

# Kansas **DPA** bond

## Kansas DPA Bond Administrator's Guidelines

SHAWNEE COUNTY, KANSAS  
SINGLE FAMILY MORTGAGE REVENUE BONDS  
(MORTGAGE-BACKED SECURITIES PROGRAM)  
2024 SERIES A (NON-AMT)

Published 04/03/24  
Revised 07/17/24

Updates are detailed on Page 3



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**PROGRAM UPDATES 2024**

Archived Program updates found on the last page of this guide

Date	Topic	Page
04/12/24	Revised income limits Removed mobile homes from eligible property	10 11
04/16/24	Removed Overland Park as eligible area	7
04/17/24	Added Overland Park as an eligible area	7
04/22/24	Revised purchase price limits	10
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Targeted Area Loans only

**CONTACT DIRECTORY**  
**954-217-0817 or Toll Free (888) 643-7974**  
**Select Option #2**

Question	Option #	email
Lender Training (Program & System)	Option #4	<a href="#">Click here</a>
Lender User Access (Credentials, Disabled Access, etc)	Option #1	<a href="#">Click here</a>
eHPay - Digital Payment of Compliance Fees	Option #3	<a href="#">Click here</a>
Program Eligibility Questions - READ THIS GUIDE FIRST	Option #2	<a href="#">Click here</a>
Deficiencies - To view and upload compliance file deficiencies	View compliance and Servicer DEFI's in <a href="#">eHP FrontPorch</a> using Digital Docs App, Deficient Compliance Files drop down menu.	
Loan Specific Questions - If you have any questions related to a specific loan already reserved/rate locked in the eHPortal.	Post note in Collaboration Station within <a href="#">eHP FrontPorch</a>	
Credit underwriting questions, refer to their internal UW Department or US Bank	(800) 562-5165	<a href="#">Click here</a>
System Errors - Technical Assistance	Option #6	<a href="#">Click here</a>
<p><b>U.S. BANK</b></p> <p>DU Findings, DTI, Insurance, Collateral and Purchase of the loan questions all need to be addressed by the Servicer directly. eHousingPlus cannot assist you with questions related to these items.</p> <p>Shipping First mortgage closed loan files</p> <p>Questions regarding exceptions on first mortgage closed loan files</p>	(800) 562-5165	<a href="#">Click here</a>
U.S.Bank All Regs Site	<a href="#">Use this link</a> , then select U.S. Bank HFA Lending Guide/500: Housing Finance Agency Programs/Kansas/KansasDPA.	

## The KansasDPA Bond Program Team



### **Shawnee County**

Create and direct implementation of the first mortgage and down payment assistance program, set the rate, term and points and market the program.

### **Participating Lenders**

Take applications, reserve in their own systems, process, underwrite, approve, fund, close and sell qualified loans to the program. Lenders are responsible for servicing program loans in accordance with Agency (FHA, etc) requirements until they're purchased by the Master Servicer.

### **US Bank**

#### **Master Servicer**

Provides information on acceptable loan products, delivery and funding, receives all first mortgage files, reviews first mortgage files, notifies lenders of first mortgage file exceptions, approves first mortgage files, purchases pools and delivers loans, delivers certificate.

### **eHousingPlus**

#### **Program Administrator**

Maintains the program reservation system, websites, and posts Administrator's guide, forms, training materials, provides program and system training, answers program and system questions, receives compliance files, reviews, posts and notifies of exceptions and approves compliance file.

## PROGRAM PRODUCTS

Shawnee County EIN 48-6028759

PLEASE NOTE THAT RATES AND ASSISTANCE AMOUNTS ARE SUBJECT TO CHANGE AT ANY TIME. With respect to reserved loans, the rate and assistance will not change as long as loans are delivered according to the timetable included in these Guidelines.

### **DAILY RATE LOCK RESERVATION AVAILABILITY**

**Reservation start date is April 12, 2024**

Reservations in this program are available Monday - Friday 9:00 a.m. - 7:00 p.m. Central Time excluding holidays. [Click here to view the Rates/Offerings chart for allowable FICO, Lock Mortgage Rate and DPA](#)

### **KansasDPA Bond Program First Mortgage**

The borrower receives a 30-year, fixed rate, fully amortizing first mortgage loan with 360 level monthly payments as well as assistance in the form of a Grant equal to **4%** of the note amount to apply toward down payment, closing costs, prepaids, or principal reduction. Allowable loan products include: FHA, USDA Rural Development (USDA-RD) and VA loans.

### **Down Payment Assistance 4% Grant**

The KansasDPA Bond Assistance is calculated on the Note amount. Lenders advance the assistance at closing on behalf of the KansasDPA Bond Program. Lenders are reimbursed at loan purchase of the first mortgage by U.S. Bank (the "Servicer"). The assistance may be used for down payment, closing costs, prepaids, or principal reduction. While there is no cash back in this program, the borrower may be reimbursed for any overpayment of escrow to the extent permitted by Agency (FHA, VA, USDA-RD) guidelines. Remember to document your files. Because the KansasDPA Bond Assistance is a fixed percentage, any remaining assistance must be applied as a principal reduction. KansasDPA Bond Assistance is in the form of a grant and is not intended to be repaid. When the first mortgage is reserved, the assistance is automatically reserved. There is no additional reservation necessary. When loans are closed, there is no second mortgage, second note, deed restrictions or lien. There is no repayment of the assistance unless there is fraud or similar circumstances.

**Program Area**

A property must be located within the city limits of a participating city **OR** within the unincorporated area of a participating county in the State of Kansas (the "Program Area"). The following cities and counties constitute the Program Area:

**Cities:** Abilene, Alma, Altamont, Americus, Andale, Andover, Argonia, Arkansas City, Atchison, Auburn, Augusta, Baldwin City, Basehor, Baxter Springs, Bel Aire, Belle Plaine, Beloit, Bentley, Benton, Bird City, Bronson, Buffalo, Buhler, Burlingame, Burrton, Caldwell, Caney, Canton, Carbondale, Carlton, Chapman, Cheney, Cherryvale, Cimarron, Circleville, Claflin, Clay Center, Clearwater, Clyde, Coffeyville, Colby, Columbus, Colwich, Concordia, Conway Springs, Copeland, Council Grove, Dearing, Deerfield, Delia, Delphos, Derby, Dexter, Dighton, Dodge City, Douglass, Edgerton, El Dorado, Ellinwood, Ellis, Ellsworth, Elwood, Ensign, Enterprise, Erie, Eudora, Frontenac, Fulton, Garden City, Garden Plain, Gardner, Girard, Glen Elder, Goddard, Goessel, Goodland, Grainfield, Great Bend, Gypsum, Halstead, Haven, Hays, Haysville, Herington, Hesston, Hiawatha, Highland, Hill City, Hillsboro, Hoisington, Holcomb, Holton, Howard, Hoyt, Hudson, Humboldt, Hutchinson, Inman, Iola, Jetmore, Johnson City, Junction City, Kechi, Kingman, Kiowa, LaCrosse, LaHarpe, Larned, Lawrence, Lebo, Lecompton, Lenexa, Leon, Leoti, Liberal, Lindsborg, Linn Valley, Logan, Louisburg, Lyndon, Lyons, Madison, Maize, Manchester, Manhattan, Maple Hill, Marion, Marquette, Marysville, Mayetta, McLouth, McPherson, Melvern, Meriden, Milford, Minneapolis, Mission, Montezuma, Morganville, Moscow, Mound City, Moundridge, Mount Hope, Mulvane, Nedesha, New Cambria, Newton, Nickerson, North Newton, Oakley, Ogden, Olathe, Onaga, Osage City, Oskaloosa, Ottawa, Overbrook, Overland Park, Oxford, Park City, Parsons, Paxico, Peabody, Plainville, Prairie Village, Pratt, Prescott, Pretty Prairie, Quenemo, Randolph, Rose Hill, Rossville, Russell, Sabetha, Salina, Scott City, Scranton, Sedan, Sedgwick, Shawnee, Silver Lake, Smith Center, Smolan, Solomon, South Haven, St. George, St. Marys, Sterling, Stockton, Strong City, Sublette, Tescott, Thayer, Tonganoxie, Topeka, Towanda, Udall, Ulysses, Uniontown, Valley Center, Victoria, Viola, Wakeeney, Wakefield, Walton, Wamego, Washington, Wathena, Weir, Wellington, Westwood, Whitewater, Wichita, Willard, Williamsburg, Winfield, Yates Center (Rev 04/17/24)

**Counties (unincorporated areas only):** Barton, Bourbon, Butler, Chautauqua, Clay, Cloud, Cowley, Crawford, Dickinson, Doniphan, Ellis, Ellsworth, Finney, Ford, Geary, Gove, Grant, Greenwood, Harvey, Jackson, Kingman, Kiowa, Labette, Logan, Marion, Marshall, McPherson, Montgomery, Morris, Nemaha, Osage, Ottawa, Pawnee, Pottawatomie, Reno, Rice, Saline, Sedgwick, Shawnee, Sherman, Sumner, Wabaunsee, Washington, Wichita.

## THE KANSASDPA BOND PROGRAM REQUIREMENTS

All loans in this program must be FHA, VA or USDA-RD loans. Follow Agency (FHA, VA, USDA-RD) guidelines unless otherwise noted.

### Eligible Borrowers

1. Buyers and their spouse (occupant and non-occupant) must be first-time homebuyers (except for buyers using the Veterans Exception and buyers purchasing in a Targeted Area; see "First-Time Homebuyer Exceptions" below).
2. With regard to citizenship requirements, follow applicable Agency (FHA, USDA-RD, VA) and U.S. Bank guidelines.
3. Buyers and their spouse must not exceed the maximum household income and purchase price limits determined by the program.
4. All applicants must be considered irrespective of age, race, color, religion, national origin, sex, marital status, military status or physical handicap. This is an equal opportunity program.
5. Buyers must occupy the property purchased as a primary, full-time residence within 60 days of closing.
6. Buyers must have a 640 minimum FICO score (660 for manufactured housing).

Contact eHousingPlus Compliance with questions regarding eligibility.

### First-Time Homebuyer

A first-time homebuyer means the borrower must have had no ownership interest in a principal residence at any time during the three-year period prior to the date on which the Mortgage Loan is executed.

### Documentation Required to Validate First-Time Homebuyer Eligibility

The following evidence is required and must be included with each loan submission file (compliance file):

- A Fraud Report is required for all borrowers. Include ALL pages of the Fraud Report. The Lender must CLEARLY identify (using highlight or asterisks) the borrower's current property ownership and three year history. On page one of the report, please include a notation to identify the Fraud Report page number; without this identification, the file cannot be compliance approved.
- A Real Property Search is required for a Non-Borrowing Spouse, in the county in which such spouse lives. The results of the search must be printed and included as part of the eHousingPlus compliance file submitted post-closing.

Veterans qualifying under the Veterans Exemption would provide a valid DD214 that reflects a discharge status as "other than dishonorable" to be exempt from the first-time homebuyer requirement. Please note that active military buyers are not exempt from the first-time homebuyer requirement.

Buyers purchasing in a Targeted Area are exempt from providing documentation to validate first-time homebuyer eligibility.



### FIRST-TIME BUYER EXCEPTIONS

#### Veterans Exception

Veterans who meet the qualifications listed in this paragraph are not required to be first-time homebuyers. A "veteran" is defined as "a person who served in the active military, naval or air service, and who was discharged or released therefrom under conditions other than dishonorable." The Mortgagor Affidavit has a checkbox that states: "Mortgagor (Co-Mortgagor) meets the requirements to qualify as a 'veteran' as defined in 38 U.S.C. Section 101 and has not previously obtained a loan financed by single family mortgage revenue bonds utilizing the exception to the first-homebuyer requirement for Residences to Veterans under Section 143(d)(2)(D) of the Internal Revenue Code. Attached hereto are true and correct copies of my discharge or release papers, which demonstrate that such discharge or release was other than dishonorable." Veterans would need to provide a valid DD214 that reflects a discharge status of other than dishonorable to qualify under the Veterans' Exemption.

#### Targeted Areas

A borrower purchasing a home in a targeted area is not required to be a first-time homebuyer. [Click on this link to look-up the property address.](#) Then compare the tract to the allowable targeted area census tracts listed below. If you find a match, the property is located in a targeted area. When reserving funds, choose from the TARGETED AREA rate/offering.

Per Rev. Proc. 2024-08, the following census tracts constitute the Targeted Areas for this program:

Atchison County*	817.02	Sedgwick County	27.00
Butler County	208.00	Sedgwick County	28.00
Crawford County	9572.00	Sedgwick County	30.00
Crawford County	9575.00	Sedgwick County	38.00
Douglas County**	9.04	Sedgwick County	39.00
Ford County	9621.01	Sedgwick County	40.00
Geary County	2.00	Sedgwick County	54.02
Geary County	6.01	Sedgwick County	58.00
Montgomery County	9505.00	Sedgwick County	60.00
Montgomery County	9510.00	Sedgwick County	61.00
Montgomery County	9514.00	Sedgwick County	62.00
Reno County	6.00	Sedgwick County	65.00
Reno County	7.00	Sedgwick County	68.00
Reno County	10.00	Sedgwick County	78.00
Saline County	2.00	Shawnee County	4.00
Sedgwick County	6.00	Shawnee County	5.00
Sedgwick County	7.00	Shawnee County	6.00
Sedgwick County	8.00	Shawnee County	8.00
Sedgwick County	9.00	Shawnee County	11.00
Sedgwick County	18.00		

\*Atchison County is not participating in the bond program, but the city of Atchison is. This census tract is within the city of Atchison.

\*\*Tract is within the city of Lawrence.

### INCOME LIMITS

The KansasDPA Bond Program is income restricted and each household must be at or below the income limits that apply to the family size of the household and the area where the home to be purchased is located.

Program qualifying income includes the income of borrowers and their spouses (regardless of spouse’s occupancy of the primary residence and whether or not a party to the loan) AND any other person that is expected to live in the home and be secondarily liable on the mortgage loan.

Unless otherwise directed, Lenders are responsible for assuring that loans meet the strictest of Agency (FHA, VA, USDA-RD) and/or Kansas DPA Bond Program guidelines with respect to income and sales price limits.

#### Household Income Limits See pages 25-29 for compliance income guidance

Eligible Area	Non-Targeted Areas 1-2 Persons	Non-Targeted Areas 3+ Persons	Targeted Areas 1-2 Persons	Targeted Areas 3+ Persons
Kansas City MSA	\$103,100	\$118,565	\$123,720	\$144,340
Lawrence MSA (Douglas)	\$102,000	\$117,300	\$122,400	\$142,800
Nemaha County	\$101,700	\$116,955	\$122,040	\$142,380
All Other Areas	\$95,300	\$109,595	\$114,360	\$133,420

To determine the number of people in the household include everyone who will live in the home as their principal residence.  
(Rev. 04/12/24 Effective 04/04/24)

### ACQUISITION COST LIMITS

The sales price must include everything paid by the buyer or on the buyer’s behalf.  
(Rev. 04/22/24 Effective 04/16/24)

	NON-TARGET	TARGETED
1 Unit	\$510,939	\$624,481
2 Unit	\$654,187	\$799,562
3 Unit	\$790,752	\$966,475
4 Unit	\$982,742	\$1,201,129

2, 3, and 4 unit residences are subject to additional requirements; see "Owner-Occupied Two to Four Family Residences and Accessory Dwelling Units" on the next page.

While the program refers to Acquisition Limits - in most cases this is the Sales Price and is never FHA Acquisition limits.

## PROPERTY QUALIFICATIONS

### Eligible Properties

In addition to the Acquisition Limit, eligible properties must meet the following criteria:

- Located with the Program Area.
- One to four family residences and accessory dwelling units where one unit is occupied by the owner.
- Attached or detached, townhomes, PUD's, condos and manufactured\*\* homes.
- Single units may be new or existing construction (homes are considered new if never previously occupied).
- Two-unit properties may be new construction only in Targeted Areas; outside of Targeted Areas, two-unit properties must be 5 years old or older.
- Three-unit and four-unit properties must be 5 years old or older.

### \*\*Manufactured Housing Requirements

Manufactured homes must meet all HFA, State, FHA, VA, USDA-RD, and U.S. Bank requirements to be eligible for sale to [U.S. Bank Home Mortgage](#). Refer to the U.S. Bank HFA Lending Guide 900: H. Manufactured Housing Requirements, 713.19 Manufactured Housing, 1500: Manufactured Housing.

- Minimum 660 FICO
- Maximum DTI is 45%
- NO Manual Underwrites Allowed
- NO Single-Wide Manufactured Housing

### Property Limitations

- Recreational, mobile, seasonal or other types of vacation or non-permanent homes are not permitted.
- The remaining economic life of the property may be no less than 30 years.
- Land purchased with the residence may not exceed the size required to maintain basic livability of the residence and must not provide, other than incidentally, a source of income for the borrower and may not be used for agricultural production or for other income-producing activities.
- No more than 15% of the square footage of the home being purchased may be used in connection with a trade or business including Child Care services (other than incidental rental from eligible multi-unit structures).
- No refinances. However, temporary, construction or bridge financing with a term of 2 years or less may be taken out with a program loan.
- Construction to perm is not permitted.

### Owner-Occupied Two to Four Family Residences and Accessory Dwelling Units

Purchase of two, three, or four family residences and/or residences including accessory dwelling units is allowable for either one or all of the units under the following circumstances:

- 1) One unit is occupied by the owner of the units; and
- 2) The units to be purchased were first occupied more than 5 years before the mortgage is executed.
  - This second requirement does not apply to any two-family residence if the residence is in a Targeted Area. Duplexes in a Targeted Area may be purchased for new construction or existing construction that is less than 5 years old.

For these purposes, an accessory dwelling unit is defined as a segregated living space in excess of 15% of the total square feet of living space in the residences. An accessory dwelling unit counts toward the maximum of four residences.

## HOMEBUYER EDUCATION

All borrowers (any primary borrower on the Note/Warranty Deed) must complete a homebuyer education course (co-signers do not attend homebuyer education). The Homebuyer Education course must meet the standards for Homeownership Education & Counseling set by HUD or the National Industry Standards. Post-closing education is not acceptable. Education provided by a mortgage insurance company may be acceptable however, it is the lender's responsibility to ensure the course meets the standards described above.

Click on this link to view the [HUD approved courses](#).

eHomeAmerica online course: <https://www.ehomeamerica.org>

Fannie Mae HomeView online course: <https://www.fanniemae.com/education>

Framework online course: <https://homeready.frameworkhomeownership.org>

MGIC online course: <https://www.finallyhome.org/en/partners/mgic/> (This is the ONLY homebuyer education that would be acceptable from MGIC. The ReadyNest course is NOT acceptable)

## Credit Score, DTI & LTV Requirements Government Loans

(Source U.S. Bank Product Guidelines)

- Lenders should always refer to the most current U.S. Bank Product Guides published on the AllRegs website. [Use this link](#), then select U.S. Bank HFA Lending Guide/500: Housing Finance Agency Programs/ Kansas/KansasDPA/Product Guides.
- Mid credit score must be the minimum or above.
- If a loan agency requires a higher minimum credit score, lower DTI, or lower LTV, lenders must follow the loan agency guidelines.
- If a lender requires a higher minimum credit score, lower DTI, or lower LTV for their other loans, they may apply the more restrictive requirements for KansasDPA Bond Program loans.
- For borrowers with no credit score, lenders must follow U.S. Bank and loan agency guidelines. Refer to the AllRegs for current requirements.

## FHA, VA and USADA-RD Loans 640 Minimum FICO

### Maximum DTI

45% with 640 FICO

50% with 680 FICO

Manufactured Housing 660 Minimum FICO 45% Maximum DTI

**Manual Underwriting** - Loans may only be manually underwritten for erroneous, inaccurate, or insufficient credit. Loans must comply with the requirements of the FHA, VA or USDA-RD guidelines per the selected product. Not permitted for manufactured homes.

Lenders should reference the US Bank loan product guidelines. [Click here](#) > HFA Guidelines > US Bank Lending Guide > 500: Housing Finance Agency Programs > Kansas > KansasDPA > Product Guides.

## FINANCING FACTS

It is the responsibility of the lender to follow all program, Agency (FHA, USDA-RD and VA) and Servicer guidelines.

### Additional Fees

No Broker Fees or additional fees to realtors are allowed to be charged on the first or second mortgage.

### Appraisal

The appraisal must indicate that the home has at least a 30 year remaining useful life.

### Assumptions

First mortgage loans may be assumed by a qualified borrower meeting qualifying requirements, income and acquisition price restrictions in place at the time of the assumption. Such loans must continue to fully comply and be insured or guaranteed by the insurer/guarantor or the mortgage insurer. The second mortgage loan is not assumable.

### Buydowns

Not allowable.

**Cash Back** Cash back to the borrower is not permitted. Borrowers are permitted a reimbursement of pre-pays and overage of earnest money deposit to the extent any minimum contribution has been satisfied and is permitted by Agency (FHA, USDA-RD, VA) guidelines.

**Co-signers** Permitted to the extent allowed by applicable Agency. Treat co-signer income as directed by the Agency. A co-signer cannot have any ownership interest in the property (they cannot be on the mortgage and they cannot take title to the property). A co-signer cannot live in the property.

### Construction to Perm

Construction to Perm is not permitted in this program.

### Final Typed Loan Application (1003)

The typed application signed and dated by all parties is required. Loan interviewer must complete and sign page 3 of 4 of the 1003. If this is not possible, then an Officer must sign in place of the interviewer. All persons taking title to the property must execute all program documents. The income disclosed on the Affidavit must be the same or more than that shown on the 1003. The purchase price, loan amount, and other financial details must be the same as shown on all other documents.

### Minimum Loan Amount

There is no minimum loan amount required in this program.

### Non-Borrowing Spouse

An occupying spouse may be omitted from the Mortgage Loan for credit or other reasons. If the borrower and their spouse currently reside together, or plan to reside together in the subject property after closing, the non-borrowing spouse must meet income and first-time homebuyer requirements. The non-borrowing spouse must sign the Mortgage and the Tax-Exempt Financing Rider. (Rev 07/09/24)

**Ownership in Other Properties**

All Loan Types - Divorced Borrower, If divorced and marital home was awarded to the spouse the borrower must be off the mortgage, note and deed of the marital home.

**Owner Occupancy Requirement**

The borrower must occupy the residence as their principal residence for the term of the loan or until the loan is satisfied and within 60 days of loan closing.

**Power of Attorney**

Permitted but must be satisfy Agency (FHA, USDA-RD, VA) requirements as well as US Bank requirements. Refer to the US Bank lending manual. Active duty military personnel may provide an Alive and Well Letter. Lenders should contact their title company/closing agent for information regarding POA requirements in the State of Kansas.

**Prepayment**

The first mortgage loan may be prepaid at any time without penalty.

**Real Estate Purchase Contract**

The full address of the property, full names of all sellers and buyers, total purchase price of the property must be included. If there is not an address for new construction, a lot number and subdivision name are required. All named persons must sign. Include the name and title whenever a representative is signing for a corporation.

**Recapture Tax**

Borrower(s) may be subject to recapture tax upon resale if borrower(s) have a gain resulting from the sale or disposition of the property purchased under this Program within the first nine years of ownership and the initial qualifying annual Household Income increases above specified levels at the time of sale or disposition of the residence. A borrower should be provided the Recapture Brochure at time of reservation, this may be printed directly from the eHP FrontPorch portal using the eHProForms app.

**Remaining Reserves**

Remaining reserves are not established by the program. If any, these are determined by the type of financing used (i.e. FHA, VA.).

## PROCESS SUMMARY FROM TRAINING TO LOAN PURCHASE

### LENDER ONBOARDING

Our On-Boarding process is designed to provide all participating lenders and their staff web-based training related to the Program, Technical and Workflow requirements of each program.

Based on your role, there are certain training requirements prior to adding a new Program and Features. These are determined based on which modules you have completed in the past, and which Programs you want to add to your Portfolio.

Once you have submitted the eHP On-Boarding Registration, the eHP On-Boarding Team will create a specific training program for you based on the role(s) you selected, and you will receive an email confirmation with relevant information. Upon completion, your User Credentials will be created (if you are new User) or updated (if you are a current user) and you will receive a system generated email with this notification. [Click on this link to register for training.](#)

### QUALIFY

Lenders use program requirements to qualify applicants for the program. Buyers must present an executed sales agreement before being entered into the program reservation system.

### PROCESS

Lenders process the loan as they would normally keeping in mind the program timeline. Please do not reserve funds too soon. Wait to reserve until you are relatively sure your underwriter will approve the loan prior to reservation in the eHousingPlus Lender Portal.

### RESERVE FIRST MORTGAGE FUNDS

To reserve funds, use the [eHousingPlus eHPortal](#). Log in and reserve the first mortgage that **automatically** reserves the KansasDPA Bond Assistance. To reserve funds in the program the borrower is required to have a signed real estate purchase contract for a specific address. Lender will need a 1003 and the Real Estate Purchase contract in order to make a reservation. If the reservation is successful, you will receive a loan number and a message that you've completed the reservation successfully.

IMPORTANT - A reservation is for a borrower with a real estate purchase contract for a specific property. If the property needs to change, the loan must be cancelled and re-reserved. The lender is responsible for cancelling the loan within the eHousingPlus Lender Portal. And then, the lender must [click on this link to complete an online form the CLEAR FLAGS on a cancelled loan](#) so the funds may be re-reserved with a new address. Until this process is complete, the lender will not be able to re-reserve funds for the borrower.

### PRINT PRE-CLOSING FORMS

Provide the borrower with the Notices to Mortgagors; Authorization for Counseling and Recapture Tax Brochure at time of reservation.

[Log-in here and use the eHProForms App](#) to print the following pre-closing forms:

- Notice to Mortgagors w/Recapture Brochure



**eHP Tip!** *Need a reminder as to how to register a loan, complete the UW Certification, edit a loan or print forms?*

[Log-in to eHP FrontPorch](#), then click on the eHPlaylist to view a short video.

**PROCESS**

Lenders process the loan as they would normally keeping in mind the program timelines.

**UNDERWRITE AND CERTIFY**

Lenders underwrite and are responsible for credit decisions of the loans in the program. Servicer does not re-underwrite loans. Following credit approval AND anytime prior to closing, the Underwriter completes the online Underwriter Certification within the eHPortal. Once a loan is Underwriter Certified no further changes can be made. If a change needs to occur after the certification is complete, please [Log-In Here](#) > Collaboration Station and request for the underwriter certification to be removed.

**CLOSE AND VERIFY**

**THE LENDER WILL FUND ALL DOWN PAYMENT ASSISTANCE AT LOAN CLOSING.** Upon loan purchase, US Bank will reimburse the lender.

It's important to provide accurate closing instructions to closing agents. All program documents must be returned to the lender. It is VERY important to note, if the loan amount, purchase price or down payment assistance amount changes, and you have already printed forms, you'll need to print the forms again so the information on the form is accurate. The following program forms are found within [eHP FrontPorch](#) using the eHProForms App.

**WHO SIGNS THE PROGRAMS FORMS?**

A non-borrower is not permitted to be on title or deed. A NPS is permitted to be on title.

Form	Signed When?	Borrower	Co-Borrower	Non Purchasing Spouse	Co-signer
Notices to Mortgagors; Authorization for Counseling	Pre-Closing	Yes	Yes	Yes	No
Recapture Brochure	Not signed, informational only.				
Mortgagor Affidavit	Closing	Yes	Yes	Yes	No
Tax Exempt Financing Rider	Closing	Yes	Yes	Yes	No
Commitment & Gift Letter	Closing	Yes	Yes	Yes	No
Notice of Potential Recapture Tax	Closing	Yes	Yes	Yes	No
Cosigner Affidavit	Closing	No	No	No	Yes



## COMPLIANCE FILE DELIVERY INSTRUCTIONS

### ASSEMBLE THE COMPLIANCE FILE

Compliance Files and Corrections to previously submitted files with erroneous or missing required documents will be managed through **eHP FrontPorch**. This portal provides lenders with all the tools necessary to deliver the required documents for the approval of the originated loan(s) in their respective affordable homebuyer programs. **eHP FrontPorch** is a secure, easy to use and efficient way for lenders to deliver the Compliance File, Correct DEFI's and pay the required Compliance Review Fees via our **eHPay** on-line fee approval, and related tools.

To assemble the compliance file, you will need a checklist. The checklist is specific to this program and used to submit the compliance documents post-closing to eHousingPlus.

[Log-in here and use the eHProForms App.](#)

Items to be uploaded in the compliance file include:

- Homebuyer Education Certificate
- KansasDPA Bond Notices to Mortgagors; Authorization for Counseling
- KansasDPA Bond Mortgagor Affidavit (Spouse's income needs to be considered as part of the household income. If the spouse did not have income, please state so.)
- KansasDPA Bond Notice of Potential Recapture Tax
- KansasDPA Bond Affidavit of Co-Signor (If applicable)
- Real Estate Purchase Contact
- Fraud Report – must verify borrower(s) real property ownership history
- Real Property Search for non-purchasing spouse for the county in which the NPS lives (If applicable)
- FINAL SIGNED 1003
- FINAL SIGNED CLOSING DISCLOSURE (CD)
- Warranty Deed
- Discharge Papers (DD214) if Veteran using Veteran's Exception

## UPLOAD THE COMPLIANCE FILE

[Log-in here and use the Digital Docs App](#) to upload the compliance file.

The Compliance File should be a PDF file uploaded upright and in a clear legible format, composed of all required documents on the Checklist. Don't upload a compliance file until everything is included in the package. The more complete the file, the quicker the review and approval, and the file AND fee must be received to start the review process. Be aware that Loans will go straight to deficient status if items are missing, or if the fee was not received or properly identified. Once you are ready to upload your documents select eHPDigital Docs and from the drop down menu click on New Upload and follow the prompts.

## SUBMIT THE REQUIRED COMPLIANCE REVIEW FEE

The Compliance Review Fee may be submitted separately from the Compliance File.

eHPay is a secure, efficient method for lenders to pay the fees ON-LINE. Loans managed through eHPay are processed faster, without fee errors or other unnecessary delays. The Lenders Accounting Staff can access eHP FrontPorch and process the compliance fees payment easily via the Digital Docs App and eHPay.

Not sure of the required fee for your loan? Use the **FIND MY FEE** feature and get the instant answer by entering the eHP loan number or by Program. Compliance Files uploaded are NOT ready for review until the Compliance Review Fee Payment has been received by eHP.

USE **PAYMENT CENTRAL** to determine any loan that may be pending fees, unidentified payments, files pending payment and short payments.

**LOANS PENDING FEES** lists Compliance Files that have been uploaded successfully, but whose fee payment is still pending. Lenders can monitor this area to ensure their fees have been delivered in a timely manner.

**UNIDENTIFIED PAYMENTS** are payments received from your company without the proper identification to apply it to the intended loan. Lenders can monitor this area to ensure that payments made are being properly identified with the eHP LOAN NUMBER.

**PAID LOAN FILES** lists compliance file that have been paid.

**SHORT PAYMENTS** If an incomplete payment is submitted, it will be displayed indicating the amount paid and the correct fee amount.

## **CLEAR A DEFICIENT COMPLIANCE FILE**

### **LOAN DEFICIENCIES ARE NOT ACCEPTED VIA EMAIL.**

Clearing files deficiencies is critical to your loan being approved and ultimately purchased. In the Deficient Compliance Files drop down, choose View/Upload Corrected DEFIs. This area will assist you in viewing what needs to be corrected, which documents are approved and complete, and you will have the ability to upload the correction and communicate with us in one simple area.

Is very helpful in resolving outstanding issues and having broader visibility for all of your post-closing staff who may need to work on resolving these discrepancies.

Please make sure that your shipping and post-closing staff is very familiar with this area.

Remember your loan can't be approved with outstanding deficiencies.

## **EHP COMPLIANCE APPROVAL**

Following approval of Compliance File by eHousingPlus, lenders are notified and reminded of the purchase deadline. The Servicer is notified and the file may be approved for purchase.

## **SUBMIT MORTGAGE FILE & CREDIT PACKAGE TO SERVICER**

The Mortgage File including Credit Package are sent to U.S. Bank. The U.S. Bank Delivery and Funding Checklist is found within the U.S. Bank web site. [Use this link](#), then select U.S. Bank HFA Lending Guide/500: Housing Finance Agency Programs/Kansas/KansasDPA/Product Guides. If you experience any technical difficulty, please contact U.S. Bank HFA Division directly at 800-562-5165. U.S. Bank notifies lenders of exceptions.

## **FINAL DOCUMENTS**

The recorded mortgage documents should be sent to U.S. Bank.

## Welcome to the Next Generation of eHousingPlus© Solutions



### eHP FrontPorch Helpful Tips

Our new eHP FrontPorch graphical menu lets you access all apps and tools with one click. These apps were designed to assist you with the program requirements and workflow. In addition, eHP FrontPorch introduces new innovative tools such as Collaboration Station, Quick Tips, the eHPlaylist, and the Alerts and Notifications area. These NextGen Lender Platform tools have been designed to help you complete your tasks quick and easy.

### eHProForms

eHProForms is our newly designed forms generation App where a lender will access all program related documents. Using a search feature to quickly access the loan file, it provides all of the program forms that are required for your specific loan.

The forms are now organized by purpose leading with compliance related forms which will be part of the compliance package you sent to eHousingPlus, other forms you will submit to the Servicer and two additional areas for special forms and documents that may apply to your loan. The forms instantly generate from your loan record so it's essential to make sure that you review the information for accuracy.

If something needs to be updated you can log into the eHPortal, edit the loan and you come back to eHP FrontPorch and regenerate the forms.

It's easy and you can create forms as many times as you need with just one click.

If your loan record has not been updated, your loans will be incorrect, and your file will be placed in deficient status.

Clicking the waffle menu at the top of the page is an easy way to get back to the main menu.

## eHP FrontPorch Helpful Tips

### Collaboration Station

Collaboration Station creates a history of any issue that's been communicated regarding a specific loan and provides certain status alerts.

In Collaboration Station you can create a note to save to the loan file or you can send a message to anyone in our compliance team.

Click the message icon and a menu of eHousingPlus staff will appear at the top with their role for you to make the appropriate selection. You may include your team members who have user credentials to eHP FrontPorch that may assist in expediting solutions for your loans.

In Collaboration Station you can also find the Servicer notes and exceptions that need to be addressed with them. By providing this view to you it gives you transparency to any problem that has to be resolved related to the mortgage or collateral submitted to the Servicer.

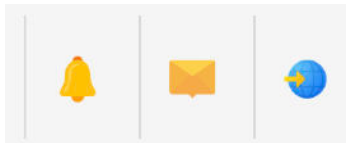
This view can be grouped, filtered, searched and exported.

### Quick Tips

Quick Tips is a library of useful tips to give you simple quick how to answers on common topics related to the process. It's a way to have short simple tips at your fingertips by roller subject where you can catch up and get you up to speed fast. These Quick Tips are a great place to search for frequent questions, concerns, or simply to educate yourself on a variety of topics.

### eHPlaylist

The eHPlaylist is a newly created video platform with tutorials on where to perform tasks best practices and how-to's, all created to assist you with important information. Visual content is easy to access and understand and our playlist has a library of short concise and process-based learning topics. The video library has various categories and brief descriptions to easily build learning tools for your team. Together with Quick Tips the eHPlaylist will provide you and your team with continuous learning resources to help you keep up to date with any platform or process changes.



### Alerts and Notifications

The Alerts and Notifications area (bell and envelope icons) has been designed to provide you notifications of notes and messages related to your loans, with additional notification of status changes based on your role. When you send and receive messages using this app, you will receive a notification alert so you can easily see what's happening with your loans.

The last area on the notification panel (world icon) is made available to help you navigate to any of the program pages, guidelines, eHPUniversity and to view eHP News.

## PROGRAM TIMETABLE

Buyers MUST HAVE A FULLY- EXECUTED SALES CONTRACT FOR A SPECIFIC PROPERTY in order to have funds reserved or be on a waiting list. The contract may be dated prior to the date of the loan application. Buyers may be pre-qualified. However, if the buyer does not have a contract on a property, program funds cannot be reserved for the buyer until such time as the buyer presents a valid contract. To assure that loans are purchased, please follow the Processing, Delivery and Purchase Timetable below. Please DO NOT reserve loans that cannot meet the timetable.

If the loan is not underwriter certified PRIOR to the loan closing, the loan is subject to cancellation. eHousingPlus notifies Lenders via email that the loan may be canceled if the underwriter certification is not completed. If the closing date is extended, please change the closing date in the eHPortal. If your underwriter needs additional time to complete the certification, [log-in to eHP frontPorch](#) > Collaboration Station > Enter eHP Loan Number > leave a note and explain why the Underwriter cannot complete the certification.

A reservation is for a borrower with a real estate purchase contract for a specific property. If the property needs to change, the loan must be cancelled and re-reserved. The lender is responsible for cancelling the loan within the eHousingPlus Lender Portal. And then, the lender must [click on this link to complete an online form the CLEAR FLAGS on a cancelled loan](#) so the funds may be re-reserved with a new address. Until this process is complete, the lender will not be able to re-reserve funds for the borrower.

### **Loan Processing, Delivery and Purchase Timetable Effective April 12th - May 8, 2024**

Once a loan is reserved in the eHousingPlus system and is provided the Servicer's Loan number, the loan must be:

- Underwriter Certified PRIOR to loan closing
- **Purchased within 75 days of loan reservation\***

\* 75 days is from reservation to loan purchase by the servicer (this means the loan file closed, received compliance approval and the loan is purchased by US Bank).

### **Loan Processing, Delivery and Purchase Timetable Effective May 9, 2024**

Once a loan is reserved in the eHousingPlus system and is provided the Servicer's Loan number, the loan must be:

- Underwriter Certified PRIOR to loan closing
- **Purchased within 60 days of loan reservation\***

\* 60 days is from reservation to loan purchase by the servicer (this means the loan file closed, received compliance approval and the loan is purchased by US Bank).

### **NO EXTENSIONS OF LOANS WILL BE GRANTED.**

Any loan not purchased within 60 days will automatically cancel.

**BOND ISSUANCE DATE** Originations are available to be made once a rate is published, beginning April 12, 2024. The Servicer may not purchase loans until after May 9, 2024. Lenders may close loans, but they bear the remote risk that the bond issue does not close and the loans will not be purchased. The Issuer believes they have met all requirements for the bond issue to close.

## PROGRAM FEES

### **eHousingPlus Fees**

The program includes a first mortgage Compliance/Admin Fee of \$275 and a penalty fee of \$100 for files that are chronically deficient. The Compliance/Admin Fee is submitted with the Compliance File via eHP [FrontPorch using the eHPay App](#).

The Compliance/Admin Fee is the fee charged by the Program Administrator/Compliance Agent to process the applicant/borrower from Origination to Compliance Approval, and to assess that the lenders originating such loans are following Program guidelines for the benefit of the eligible borrower(s). The Program Administrator/Compliance Agent tracks the loan via its web-based system, and assists the lender in processing the loan ensuring eligibility to the program available offerings, which can include various rate options, and down payment assistance.

The Compliance/Admin Fee includes the review of information and documents delivered in the form of a Compliance File by the originating lender, on behalf of the borrower. Additionally the Compliance review verifies that the lender has charged only the fees allowed by the Program. Contrary to this, approval may be denied and/or fees may have to be reimbursed to the borrower. The compliance file processing consists of required affidavits, application, closing documents, certain non-mortgage documents, fraud report and other pre-defined Program documents that are disclosed to the potential borrower(s). This is required to ultimately receive Compliance Approval. These documents can support both the first mortgage and any down payment assistance available, and are required to ensure eligibility to the Program, Federal, State and Local requirements, where applicable. The Compliance review verifies that the data and documents submitted meet all requirements, and may include those for first-time homebuyer, income limits, sales price limits, targeted areas, homebuyer education, rate, term, points, fee limits, LTV, FICO score, special state, city, county program requirements for qualified military, first responders, teachers, etc.).

### **US Bank Fees**

\$400 Funding Fee.

\$84 Tax Service Fee.

These fees will be netted at time of loan purchase by U.S. Bank.



## LENDER COMPENSATION

Any fee and expense imposed by lenders must be reasonable, customary and comparable to other FHA, USDA-RD and VA loans of similar size. All fees and expenses must be fully disclosed to the Borrower in accordance with federal, state and local laws and regulations. Excessive fees, excessive expenses, and “Junk Fees” are considered contrary to HFA objectives and prohibited.

**Origination Fee:** Lender is allowed to charge and retain up to 1% of the original principal loan amount. This fee may be paid by buyer or seller as allowed by the agency. No additional points may be charged.

Discount or Additional Points: Not allowed

**Service Release Premium:** Paid upon the purchase of the loan by Servicer.

Type	Origination Max	SRP Amount
All Loan Products	1.00% of note amount	1.00% of note amount

**Customary Charges Incurred by Lender:** These should be nominal, customary and justified as pass through costs. Examples are as follows:

- Financing Costs – legal fees, underwriting fees and courier fees
- Settlement Costs – title and transfer costs, title insurance, survey/ILC, recording or registration costs
- Other Costs – doc prep fees, notary fees, hazard insurance premium, mortgage insurance premium, prepaid escrow deposits and other similar charges allowable by the insurer/guarantor.



## CALCULATING INCOME

Program qualifying income considers the income of borrowers and their spouses (regardless of spouse’s occupancy of the primary residence and whether or not a party to the loan) AND all household members 18 years of age or older (related or unrelated). When calculating Program Eligibility Income, there are two types of income to consider – income from an employer and income from all other sources. **Include all income unless specifically listed as excluded in this guide.**

### Calculating Income from an Employer

Determine whether the Borrower receives **base pay only** or a combination of **base pay and additional income** from an employer.

#### Calculate “Base Pay from an Employer”

##### Regular Hours/Pay

1. Determine frequency of income - weekly, bi-weekly, semi-monthly, etc.
2. Identify documentation needed to support payment frequency and calculation.
3. Apply Calculation - *(Base Wage x Hours Worked in a Pay Period) x (# of Pay Periods Per Year)*
4. This should approximate the annualized YTD on VOE or paystubs. If not, check for additional pay, such as overtime, bonus, shift differential, etc. (Employers don't always break this out on the VOE).
5. See additional guidance on calculating base pay from an employer.

Hourly pay	Bi-weekly pay	Semi-Monthly pay
Multiply the pay per hour by the number of hours worked per week. Multiply total by 52 weeks a year.	Multiply the bi-weekly pay by 26.	Multiply the semi-monthly pay by 24.
<i>Example:</i> 1. \$15 per hour x 40 hours a week = \$600 2. \$600 x 52 weeks a year = \$31,200 3. \$31,200 / 12 = \$2,600 gross monthly base pay	<i>Example:</i> 1. \$1,200 every two weeks x 26 pay periods a year = \$31,200 2. \$31,200 / 12 months = \$2,600 gross monthly base pay	<i>Example</i> 1. \$1,300 semi-monthly pay x 24 pay periods a year = \$31,200 2. \$31,200 / 12 months = \$2,600 gross monthly base pay

##### Irregular Hours/Pay

1. Annualize YTD Earnings total.
2. Average prior year’s earnings total, if available, (or provide documentation and explanation to support not using the prior year’s earnings.) Divide the resulting number by the number of months and days worked, and then multiply that number by 12 months to get total average pay from an employer.
3. See additional guidance on calculating base pay from an employer.

#### Calculate “Additional Pay from an Employer”:

1. In the Earnings section of paystub or VOE, look for additional income earned that is not included in **base**. (Sick, vacation, holiday, etc. is generally included in **base**.)
2. Add up all additional income that is included in the YTD Earnings Total and not part of **base**.
3. Average prior year’s earnings total, if available, (or provide documentation and explanation to support not using the prior year’s earnings.). Divide the resulting number by the number of months and days worked, and then multiply that number by 12 months to get an average of **additional pay from an employer**.
4. See additional guidance on calculating additional pay from an employer.

**TYPES OF INCOME**

Determine if there are other sources of income, apart from wages from an employer.

<b>Wages from an Employer</b>	
<b>Base Pay</b>	
<b>Definition/Inclusions</b>	<b>Exclusions</b>
<p><u>Regular Hours/Pay:</u> Borrower is scheduled for the same number of hours per pay period. Gross salary or wage income from part-time, full-time, or seasonal work with regular hours/pay</p> <p><u>Irregular Hours/Pay:</u> Variable hours, seasonal work, etc., such as nursing, restaurant, construction, retail or part-time work with varied hours or pay.</p>	Income no longer available
<b>Guidance</b>	
<ul style="list-style-type: none"> <li>• Borrowers can't manipulate income (quit job, etc.) to become eligible.</li> <li>• Include all income, including sick, holiday and vacation pay.</li> <li>• Average current YTD and prior year's earnings total, if available, (or provide documentation and explanation to support not using the prior year's earnings.). The most recent federal income tax return may also be used for this purpose.</li> <li>• Income documentation is required, and could include, but is not limited, to, paystubs, VOE, tax returns, W-2's, etc.</li> <li>• Seasonal work requires the same documentation for variable pay as outlined above, but should also include any unemployment benefits, if applicable.                             <ul style="list-style-type: none"> <li>○ 1099s, tax returns, and/or verification from unemployment office to verify unemployment benefits</li> </ul> </li> </ul>	
<b>Additional Income from an Employer</b>	
<b>Definition/Inclusions</b>	<b>Exclusions</b>
Income over and above base pay, such as overtime, shift differential, bonuses, profit-sharing, tips, commissions, etc.	One-time (non-recurring) income; i.e., income received once that does not have a history and is unlikely to reoccur in the future.
<b>Guidance</b>	
<ul style="list-style-type: none"> <li>• Documentation of additional pay could include, but is not limited to, paystubs, VOE, etc.</li> <li>• Annualize current YTD earnings total, if available, (or provide documentation and explanation to support not using the prior year's earnings).</li> <li>• Annualize overtime (unless employer and income history verifies OT was for one-time, special project, etc.), commissions, bonuses, shift differentials, and sick/vacation/holiday pay (if not already included in base pay).</li> <li>• Include all income that is included in the YTD Earnings Total on a paystub or on a VOE.</li> <li>• Any income that is determined to not be included in YTD Earnings Total (for example, employer-paid benefits or matches, such as an HSA match) does not have to be included in the Program Eligibility Income calculation.</li> </ul>	

**Self-Employment/Business Income**

Definition/Inclusions	Guidance
<p>Individuals who earn their income through conducting a trade or business that they directly operate instead of working for an employer who pays them a salary or a wage.</p>	<ul style="list-style-type: none"> <li>• Determine gross annual income.</li> <li>• Use a two-year average from the most recent federal income tax returns.</li> <li>• Self-employment income documentation is required, and may include, but is not limited, to:                             <ul style="list-style-type: none"> <li>○ Tax form Schedule C, most recent two years</li> <li>○ YTD Profit &amp; Loss Statement</li> <li>○ Tax form Schedule K-1 (Form 1120S)</li> </ul> </li> <li>• Request additional supporting documentation (i.e., current balance sheet and income statement) when necessary.</li> <li>• Deduct out-of-pocket business expenses such as office rent, telephone, etc., which are generally tax-deductible items.</li> <li>• Include all entertainment and travel expenses, private retirement contribution plans, and property or equipment depreciation. These items are generally tax-deductible, but must be added back for the Program Eligibility Income calculation if starting with the net income amount.</li> <li>• If a net loss, use \$0. Do not subtract the loss from the Program Eligibility Income calculation.</li> <li>• Use caution with large variations in income (whether increase or decrease) when averaging two years' income. The determination in these cases should be documented and supported by the underwriter.</li> </ul>

**Income from Financial Assets**

Definition/Inclusions	Exclusions	Guidance
<p>Income from: trusts, annuities, dividends, royalties, interest earned from non- retirement accounts (savings, checking, money market, investments, mutual funds, etc.)</p>	<ul style="list-style-type: none"> <li>• One-time lump sum payments</li> <li>• Investments in retirement accounts (IRAs, VIPs, 403(b)'s, 401(k)'s)</li> <li>• Any cash withdraws from retirements accounts</li> </ul>	<ul style="list-style-type: none"> <li>• Always check tax returns for income from financial assets.</li> <li>• Include average of periodic payments, including recurring, lump-sum payments.</li> <li>• Where assets after closing exceed \$5,000, calculate interest income based on the greater of actual income or imputed income based on the current passbook savings rate, as determined by HUD.</li> </ul>

<b>Insurance or Benefit Payments</b>		
<b>Definition/Inclusions</b>	<b>Exclusions</b>	<b>Guidance</b>
Periodic payments derived from: <ul style="list-style-type: none"> <li>• Long-term care insurance</li> <li>• Disability insurance</li> <li>• Pensions</li> <li>• Death benefits</li> </ul>	Do not include one-time, lump-sum payments.	Include periodic insurance or benefit payments at current level.

<b>Government Transfer Payments</b>		
<b>Definition/Inclusions</b>	<b>Exclusions</b>	<b>Guidance</b>
Government transfer payments involve payments for which no current services are performed and are a component of personal income.	<ul style="list-style-type: none"> <li>• Food stamps</li> <li>• Government-paid child care paid directly to the provider</li> <li>• Foster care income</li> <li>• Section 8 vouchers</li> </ul>	<ul style="list-style-type: none"> <li>• Include all sources of this income at current level. Do not gross up (If a lender chooses to gross up SSA income for credit underwriting income this is allowable, however, that same income must be included to determine program eligibility).</li> </ul>
<ul style="list-style-type: none"> <li>• Retirement benefits</li> <li>• Disability benefits</li> <li>• Income maintenance benefits</li> <li>• Pensions</li> <li>• Veterans benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Federal education &amp; training assistance</li> <li>• Public assistance</li> <li>• Worker's Compensation</li> <li>• Social Security benefits</li> <li>• Unemployment insurance compensation</li> </ul>	

<b>Investment Property Net Rental Income</b>		
<b>Definition/Inclusions</b>	<b>Exclusions</b>	<b>Guidance</b>
Income from an Investment Property	Potential roommate income or rental income of future duplex or accessory dwelling unit	Calculate investment property net rental income <ul style="list-style-type: none"> <li>• Monthly Gross Rent - Vacancy Loss = Gross Adjusted Rent</li> <li>• Gross Adjusted Rent – PITI and maintenance costs = Net Rental Income. If rental income is negative, enter \$0. In addition, an operating statement may be used in lieu of using the above-referenced formula.</li> </ul>

<b>Child/Spousal Support</b>		
<b>Definition/Inclusions</b>	<b>Exclusions</b>	<b>Guidance</b>
Child support, child care, medical support, alimony, spousal maintenance	Court-ordered support not received; must document support was not received	<ul style="list-style-type: none"> <li>• Use average of actual support received.</li> <li>• Review divorce/child support agreement.</li> <li>• Check with county social service agency to determine whether any payment adjustments have been made since the original payment schedule.</li> <li>• Cross-check payment schedule with bank statements, etc.</li> </ul>

<b>Regular Cash Contributions</b>		
<b>Definition/Inclusions</b>	<b>Exclusions</b>	<b>Guidance</b>
Regular cash contributions from non-resident(s)		Check bank statements for regular cash contributions. Include all regular cash contributions from non-residents.

<b>Employee Allowances</b>		
<b>Definition/Inclusions</b>	<b>Exclusions</b>	<b>Guidance</b>
Car, cell phone, per diems, etc.	<ul style="list-style-type: none"> <li>Do not include any car, cell phone, travel per-diem, etc.</li> </ul>	

<b>Custodial Account Income</b>		
<b>Definition/Inclusions</b>	<b>Exclusions</b>	<b>Guidance</b>
Unearned income paid to children age 20 or younger, who live with the Borrower(s) 50% of the time or more	<ul style="list-style-type: none"> <li>529 plans</li> <li>Accounts where someone other than the parents are named as custodian.</li> <li>Unearned income of adult dependents age 21 or older</li> </ul>	Include all custodial account income.

<b>Other Sources of Income</b>		
<b>Definition/Inclusions</b>	<b>Exclusions</b>	<b>Guidance</b>
<ul style="list-style-type: none"> <li>Contract-for-deed interest income</li> <li>Any other sources of income as identified or represented in the loan file and applicable documentation.</li> </ul>	<ul style="list-style-type: none"> <li>Loans; scholarships; grants and tuition reimbursement;</li> <li>Earned Income Tax Credit refund payments; health insurance premium reimbursements (deducted from gross pay) and any out-of-pocket expense (co-pays, etc.) reimbursements</li> <li>One-time lump sum (non-reoccurring) payments from:                             <ul style="list-style-type: none"> <li>Inheritances</li> <li>Insurance settlements</li> <li>Lottery winnings</li> <li>Gambling winnings</li> <li>Capital gains</li> <li>Liquidation of assets</li> <li>Settlements for personal loss</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Always include other sources of income not specifically excluded.</li> <li>For contract-for-deed interest income, include interest portion of payments per the terms of the agreement/contract.</li> </ul>