



**GOVERNMENT PROGRAM SUMMARY
HOME NOW \$0 DOWN MORTGAGE PROGRAM**

PROGRAM SPONSOR	Montana Community Development Corporation, doing business as “MoFi” – www.mofi.org . MoFi is a 501(c)3 non-profit organization.								
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 of a home- (Refinance loans are no longer permitted). • 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 1) or HFAcustomer@usbank.com . You may also contact MoFi’s program administrators, Ben Wright or Joy Byland, at 406-728-9234 or at dprequest@mofi.org . ***Third Party Origination is not allowed***								
MASTER SERVICER & COMPLIANCE AGENT	<table border="0"> <tr> <td data-bbox="391 1266 857 1528"> Master Servicer U.S. Bank Home Mortgage – HFA Division 6000 Lombardo Center / Suite 100 CN-OH-SH1 Seven Hills, Ohio 44131 Direct: 216.606.1797 www.usbank.com/correspondent </td> <td data-bbox="959 1266 1390 1528"> Compliance Agent Hilltop Securities Inc. Attn: Sharon Gonzalez or Lori Wood 1201 Elm Street, Suite 3500 Dallas, TX 75270 214.953.4176 htshousing@hilltopsecurities.com </td> </tr> </table>	Master Servicer U.S. Bank Home Mortgage – HFA Division 6000 Lombardo Center / Suite 100 CN-OH-SH1 Seven Hills, Ohio 44131 Direct: 216.606.1797 www.usbank.com/correspondent	Compliance Agent Hilltop Securities Inc. Attn: Sharon Gonzalez or Lori Wood 1201 Elm Street, Suite 3500 Dallas, TX 75270 214.953.4176 htshousing@hilltopsecurities.com						
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FIRST MORTGAGE PRODUCTS	<p>Purchase money of primary, owner-occupied residences only.</p> <table border="0"> <thead> <tr> <th data-bbox="391 1608 493 1640"><u>Product</u></th> <th data-bbox="1159 1608 1403 1640"><u>Amortization Terms</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="391 1650 867 1724"> <ul style="list-style-type: none"> • FHA <ul style="list-style-type: none"> ◇ Fixed Rate Sections 203(b), 234(c) </td> <td data-bbox="1240 1688 1341 1719">30 years</td> </tr> <tr> <td data-bbox="391 1730 886 1803"> <ul style="list-style-type: none"> • VA <ul style="list-style-type: none"> ◇ Fixed Rate Sections 203(b) & 234(c) </td> <td data-bbox="1240 1768 1341 1799">30 years</td> </tr> <tr> <td data-bbox="391 1810 846 1883"> <ul style="list-style-type: none"> • Rural Development <ul style="list-style-type: none"> ◇ Rural Housing Guaranteed Loan </td> <td data-bbox="1240 1848 1341 1879">30 years</td> </tr> </tbody> </table>	<u>Product</u>	<u>Amortization Terms</u>	<ul style="list-style-type: none"> • FHA <ul style="list-style-type: none"> ◇ Fixed Rate Sections 203(b), 234(c) 	30 years	<ul style="list-style-type: none"> • VA <ul style="list-style-type: none"> ◇ Fixed Rate Sections 203(b) & 234(c) 	30 years	<ul style="list-style-type: none"> • Rural Development <ul style="list-style-type: none"> ◇ 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 8:30 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;"> <thead> <tr> <th>Days Extended</th> <th>Fees Netted at Loan Purchase</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">7 Days</td> <td style="text-align: center;">0.06250%</td> </tr> <tr> <td style="text-align: center;">15 Days</td> <td style="text-align: center;">0.12500%</td> </tr> <tr> <td style="text-align: center;">22 Days</td> <td style="text-align: center;">0.18750%</td> </tr> <tr> <td style="text-align: center;">30 Days</td> <td style="text-align: center;">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>Net Assistance Available: 3.5% or 5.0%</p> <ul style="list-style-type: none"> 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. MoFi will fund the grant amount at the first mortgage loan closing. The lender must receive a compliance approval from the Compliance Agent, Hilltop Securities Inc., in order to be eligible for purchase by the Servicer. 										
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). Income from non-purchasing spouse does not need to be included. 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>										

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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>Eligible</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. (DTI determined by Credit Score for FHA Loans) <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Product</th> <th>DTI</th> <th>FICO Score</th> </tr> </thead> <tbody> <tr> <td>FHA Loans</td> <td>45.00%</td> <td>640*</td> </tr> <tr> <td>FHA Loans</td> <td>45.01% to 50.00%</td> <td>680</td> </tr> <tr> <td>USDA-RD & VA</td> <td>45.00%</td> <td>640</td> </tr> </tbody> </table> <p style="color: red; font-size: small;">*Limited allocation at this FICO range. Once allocation met, minimum FICO will be 660. *FHA loans with a FICO of =/< 660 need to have at least 1-month reserves</p> <ul style="list-style-type: none"> • Manual Underwrites (FHA Not Allowed) - Allowable at the lender’s discretion and meeting these overlays: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="5">Maximum Ratios</th> </tr> <tr> <th>Loan Product</th> <th>Minimum FICO</th> <th>Housing</th> <th>Total Debt</th> <th>Required Reserves</th> </tr> </thead> <tbody> <tr> <td>VA</td> <td>640</td> <td>N/A</td> <td>41%</td> <td>2</td> </tr> <tr> <td>USDA</td> <td>640</td> <td>29%</td> <td>41%</td> <td>2</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Alternative Credit can be used if a Borrower has NO credit score but are believed to meet a 640 minimum. 	Product	DTI	FICO Score	FHA Loans	45.00%	640*	FHA Loans	45.01% to 50.00%	680	USDA-RD & VA	45.00%	640	Maximum Ratios					Loan Product	Minimum FICO	Housing	Total Debt	Required Reserves	VA	640	N/A	41%	2	USDA	640	29%	41%	2
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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	Please see the U.S. Bank website for current Temporary Flexibilities for Appraisals - https://www.usbank.com/corporate-and-commercial-banking/industry-expertise/correspondent-lending.html																																

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PRICING	<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" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;"><u>Type</u></th> <th style="text-align: left; padding: 2px;"><u>Amount</u></th> <th style="text-align: left; padding: 2px;"><u>Service Provider</u></th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">Loan Origination Fee</td> <td style="padding: 2px;">Usual and customary</td> <td style="padding: 2px;">Lender</td> </tr> <tr> <td style="padding: 2px;">Delivery Fee</td> <td style="padding: 2px;">\$400.00 – Paid at closing</td> <td style="padding: 2px;">Lender Fee to U.S. Bank¹</td> </tr> <tr> <td style="padding: 2px;">Tax Service Fee</td> <td style="padding: 2px;">\$80.00 – Paid at closing</td> <td style="padding: 2px;">Lender Fee to U.S. Bank²</td> </tr> <tr> <td style="padding: 2px;">Code Compliance Fee</td> <td style="padding: 2px;">\$225.00 – Paid at closing</td> <td style="padding: 2px;">Hilltop Securities Inc.</td> </tr> </tbody> </table> <p>¹ Shows on Loan Estimate and Closing Disclosure as payable to originating lender.</p> <p>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.
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ERS ASSIGNMENTS	Lender will be required to register and assign the First Mortgage Loans using MERS to U.S. Bank.															
LOAN PURCHASE AND SERVICING	<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, RD and VA loans is 2.50%.</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 style="text-align: center;"> HFAcustomer@usbank.com (800) 562-5165 (option1) </p>															

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LOCKING A LOAN, APPROVAL PROCESS, FUNDING & CLOSING

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>.

Locking/Approval of DPA

Upload/complete the following:

- Pre-Closing Checklist
- Loan Application (1003)
- Loan Estimate
- Purchase Contract and any addendums
- Signed Underwriter 1008 or Transmittal Form

Funding of DPA

Upload/complete the following:

- Funding Checklist
- Funding Request Form
- 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.**

Post-Closing Documentation

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.

Upload/complete the following:

- Post-Closing Checklist
- Final executed Closing Disclosure
- Final executed 1003
- Copy of executed Gift Letter
- Check to Hilltop Securities for \$225.00

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.

QUESTIONS & SUPPORT CONTACTS

HomeNow Program & Eligibility – Contact MoFi:

Ben Wright or Joy Byland, dparequest@mofi.org, 406.728.9234.

HomeNow Lender Portal – Contact Hilltop Securities:

Group email, htshousing@hilltopsecurities.com, 214-953-4176.

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Exhibit A: Income Limits for FHA & VA Loans



2020 County Income Limits (115% AMFI) FHA,VA (effective 5/18/2020)			
County Name	Any Family Size	County Name	Any Family Size
Beaverhead	\$84,295.00	Madison	\$84,295.00
Big Horn	\$84,295.00	Meagher	\$84,295.00
Blaine	\$84,295.00	Mineral	\$84,295.00
Broadwater	\$84,295.00	Missoula	\$90,965.00
Carbon	\$88,090.00	Musselshell	\$84,295.00
Carter	\$84,295.00	Park	\$84,295.00
Cascade	\$84,295.00	Petroleum	\$84,295.00
Chouteau	\$84,295.00	Phillips	\$84,295.00
Custer	\$87,975.00	Pondera	\$84,295.00
Daniels	\$87,170.00	Powder River	\$84,295.00
Dawson	\$84,295.00	Powell	\$84,295.00
Deer Lodge	\$84,295.00	Prairie	\$84,295.00
Fallon	\$88,665.00	Ravalli	\$84,295.00
Fergus	\$84,295.00	Richland	\$95,450.00
Flathead	\$84,870.00	Roosevelt	\$84,295.00
Gallatin	\$103,960.00	Rosebud	\$86,250.00
Garfield	\$84,295.00	Sanders	\$84,295.00
Glacier	\$84,295.00	Sheridan	\$89,125.00
Golden Valley	\$87,975.00	Silver Bow	\$84,295.00
Granite	\$84,295.00	Stillwater	\$94,875.00
Hill	\$84,295.00	Sweet Grass	\$84,295.00
Jefferson	\$95,220.00	Teton	\$84,295.00
Judith Basin	\$84,295.00	Toole	\$84,295.00
Lake	\$84,295.00	Treasure	\$84,295.00
Lewis and Clark	\$96,370.00	Valley	\$84,295.00
Liberty	\$84,295.00	Wheatland	\$84,295.00
Lincoln	\$84,295.00	Wibaux	\$84,295.00
McCone	\$84,295.00	Yellowstone	\$88,090.00

**Exhibit B: Income Limits for USDA-RD
Effective 5/18/2020**

County Name	1-4 Person	5-8 Person
Gallatin	\$103,650	\$137,200
Jefferson	\$95,250	\$125,750
Lewis and Clark	\$96,400	\$127,250
Richland	\$95,450	\$126,000
Sheridan	\$91,800	\$121,200
Stillwater	\$94,900	\$125,250
All Other Counties	\$90,300	\$119,200

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