

<b>Question Asked</b>	<b>Answer Given</b>
<b>Are minor children counted?</b>	Yes, minor children are counted in the make-up of the household size.
<b>Also, on the changes, do we contact you or do it through LOL?</b>	There are some things that can be corrected by the lender. For anything you encounter that you cannot correct/update or reach an obstacle, please reach out to MHDC for the corrections.
<b>Are files submitted to US Bank prior to closing for approval?</b>	Files are sent to US Bank after the loan has closed.
<b>Are non-occupying co-borrowers allowed?</b>	Non-Occupants must be Co-Signors only. All Borrowers must occupy the home. In these instances, the lender would need to check with U.S. Bank as the master servicer on overlays.
<b>Being a first time Homebuyer is required but do you require home buyer education? If so, is there a specific one?</b>	Homebuyer education is not an MHDC requirement. Each lender will need to follow their AUS, Agency and U.S. Bank guidelines.
<b>If you cancel and re-register, you're subject to current rates or worst case pricing?</b>	Cancelling and re-locking would result in worst case pricing, unfortunately. This is most significant with the Nest Step product, as rates vary little with the First Place product.
<b>Can I please have an example of the net rental income from retained property?</b>	Example: Zillow lists a rental amount of \$1000/month. If the current payment is \$400 plus taxes and insurance for \$100, the net rental income would be \$500.
<b>Can you piggyback other community grants with the program?</b>	Community grants and other homebuyer assistance can be paired with MHDC loan products as long as MHDC always stays in 2nd position and the homebuyer does not receive cash back from the grant. These details can be reviewed in our program manuals available at <a href="http://mhdc.com/services/lender-resources">mhdc.com/services/lender-resources</a> .
<b>Confirmation question, scores from 640 -679, the borrower must also have 1 month reserves and 12 months canceled rent checks or VOR from a Management company, correct? Thank You!</b>	This is not a requirement for MHDC products.
<b>Do we need to use income from persons NOT on the loan but occupying the home?</b>	Yes, income must be calculated for persons occupying the home that are 18+ years of age.
<b>Do you allow electronic notarization/eNotary?</b>	MHDC only allows for wet notarization at this time.
<b>Do you allow for HUD 184 loans with these programs?</b>	HUD 184 loans are not currently an option paired with MHDC products.
<b>Do you assist with the yearly reporting to the IRS?</b>	MHDC provides lenders the list and form required. Lenders are responsible for IRS reporting.
<b>Do you permit lenders to use the tax credit as income?</b>	Yes, this can be used to reduce the Debt-to-Income ratio.
<b>do you require or allow MERS on your cash assistance loans?</b>	Yes, MHDC allows but does not require MERS on cash assistance loans.
<b>Does Lender or MHDC hold funds for escrow repairs?</b>	Title will hold funds, as normal.
<b>Does MHDC allow interest credits (first payment date one month rather than two months out)?</b>	MHDC does allow interest credits,, with the 5th of the month as the latest closing date.
<b>Does MHDC allow loans to close in a trust?</b>	MHDC does not allows loans to close in a trust.

<b>Does MHDC allow principal reductions?</b>	MHDC does allow principal reductions up to \$250 if the borrower does not have any funds in the transaction to receive cash back; anything over \$250 requires prior approval from MHDC.
<b>Does the 525 need to be notarized for approval prior to closing?</b>	Form 525 does not need to be notarized for approval prior to closing.
<b>For both next-step and first-step loans, if a loan is locked and the property falls through, I understand that we would cancel the loan. If we re-lock with a new property address, can we get the same pricing as we had on the first property or is it current day pricing or would it be "worst case"?</b>	Cancelling and re-locking would result in worst case pricing, unfortunately. This is most significant with the Nest Step product, as rates vary little with the First Place product.
<b>For child support income is there a time frame that is required for being considered not received?</b>	For child support income, the most recent, documented 12 month period is utilized to consider income not received.
<b>For clarification, can you confirm if the 4% is based on the loan amount or purchase price? For example, on a 95% FNMA conv loan with a purchase price of \$100K, the program max LTV is 95% which would equate to a 95K loan amount. Is the 4% based on the 95K loan amount or 100K purchase price?</b>	The 4% DPA is based on the total loan amount: base + funding fee = total loan amount. Please note that the reservation needs to be made with the total loan amount as well.
<b>No matter what, there's a document for the estranged spouse to sign at closing? I ask because we have had scenarios where the spouse is truly estranged and our borrower has not heard from them in years, etc.</b>	In the extreme cases where spouse is truly estranged, there are ways MHDC can accommodate that situation.
<b>Does the tax exempt rider need to be signed on every file?</b>	The tax exempt rider need only be signed where applicable. Please note that this is not required for Next Step.
<b>How do you know whether or not an area is targeted?</b>	To confirm whether or not a property is within a targeted census tract, you will search the property address at <a href="https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx">https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx</a> to confirm the census tract number and then compare to our list of targeted areas. This list of targeted census tracts is found both in our operations manuals and at <a href="https://mhdc.com/services/lender-resources/targeted-areas/">https://mhdc.com/services/lender-resources/targeted-areas/</a> .
<b>How is "separated" defined in this context?</b>	Separated is defined by MHDC as not living in the same household for 12 months or more.
<b>How would you know if the NBS is a non US Citizen since not on the application?</b>	The Lender is required to verify whether or not a non-borrowing spouse is a legal U.S. resident.
<b>I am a little lost, so do we underwrite the file and then the processor sends the file in for the commitment letter to be issued?</b>	Lenders send in the loan package once the loan is closed. The Commitment Letter then comes once MHDC has approved the closed loan file.

<p><b>I apologize, as I see the handout available. Can you please confirm if the Webinar will be recorded for future reference?</b></p>	<p>The live webinar will not be available in a recorded form at this time. MHDC is working to develop more readily available, recorded training materials for lenders and will notify all certified lenders when these are published.</p>
<p><b>I do not believe the drop down on the MSA allowed me to choose an option on my recent reservation. It doesn't show any options if i am remembering right.</b></p>	<p>Some properties are not in a recognized MSA, therefore no MSA will populate.</p>
<p><b>I had one question, on the CAL loans, is this for our borrowers that do not have a down payment and need the assistance and the Non CAL are for borrowers that have the down payment but may want to use the funds for something else? I get the MCC but I wanted to make sure I had the distinction correct. Thank you</b></p>	<p>Borrowers that have their own down payment funds may still use our cash assistance loan (CAL) products if they are eligible. Our NON-CAL products are for those who have their own down payment and are seeking a lower interest rate.</p>
<p><b>I have been certified with both New American Funding and USA Mortgage for the MHDC Bond Loan....just verifying that this is necessary again since I have done MHDC loans for almost 15 years?</b></p>	<p>If you are already certified, you do not have to be re-certified. This certification carries with you and you can originate MHDC loan products as long as you are working for an MHDC-certified lender. MHDC can confirm certification upon request.</p>
<p><b>I know the DPA goes up to 4%, but is there a cap? Or do you just use the purchase price limits as the "cap"?</b></p>	<p>The DPA is 4% of the total loan amount and is simply capped by purchase price limits. Please note that the borrower cannot take more or less than this amount. The full and exact 4% is what is offered for DPA.</p>
<p><b>If our DPA loan amount goes down, do we need to update all of the MHDC docs, or is it ok since it went down instead of up?</b></p>	<p>If a DPA loan amount decreases, documents will need to be updated to match the correct amount. This would be all facets of the reservation/documents.</p>
<p><b>If the FICO is 680, is max DTI 45% or 50%</b></p>	<p>If a FICO score is 680, the maximum debt-to-income ratio is 50%.</p>
<p><b>if we are not a Loan officer but a Closer do we have to take the test?</b></p>	<p>MHDC's certification test is open to all individuals that want to be certified with MHDC products. Please note that this certification carries with you and you can originate MHDC loan products as long as you are working for an MHDC-certified lender. MHDC can confirm certification upon request.</p>
<p><b>I'm brand new to MHDC. Can you cover the practical initial steps (again) the buyer and/or I need to take to start the process for any of these three programs. For instance, does the customer need to apply on your website or do I as the LO handle everything thru the portal as per today's training? Does the buyer need to take any steps besides signing the forms?</b></p>	<p>You as the lender would handle the process from start to finish through Lender Online. Borrowers do not apply on our website.</p>

<p><b>In one of the earlier slides, it was also stated that the 4% is based on "total" loan amount. Does this mean that if we are originating an government loan, such as a VA loan, where the funding fee is being financed, the 4% would be based on the base loan amount plus funding fee? For example, a 100K VA loan with a 3.6% Funding Fee yields a total loan amount of \$103,600, would the 4% be based on 100K or \$103,600?</b></p>	<p>The 4% DPA is based on the total loan amount: base + funding fee = total loan amount. Please note that the reservation needs to be made with the total loan amount as well.</p>
<p><b>Is a person who rents his primary but also owns an Investment Property considered a 1st-time buyer?</b></p>	<p>To be considered a first-time homebuyer, the homrbuyer cannot have lived in the primary residence for at least 3 years.</p>
<p><b>Is the Forms 593 &amp; 594 for all MHDC loans no matter what the type of loan product you are using?</b></p>	<p>Forms 593 &amp; 594 are only required for government loans.</p>
<p><b>Is the sellers affidavit required to be completed prior to closing or can it be signed at closing by the seller?</b></p>	<p>The sellers affidavit can be signed at closing.</p>
<p><b>Is there an income calculation worksheet that can used?</b></p>	<p>MHDC Form 590 is an income calculation worksheet.</p>
<p><b>Just to clarify, even if a husband or wife was NOT on title, they will still be considered an owner?</b></p>	<p>Even if a spouse is not on the title, the spouse would have marital ownership rights to the property.</p>
<p><b>Please confirm once a reservation is accepted, the rate is locked. Can a LO accept a reservation without locking the rate?</b></p>	<p>Reservation/locking in a rate are one in the same. Essentially the reservation reserves/locks the rate.</p>
<p><b>Please repeat the form #'s for submission</b></p>	<p>The form numbers that are required on each file will be listed on the checklists (305, 505 and 705). The 300 series of forms is for MCC, The 500 series of forms is for First Place, and the 700 series of forms is for Next Step.</p>
<p><b>For clarification on the MCC fees, there is a 1% MCC fee, in addition to the applicable fees for First Place and Next Step if combining the program correct? . On a standalone, we charge the 1% MCC plus our lender fees, is this also correct? What I'm basically trying to ask is on MCC, we are not just limited to the 1% MCC fee (standalone or combined). We can charge all other fees applicable to the programs.</b></p>	<p>MCC cannot be combined with a First Place product, but allowable fees would mirror those of First Place/Next Step. You would have to charge the MHDC 1% fee, which comes to MHDC, all other fees would mirror First Place/Next Step.</p>
<p><b>So for taxes - do we just need 1 year return? Do we need YTD P&amp;L?</b></p>	<p>For taxes, one year's tax return is sufficient. P&amp;L statements are not required. If the hombuyer has an established rental income, the most recently filed return would be used to report this net rental income.</p>
<p><b>So if it's esigned, it has to be e-notarized too? Or can it be docusigned and have the docusign document with it?</b></p>	<p>All documents requiring notarization will have to be notarized (cannot be e-notarized), whether wet or e-signed.</p>
<p><b>So if they have been on the job for 17 months you will take the total other income they recived and divide by 12?</b></p>	<p>Calculating income for someone who has been on the job for more than 12 months would require taking the sum of the most recent 12 month period.</p>

<b>Sorry, I was referring to the email on the Lender Contact information section on the Lenders Certificate. Can duplicates be entered?</b>	Yes, duplicate e-mails can be used.
<b>Do we need to update DTI on the reservation if that changes?</b>	DTI does not need to be updated on the reservation if it were to change, as long as it has been verified that the DTI is below the required limit.
<b>The links on this slide 188 are not valid links. Have these been updated?</b>	We apologize for any inconvenience. Please reach out directly to U.S. Bank for their most recent conventional and government loan product guides.
<b>What documentation is acceptable to verify the Borrower Separation date if using the 12 mos separated , must it be a legal separation ?</b>	MHDC asks Lenders to document the separation by their own means. We do not require the documentation be sent to us.
<b>What fees can we charge on the MCC other than the 1% MCC fee?</b>	The 1% is an MHDC fee, due to us upon closing of the loan/MCC. Regarding other loan fees, those would mirror our fees for First Place/Next Step.
<b>What fees do you charge on extensions for Next Step loans?</b>	The fee for a 15 day extension is .125% of loan. For a 30 day extension, .25% of loan.
<b>What if a borrower or one of the borrowers (a couple) do not have a credit score? Are there options for alternative credit sources?</b>	U.S. Bank can provide guidance on this question. Please reach out to them directly at <a href="mailto:hfa.programs@usbank.com">hfa.programs@usbank.com</a> , <a href="mailto:hfa.customercare@usbank.com">hfa.customercare@usbank.com</a> , or 1-800-562-5165.
<b>What if a person inherited a property but never lived there?</b>	This scenario would fall under the retained property/net rental income guidelines. If never occupied, this would not count toward the individual's first-time homebuyer eligibility.
<b>What if one of two borrowers do not have a credit score or they have 1 of 3 reporting?</b>	U.S. Bank can provide guidance on this question. Please reach out to them directly at <a href="mailto:hfa.programs@usbank.com">hfa.programs@usbank.com</a> , <a href="mailto:hfa.customercare@usbank.com">hfa.customercare@usbank.com</a> , or 1-800-562-5165.
<b>Will underwriters have access to this portal?</b>	Administrator accounts are set up for you company. One of your Lender Online administrators will have the authority to grant anyone necessary access.
<b>Will you be making this Form 320 fillable at all?</b>	Form 320 is currently fillable.
<b>Would you have to have the borrower break out the last 12 months to calc hh income if too high on VOE?</b>	The most recent 12 month period would need to be documented for total income.
<b>You had mentioned that we have to use the MHDC forms from LOL for closing. We use DocMagic for our document generation and they may have the ability to generate MHDC forms. Just to confirm, those will not be acceptable?</b>	All MHDC documents must be generated in Lender Online.