rate Sections 203(b), 234(c), & 203(k)s</td> <td style="text-align: right;">30 years</td> </tr> <tr> <td style="padding-left: 20px;">• VA</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">◇ Fixed Rate Sections 203(b) & 234(c)</td> <td style="text-align: right;">30 years</td> </tr> <tr> <td style="padding-left: 20px;">• Rural Development</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">◇ Rural Housing Guaranteed Loan</td> <td style="text-align: right;">30 years</td> </tr> </tbody> </table>	<u>Product</u>	<u>Amortization Terms</u>	• FHA		◇ Fixed Rate Sections 203(b), 234(c), & 203(k)s	30 years	• VA		◇ Fixed Rate Sections 203(b) & 234(c)	30 years	• Rural Development		◇ Rural Housing Guaranteed Loan	30 years
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FIRST LOAN INTEREST RATES	<ul style="list-style-type: none"> • Hilltop Securities will post HomeNow First Mortgage Loan interest rates at 8:15 AM M.S.T. daily. Current rates can be found on the HomeNow Lender Portal at https://homenowdpa.org. • The reservation window will be available from 8:30 AM to 5:00 PM M.S.T., Monday through Friday except for Bank Holidays. • Rates can be subject to intra-day pricing changes. • All loans must be delivered and purchased by U.S. Bank within 60 days of rate lock. A one-time extension may be purchased (netted at loan purchase by U.S. Bank) at the following rates: <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="padding: 5px;">Days Extended</th> <th style="padding: 5px;">Fees Netted at Loan Purchase</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">7 Days</td> <td style="padding: 5px;">0.06250%</td> </tr> <tr> <td style="padding: 5px;">15 Days</td> <td style="padding: 5px;">0.12500%</td> </tr> <tr> <td style="padding: 5px;">22 Days</td> <td style="padding: 5px;">0.18750%</td> </tr> <tr> <td style="padding: 5px;">30 Days</td> <td style="padding: 5px;">0.25000%</td> </tr> </tbody> </table>	Days Extended	Fees Netted at Loan Purchase	7 Days	0.06250%	15 Days	0.12500%	22 Days	0.18750%	30 Days	0.25000%				
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DOWN PAYMENT ASSISTANCE	<p>Down payment assistance may fund up to 100% of the homebuyer’s cash to close with no required minimum contribution from the borrower’s own funds.</p> <p>The down payment assistance is in the form of a non-repayable grant and is based on the total first mortgage loan amount.</p> <ul style="list-style-type: none"> • 3.5% Assistance (borrower nets 3.5%) • 4.0% Assistance (borrower nets 4.0%) (effective February 2019) • The funds may be used to fund up to 100% of the Borrower’s cash requirement to close, including the down payment, closing costs, pre-paid items and other related Mortgage Loan fees and expenses. No portion of the grant funds can be paid to the Borrower unless the Borrower is being reimbursed for his/her earnest money deposit. Principal reduction is allowed. Under the rate and term refinance option, any funds above the amount needed to pay the Borrower’s loan-related costs must be used to reduce the principal amount of the First Mortgage loan. • The lender must receive a compliance approval from the Compliance Agent, Hilltop Securities Inc., in order to be eligible for purchase by the Servicer. • MoFi will fund the grant amount at the first mortgage loan closing. • FHA Borrowers with FICO scores in the 640-659 range will only have access to the 3.5% Assistance level. 														

HomeNow – Government Program Summary

BORROWER ELIGIBILITY	<ul style="list-style-type: none"> • Borrower does NOT have to be a First-Time Homebuyer • Determined by agency guidelines for the First Mortgage Program selected and any U.S. Bank overlays found herein. • Non-occupying co-signors and non-occupying co-borrowers are permitted. Income from non-occupying co-signors does <u>not</u> count toward the income limit. Income from non-occupying co-borrowers <u>does</u> count toward the income limit. • Borrowers may have ownership interest in other residential property at time of closing, a may be allowed by agency guidelines.
INCOME LIMITS	<ul style="list-style-type: none"> • FHA and VA - The borrower's Credit Qualifying (1003) Income must not exceed the Program Income Limits, currently set at 115% Area Median Income (AMI). All stable sources of income for the Mortgagors should be considered, as allowed by Agency Guidelines and any U.S. Bank overlays. See Exhibit A for FHA/VA Income Limits by County. • Rural Development Loans - Income is based on Adjusted Household Income per Rural Development's Guidelines. See Exhibit B for RD Income Limits. <p>Lenders will be responsible for ensuring that the income meets program guidelines.</p>
PROPERTY TYPES	<ul style="list-style-type: none"> • 1-Unit, including agency-approved condominiums, town homes and PUDs • Duplex (with at least one unit owner-occupied) • A single unit in a Community Land Trust (RD only) • Co-ops are NOT permitted. • Manufactured housing is NOT permitted.
UNDERWRITING	<p><u>Eligible</u></p> <ul style="list-style-type: none"> • Loans may be underwritten through an Automated Underwriting System – DU or LPA for FHA and VA loans and GUS for Rural Development Loans. • Borrowers receiving an AUS approval must also have a minimum representative Credit Score of 640. • Manual Underwrite – A loan can be manually underwritten at the lenders discretion if there is an AUS finding of refer. Follow manual underwriting guidelines for the appropriate Government loan product allowable in the program. Borrower must have 2 months PITIA reserves after closing. • Alternative Credit - If a Borrower has NO Credit Score, Alternative Credit can be used for manual underwriting of the loan application. Follow the manual underwriting guidelines for the appropriate Government loan product allowable in the program. Borrower must have 2 months PITIA reserves after closing.
DEBT RATIO	Not to exceed 45% on AUS approved loans, 36% for manual and alternative credit underwritten loans.
LTV	LTV determined by the First Mortgage Program selected.
INTERESTED PARTY CONTRIBUTIONS	Determined by the First Mortgage Program selected.
HOMEBUYER EDUCATION	Recommended, but not required.
APPRAISAL	A full interior/exterior appraisal is required and must comply with First Mortgage program appraisal guidelines.

HomeNow – Government Program Summary

<p>PRICING</p>	<p>In addition to the standard fees normally charged to the borrower (i.e. Appraisal Fee, Credit Report Fee, Flood Certification, Freight, Underwriting, Document Preparation, etc.) the following fees may also be included. Please list fees in either section A or section B of the LE/CD but do not make them payable to U.S. Bank.</p> <table border="1" data-bbox="376 317 1539 676"> <thead> <tr> <th><u>Type</u></th> <th><u>Amount</u></th> <th><u>Service Provider</u></th> </tr> </thead> <tbody> <tr> <td>Loan Origination Fee</td> <td>Usual and customary</td> <td>Lender</td> </tr> <tr> <td>Delivery Fee</td> <td>\$400.00 – Paid at closing</td> <td>Lender Fee to U.S. Bank¹</td> </tr> <tr> <td>Tax Service Fee</td> <td>\$80.00 – Paid at closing</td> <td>Lender Fee to U.S. Bank²</td> </tr> <tr> <td>Code Compliance Fee</td> <td>\$225.00 – Paid at closing</td> <td>Hilltop Securities Inc. Attn: Sharon Gonzalez 1201 Elm Street, Suite 3500 Dallas, TX 75270</td> </tr> </tbody> </table> <p>¹ Shows on Loan Estimate and Closing Disclosure as payable to originating lender. ² Shows on Loan Estimate and Closing Disclosure as payable to originating lender or tax service fee vendor.</p>	<u>Type</u>	<u>Amount</u>	<u>Service Provider</u>	Loan Origination Fee	Usual and customary	Lender	Delivery Fee	\$400.00 – Paid at closing	Lender Fee to U.S. Bank ¹	Tax Service Fee	\$80.00 – Paid at closing	Lender Fee to U.S. Bank ²	Code Compliance Fee	\$225.00 – Paid at closing	Hilltop Securities Inc. Attn: Sharon Gonzalez 1201 Elm Street, Suite 3500 Dallas, TX 75270
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<p>MERS ASSIGNMENTS</p>	<p>Lender will be required to register and assign the First Mortgage Loans using MERS to U.S. Bank.</p>															
<p>LOAN PURCHASE AND SERVICING</p>	<p>U.S. Bank will purchase the First Mortgage Loan at a rate and price reflected on the Mortgage Commitment confirmation, less any fees, plus the applicable Servicing Release Premium (SRP). The current SRP for FHA and RD loans is 2.50%; the current SRP for VA loans is 2.00%.</p> <p>All loans will be sold to U.S. Bank and should be electronically submitted via DocVelocity for compliance review. <u>No paper files will be accepted.</u></p> <p align="center"> hfa.programs@usbank.com (800) 562-5165 (option 2) </p>															

<p>LOCKING A LOAN, APPROVAL PROCESS, FUNDING & CLOSING</p>	<p>Lenders must fund the First Mortgage Loans at loan closing; MoFi will fund the DPA. All loans will be locked, approved, DPA funds requested, and post-closing documents uploaded through the HomeNow Lender Portal at https://homenowdpa.org.</p> <p><u>Locking/Approval of DPA</u> Upload/complete the following:</p> <ul style="list-style-type: none"> • Pre-Closing Checklist • Loan Application • Loan Estimate • Purchase Contract • Signed Underwriter 1008 or Transmittal Form <p><u>Funding of DPA</u> Upload/complete the following:</p> <ul style="list-style-type: none"> • Funding Checklist • Funding Request Form • Commitment Letter • Notice of Down Payment Assistance Grant (Gift Letter) • Final Closing Disclosure • MoFi must review and approve the closing disclosure at least 1 (one) business day prior to the lender disclosing to the borrower. Please email to dparequest@mofi.org. <p><u>Post-Closing Documentation</u> The first mortgage loan will not be purchased by U.S. Bank until the Post-closing documents have been uploaded, reviewed, and cleared by Hilltop Securities Inc.</p> <p>Upload/complete the following:</p> <ul style="list-style-type: none"> • Post-Closing Checklist • Final executed Closing Disclosure • Final executed 1003 • Copy of executed Gift Letter • Check to Hilltop Securities for \$225.00 <p>In the event a loan is not purchased by U.S. Bank and loan reservation is expired or canceled, the Lender must reimburse MoFi for the down payment assistance funds provided at loan closing. In such cases, MoFi will notify the Lender and the Lender will have 15 days to remit the funds owed to MoFi.</p>
<p>QUESTIONS & SUPPORT CONTACTS</p>	<p>HomeNow Program & Eligibility – Contact MoFi: Ben Wright, HomeNow Program Administrator, benw@mofi.org , 406-532-5718</p> <p>HomeNow Lender Portal – Contact Hilltop Securities: Sharon Gonzalez, Sharon.Gonzalez@hilltopsecurities.com, 214.953.4122; Lori Wood, Lori.Wood@hilltopsecurities.com, 214.953.4231 Group email, htshousing@hilltopsecurities.com, 214-953-4176.</p>

Exhibit A: Income Limits for FHA & VA Loans



2018 County Income Limits (115% AMFI) FHA,VA (effective 5/8/2018)			
County Name	Any Family Size	County Name	Any Family Size
Beaverhead	\$77,625	Madison	\$77,625
Big Horn	\$77,625	Meagher	\$77,625
Blaine	\$77,625	Mineral	\$77,625
Broadwater	\$77,625	Missoula	\$80,960
Carbon	\$81,880	Musselshell	\$77,625
Carter	\$77,625	Park	\$77,625
Cascade	\$77,625	Petroleum	\$77,625
Chouteau	\$77,625	Phillips	\$77,625
Custer	\$77,625	Pondera	\$77,625
Daniels	\$77,970	Powder River	\$77,625
Dawson	\$79,005	Powell	\$77,625
Deer Lodge	\$77,625	Prairie	\$77,625
Fallon	\$80,615	Ravalli	\$77,625
Fergus	\$77,625	Richland	\$88,435
Flathead	\$77,625	Roosevelt	\$77,625
Gallatin	\$90,965	Rosebud	\$81,190
Garfield	\$77,625	Sanders	\$77,625
Glacier	\$77,625	Sheridan	\$83,720
Golden Valley	\$77,625	Silver Bow	\$77,625
Granite	\$77,625	Stillwater	\$83,375
Hill	\$77,625	Sweet Grass	\$77,625
Jefferson	\$88,665	Teton	\$77,625
Judith Basin	\$77,625	Toole	\$77,625
Lake	\$77,625	Treasure	\$77,625
Lewis and Clark	\$87,400	Valley	\$77,625
Liberty	\$77,625	Wheatland	\$77,625
Lincoln	\$77,625	Wibaux	\$77,625
McCone	\$77,625	Yellowstone	\$81,880

Exhibit B: Income Limits for USDA-RD**Effective 6/13/2018**

County Name	1-4 Person	5-8 Person
Gallatin	\$91,000	\$120,100
Jefferson	\$91,200	\$120,400
Lewis and Clark	\$87,400	\$115,350
Richland	\$88,400	\$116,700
Sheridan	\$83,750	\$110,550
Stillwater	\$85,550	\$112,950
All Other Counties	\$82,700	\$109,150

<http://www.rd.usda.gov/files/RD-GRHLimitMap.pdf>