

STEP UP + FREDDIE MAC'S HFA ADVANTAGE MORTGAGE

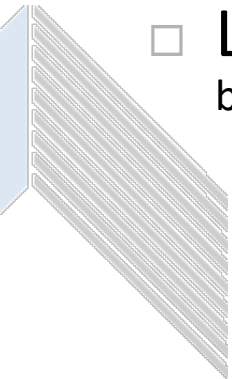
Effective for Conventional reservations 1/22/2019

ALABAMA HOUSING FINANCE AUTHORITY



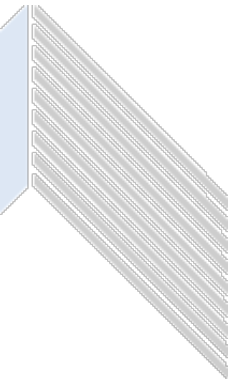
Things to Remember

- ❑ All conventional Step Up reservations must follow Freddie Mac's program requirements for the HFA Advantage Mortgage Product (Effective 1/22/19 the Fannie Mae's HFA Preferred product is not longer available)
- ❑ AHFA requires all eligible borrowers receive the AIS grant
- ❑ AIS funds must be used for down payment and closing cost assistance
- ❑ All qualifying borrowers must occupy the property (Non-Occupant co-borrowers/Co-Signers are not eligible)
- ❑ LPA Eligible/Accept findings required (DU is still available for borrowers seeking FHA financing)



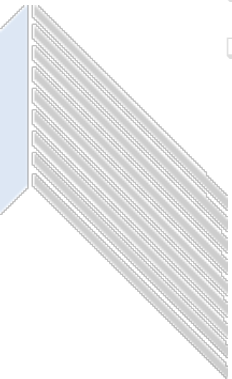
Things to Remember

- Borrowers may not receive cash back at closing
- Principal reductions are not allowed. Lenders should reduce the 2nd mortgage amount to cure any excess funds at closing
- AHFA's Freddie Mac Seller ID# - 202159



How it works...

- Lenders must...
 - Reserve the 1st mortgage & 2nd mortgage (if applicable)
 - With the Step 2 submission
 - Submit a copy of the pre-closing CD with the AIS grant amount disclosed in Section L
 - Provide a copy of the Home Possible Income & Property Eligibility screenshot with the subject property information (the address on the screenshot should match the address on the contract and appraisal)
 - Use LPA for underwriting decision
 - IFI = 251 or Home Possible Advantage for HFA's
 - Make sure the qualifying income calculation on the final 1003, LPA and 1008 all match and meet the income requirement for AIS assistance (if applicable)
 - Fund the AIS grant at closing (if applicable)
- AHFA will...
 - Reserve the AIS grant funds after the Step 2 package has been reviewed and approved
 - Reimburse the AIS grant funds to the lender at the time of loan purchase



Accessing the updated Request for Conditional Commitment Checklist

https://lenders.ahfa.com/Bin/Display.exe/ShowSection Lender Online >> Home

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- Lender: ***Summit Funding Inc*** - WH
- Lender: 1st Mariner Bank (NC)
- Lender: 1st Security Bank of Washington - WH
- Lender: Academy Mortgage Corp. (MHDC)
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Access Lender Online. All updated documents are located in the PROGRAM DOCUMENTS tab

Lender: Cadence Bank

Program Documents

Program Documents List

| Document Name ▾ | Posted On ▾ |
|---|----------------|
|  BankServ program manual | Thu 05/02/2013 |
|  Step Up program manual | Fri 01/04/2019 |
|  Reservation of Funds/Rate Commitment Form | Thu 04/13/2017 |
|  SU Transmittal Checklist (Step 1) | Thu 04/13/2017 |
|  SU Transmittal Checklist (Step 2) | Mon 01/14/2019 |
|  Finals Docs Transmittal | Mon 04/17/2017 |
|  Down Payment Assistance Application | Thu 04/13/2017 |
|  Income Calculation Worksheet | Thu 04/13/2017 |
|  Child Support Statement | Thu 04/13/2017 |

 [Printable View](#)

This section shows you a number of links to the program forms and other documents.

You may save these documents on your computer for accessing when you are not online.

Request for Conditional Commitment Form

DAB38868EC57428F9435CBC7.pdf - Adobe Acrobat Standard DC

File Edit View Window Help

Home Tools Document

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Come on home, Alabama.

STEP UP TRANSMITTAL CHECKLIST

Lender: [REDACTED] AHFA Commitment #: [REDACTED]

Processor's Name: [REDACTED]

Email Address: [REDACTED]

Phone #: [REDACTED] Fax #: [REDACTED]

Mortgagor(s): [REDACTED]

STEP 2 — Request for Step Up Conditional Commitment (Submit to AHFA)

- Step Up Transmittal Checklist
- Copy of the executed loan application
- Copy of the executed sales contract
- Copy of DPAP Application (if applicable)
- Copy of credit underwriter's Income Calculation Worksheet verifying qualifying income referenced on 92900-LT/1008 and AUS findings and signed by credit underwriter
- Copy of pre-closing C.D. with AIS grant amount disclosed in Section L. (Freddie Mac/ Conventional Step-Up only)
- "Home Possible Income & Property Eligibility" print-out for subject property (Freddie Mac/ Conventional Step-Up only) ----- (<http://www.freddiemac.com/homepossible/eligibility.html>)
- Copy of underwriter's executed 92900-LT (FHA); 1008 (Conventional)
- Automated Underwriting Findings (FHA/TOTAL SCORECARD; FNMA/ DU; FHLMC/ LPA)
- Copy of credit report for all occupying borrowers
- Copy of Homebuyers' Education Certificate
- Copy of case # assignment (FHA loans)
- Copy of PMI certificate (Conventional loans)

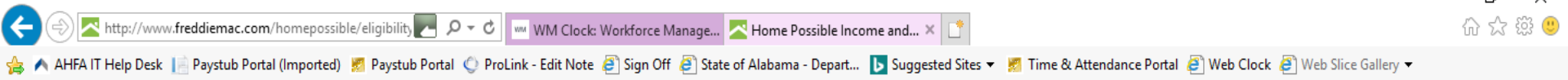
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Income & Property Eligibility Screenshot



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- Duty to Serve
- Uniform Mortgage Data Program (UMDP)
- Mortgage Products
 - Home Possible Income & Property Eligibility**
 - How to Read Your Results
 - Home Possible Income & Property Requirements
- Servicing
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- Housing Professionals
- Credit Risk Offerings

For best results, enter the complete property street address to see if a borrower can qualify for a Freddie Mac Home Possible® mortgage based on the property location and the borrowers' qualifying income.

Note: Search by County or Zip will return results for the most centrally located address. These results may not be the same as the relevant property.

2018 Home Possible Income Limits by Ce

2000 Interstate Park Dr, Montgomery, AL, 36109

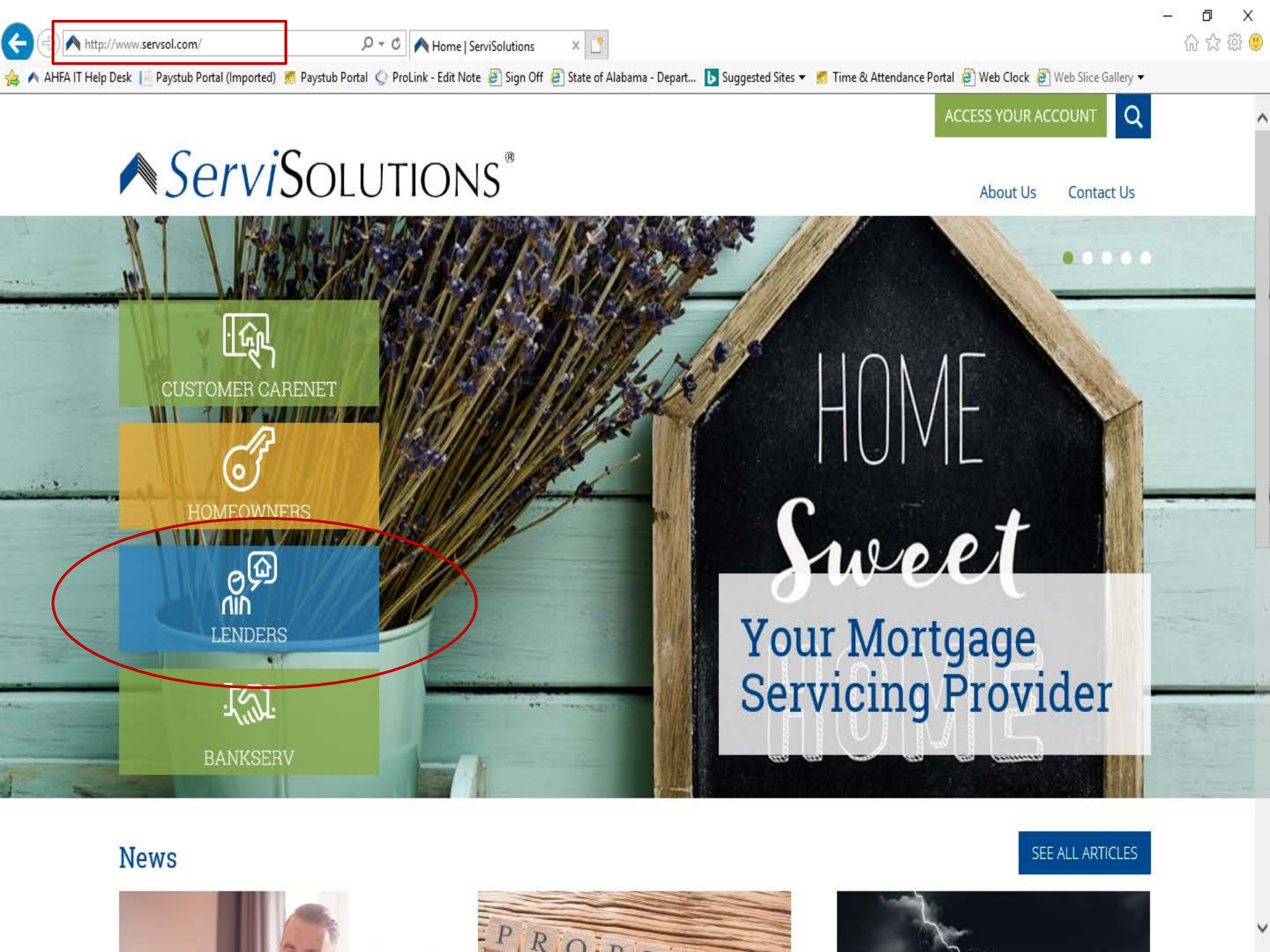
See if this property qualifies for [Down Payment Assistance](#)

County: Montgomery
FIPS Code 01101002700
Home Possible Income Limit: \$62,900
100% Median Income: \$62,900
80% Area Median Income: \$50,320
50% Area Median Income: \$31,450

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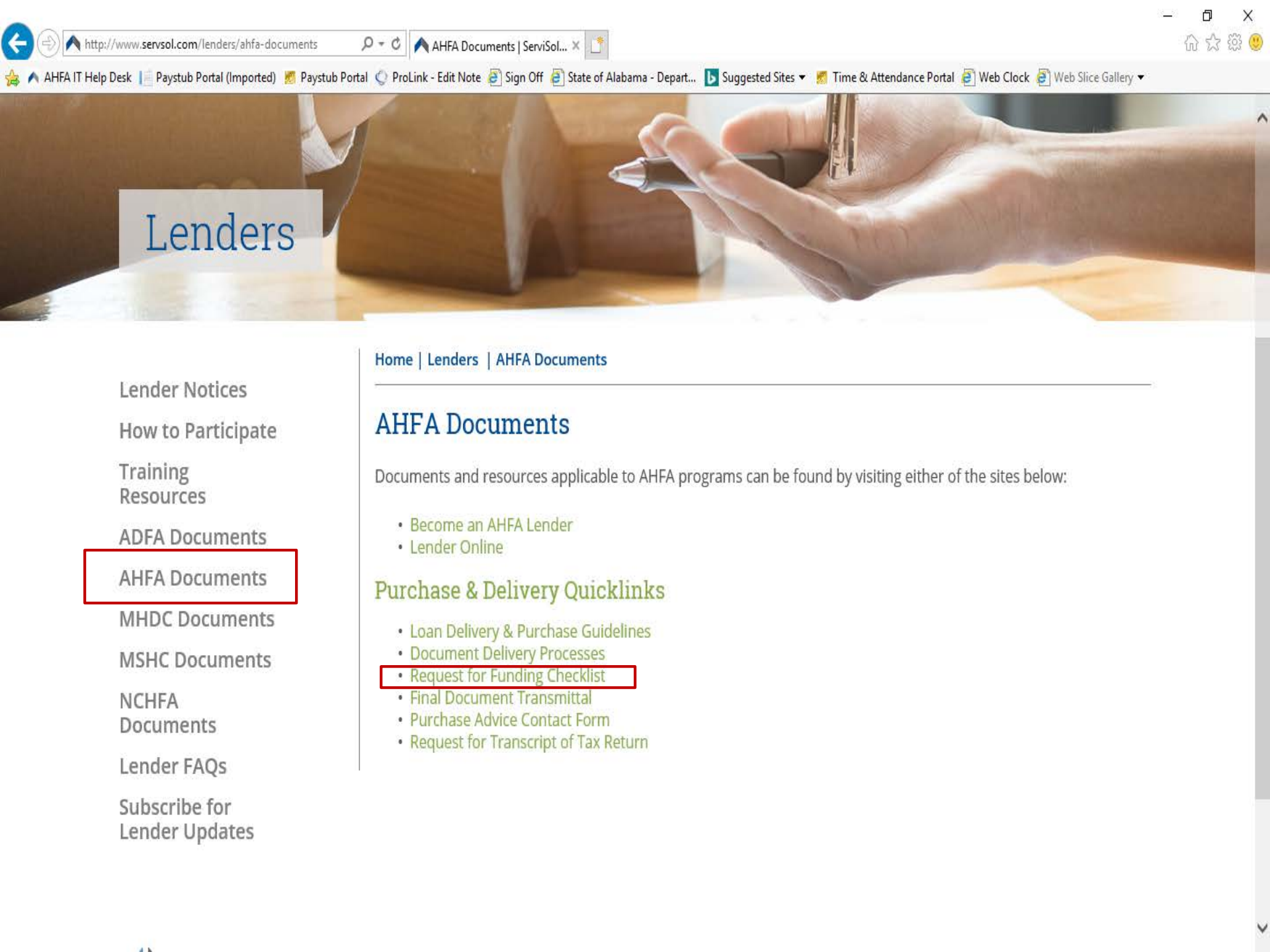
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AHFA Documents

Documents and resources applicable to AHFA programs can be found by visiting either of the sites below:

- [Become an AHFA Lender](#)
- [Lender Online](#)

Purchase & Delivery Quicklinks

- [Loan Delivery & Purchase Guidelines](#)
- [Document Delivery Processes](#)
- [Request for Funding Checklist](#)**
- [Final Document Transmittal](#)
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Contact Name: _____ Phone Number: _____

Email Address: _____

A. CLOSING PACKAGE - INCLUDE ALL ITEMS IN THE STACKING ORDER BELOW***UPLOAD TO LENDER ONLINE (REQUEST FOR FUNDING PACKAGE 3 – A. CLOSING PACKAGE)**

- ServiSolutions Checklist with lender contact information listed
- Payment History- must include beginning/ending escrow balance and evidence all due payments/disbursements if applicable
- Copy of executed Note (reference collateral standards at www.servsol.com/lenders)- with Addendum if applicable
 - *endorsed to Alabama Housing Finance Authority, without recourse
- Copy of executed Down Payment Assistance Note
 - *endorsed to Alabama Housing Finance Authority, without recourse
- Copy of Power of Attorney- if applicable
- Name Affidavit for all borrower's (if applicable- reference collateral standards at www.servsol.com/lenders)
- Copy of MERS MIN Summary for first mortgage
- Copy of MERS MIN Summary for DPA mortgage
- Title Commitment - Short Form (FHA: include 12 mo. chain of title/Conv: include 6 mo. chain of title)
- Insured Closing Protection Letter
- Certified, executed copy of Deed of Trust for first mortgage with all applicable riders- (if e-recorded, provide copy)
- Certified, executed copy of Deed of Trust for DPA mortgage with all applicable riders- (if e-recorded, provide copy)
- Master Condo Policy (HO6 Policy AND Certificate of Property Ins.) with policy numbers- Liability Cert. will not be accepted as Master Policy
- PMI Certificate- Conventional loans only, LTV > 80%
- Provide verification of activated PMI
- Hazard Insurance Policy (12 mo. policy period) with policy number
- Life of Loan Flood Certification
- Flood Policy and/or Wind Policy with policy numbers- if applicable
- Property Tax Certification/Assessment- must list next estimated amount due, next due date, and Tax Assessor's Parcel ID(s)
- Copy of Lender's Payment Breakdown- should NOT include ServiSolutions information
- Copy of Leasehold Agreement- if applicable
- Initial Escrow Account Disclosure Statement- must agree with final CD and first payment letter information
- Copy of initial Closing Disclosure for first mortgage (including seller's CD)- must meet TRID date requirements
- Copy of final Closing Disclosure for first mortgage (including seller's CD) with executed addendums attached
- Copy of initial Closing Disclosure for DPA mortgage- must meet TRID date requirements
- Copy of final Closing Disclosure for DPA mortgage
- Fee Details Worksheet with points/fees test results- no high cost loans permitted
- Provide evidence of upfront MIP paid
- Lender's Closing Instructions to the Closing Agent- must include UW at-closing conditions
- UCD Feedback Certificate- must show 'successful' and transferred to AHFA (26133)- required for all Conv. loans
- Loan Closing Advisor Feedback Certificate - must show 'satisfied' and transferred to AHFA (202159)- required for all Conv. loans
- Copy of Amortization Schedule provided to borrower at closing
- All other documents executed at closing

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B. CREDIT/APPLICATION PACKAGE - INCLUDE ALL ITEMS IN THE STACKING ORDER BELOW***UPLOAD TO LENDER ONLINE (REQUEST FOR FUNDING PACKAGE 3 - B. CREDIT / APPLICATION)**

- Appraisal with color photos- include all exhibits- must be completely legible and include a copy of the Appraiser's license
***UAD condition codes C5 and C6 and quality condition code Q6 are not acceptable. Conditions termed 'fair' / 'poor' are not allowed.
- Final Inspection with color photos and evidence of clearance of all appraisal conditions- if required by appraisal
- Appraiser Certification printed out from the website www.ASC.gov - Conventional loans only
- Fannie Mae Appraisal Findings Detail/SSR Report- required for all Conventional loans
- Freddie Mac UCDP SSR- required for all Conventional loans
- Copy of CU Analysis for appraised property- Conventional loans only, required only if risk score is not listed on SSR
- Copy of Loan Collateral Advisor for appraised property- Conventional loans only (FHLMC)
- Electronic Appraisal Delivery (EAD) results for FHA Connection Appraisal Logging (Success) - FHA loans only
- New Construction documentation per agency guidelines- (Certificate of Occupancy with correct home address, Builder's Certificate/Soil Treatment and Warranties signed, Completion of Construction signed, and Direct Endorsement to HUD/FHA signed by direct endorser)
- Conditional Commitment DE Statement of Appraised Value (HUD Form 92800-5B/6 pages), signed and dated by UW- FHA loans only
- Termite letter/Wood infestation report- as required by appraisal, sales contract, or underwriter
- Copy of repair escrow documentation and evidence of housing agency approval and final repairs- if applicable
- Automated Underwriter Findings indicating Approve/Eligible and TDTI < 45% (Must be HFA Preferred with SFC 741)
- Loan Product Advisor indicating Accept/Eligible and TDTI < 45% (No DPA-IFI 251, w/DPA-IFI 583)
- Copy of Home Possible Income and Property Eligibility screen for property address (FHLMC)
- 1008 Transmittal Summary (if condo, must include FNMA Project Classification and CPM #) signed by UW or HUD 92900-LT signed by UW
- Initial and final 1003 Loan Application for first mortgage, executed by all parties- must list ULI number
- Initial and final 1003 Loan Application for DPA mortgage, executed by all parties- must list ULI number
- Initial 92900A (signed by all parties, pgs 1-2) and Final 92900A (signed by all parties, pgs 1-4) - Govt loans only
- Credit Report used for AUS or LPA results and copies of credit explanation letters as requested by AUS or LPA findings
- SSN for all borrowers passed data checks with OFAC and fraud reports - all red flags and/or warnings cleared
- Final Authorization to verify SSA (SSA-89) signed by all borrowers- as required by AUS or LPA
- Sales Contract and all addendums
- FHA Case Number Assignment- FHA loans only
- CAIVRS Certificate- FHA loans only
- FHA Connection MIP Case Query (Success) listing MI paid- FHA loans only
- Written VOE- as required per AUS or LPA
- Paystubs, W-2's, 1099's for all borrowers- as required per AUS or LPA
- Executed tax returns- as required per AUS or LPA
- 4506T's
- All borrower's processed tax transcripts for the most recent tax year available- Conventional loans only
- Verbal VOE (10 day prior to closing) with employer source certification
- VOD or bank statements- as required per AUS or LPA
- Cancelled earnest money check
- Gift letter(s) with evidence of transfer and receipt of funds
- Third Party Verification of Employment
- Copy of Lender's internal underwriting approval with at-closing conditions listed
- LDP/SAM lists (must include all parties listed on CD or involved in loan transaction)- required for individuals and company
- Repayment Qualification Income Calculation (if not listed on 1008 or 92900LT)
- DPA Legally Enforceable Obligation Letter- FHA loans only
- All other applicable credit documentation

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Contact Information

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