



HFA OF MANATEE COUNTY SINGLE FAMILY PROGRAM

ADMINISTRATOR'S GUIDELINES

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Updates on Page 3



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2024 Revisions Table

Archived Revisions Table available on the last guide on this guide

Date	Topic (effective immediately unless otherwise noted)	Page
04/19/24	Add US Bank All Regs link to contact directory Updated FICO and DTI requirements Updated property requirements Updated Documentary Stamp Affidavit recordation requirement Updated Targeted Area Census tracts Updated the Process Summary	5 7 9 11 15 16-24
05/01/24	Revised Income and Purchase Price Limits Updated Freddie Mac HFA Advantage link Revised Assumptions	8 & 9 13 13
05/15/24	Revised assistance amount	6
05/19/24	Revised Freddie Mac income limits effective 05/20/24	
06/18/24	Revised assistance amount	6
09/03/24	Added What is the Mortgage Credit Certificate Added MCC mandatory for income qualified buyers effective 10/01/24	8 - 10 6 - 12, 21, 24, 30

THE HFA OF MANATEE COUNTY TEAM



Manatee County HFA

Creates the first mortgage program, the down payment assistance second mortgage program and the Mortgage Credit Certificate (MCC) program. Sets the rate, term and points, markets the program.

Participating Lenders

Take applications, reserve in their own systems, process, underwrite, approve, fund, close and sell qualified loans to the program. Check with your company on how to reserve a bond loan rate in your own system so that you have funds available for closing.

U S Bank Master Servicer

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

US Bank, National Association Trustee

This is a different US Bank division that is providing the service of wiring DPA funds for down payment/closing cost assistance to each closing. Please **do not** contact US Bank in Ohio regarding the wiring of these funds. Follow instructions In these Guidelines found as the second and third pages of ***Summary of the Compliance Origination Process***. The request for wire transfer of funds is found on the ehousingplus webpage for the program.

eHousingPlus, Program Administration

Maintains the program reservation system, websites, and posts guides, forms, training materials, provides training on compliance issues and system, answers bond compliance questions, receives compliance files, reviews, posts and notifies of exceptions and approves [compliance file](#).

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

Question	Option #	email
Lender Training (Program & System)	Option #4	Click here
Lender User Access (Credentials, Disabled Access, etc)	Option #1	Click here
eHPay - Digital Payment of Compliance Fees	Option #3	Click here
Program Eligibility Questions - READ THIS GUIDE FIRST	Option #2	Click here
Deficiencies - To view and upload compliance file deficiencies	View compliance and Servicer DEFI's in eHP FrontPorch 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 eHP FrontPorch	
Credit underwriting questions, refer to their internal UW Department or US Bank	(800) 562-5165	Click here
System Errors - Technical Assistance	Option #6	Click here
<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 or Second mortgage closed loan files</p> <p>Questions regarding exceptions on first and second mortgage closed loan files</p> <p>U.S. Bank All Regs Site, click here Scroll down to Discover customized partnerships for HFA lenders, click on HFA Guidelines. Click on US Bank HFA Lending Guide > 500: Housing Finance Agency Programs > Florida > Manatee County HFA > Product Guides.</p>	(800) 562-5165	Click here

THE PRODUCTS

FIRST MORTGAGE LOAN

Rates are subject to change, for current rate please visit ehousingplus.com

Revolving first mortgage funds (first-come, first-served pool to be replenished as loans are pooled and delivered). The borrower receives a 30-year, fixed rate, fully amortizing first mortgage loan with 360 level monthly payments.

The following mortgage products are offered in this program: FHA, VA, USDA: RD and Freddie Mac HFA Advantage conventional loan. To view the US Bank product guides, follow these instructions. U.S. Bank All Regs Site, [click here](#)

Scroll down to Discover customized partnerships for HFA lenders, click on HFA Guidelines.

Click on US Bank HFA Lending Guide > 500: Housing Finance Agency Programs > Florida > Manatee County HFA > Product Guides.

The HFA of Manatee County has requirements that are reviewed for compliance. It's the responsibility of lenders to review program documents and to originate loans that meet the requirements. The Master Servicer is not obligated to purchase loans that do not comply with program terms.

Freddie Mac HFA Advantage Conventional Loan - Income at or below 80% AMI

These loans will have lower income limits (determined by Freddie Mac and already calculated in this guide) and receive charter level reduced MI coverage. (Updated 02/21/23)

Freddie Mac HFA Advantage Conventional Loan - Income OVER 80% AMI

Effective with new loan reservation 02/27/23

These loans will receive standard MI rates, no Charter Level Reduced MI coverage. (Added 02/21/23)

SECOND MORTGAGE LOAN

Down Payment and Closing Cost Assistance

Down payment assistance is available only when the HFA of Manatee County first mortgage is used. The second mortgage loan is a 30 year deferred, 0% fixed-rate product. The loan is due upon sale, refinance, prepayment of the first mortgage loan or when the property ceases to be the principal residence of the mortgagor. The second mortgage loan is serviced by the HFA.

Reservations 05/15/24 - 06/17/24 \$10,000

Reservations 06/18/24 and after \$15,000

MORTGAGE CREDIT CERTIFICATE PROGRAM

The HFA of Manatee County authorized the issuance of Mortgage Credit Certificates (MCCs) -- a federal income tax credit. The MCC entitles the recipient to take an annual federal income tax credit. A tax credit represents a reduction of actual federal income taxes due. The holder of the MCC may use the credit each year the loan is outstanding as long as the property continues to be their principal residence. All program requirements for the MCC are the same as Key to Homeownership Program except for income. The MCC has lower income limits but, if the borrower's income qualifies for the MCC, it is mandatory the borrower receive the MCC with all loan reservations 10/01/24 and after. (Rev. 09/03/24)

WHAT IS A MORTGAGE CREDIT CERTIFICATE

BORROWERS PURCHASING IN MANATEE COUNTY ARE REQUIRED TO RECEIVE A MORTGAGE CREDIT CERTIFICATE IF THEIR INCOME QUALIFIES FOR THE MCC, EFFECTIVE OCTOBER 1, 2024.

TAX DISCLAIMER

This material is not intended or written to be used, and it cannot be used, by any taxpayer for the purpose of avoiding tax penalties that may be imposed on the taxpayer. This material may be used to support the promotion or marketing of the matter discussed herein. The taxpayer should seek advice from an independent tax advisor regarding the matter set forth herein based on the taxpayer's particular circumstances.

What is a Mortgage Credit Certificate?

A mortgage credit certificate ("MCC") was designed to assist persons of low and moderate income to better afford their own home. The procedures for issuing MCCs were established as an alternative to the issuance of single family mortgage revenue bonds. As distinguished from a bond program, in a MCC program the mortgagor may take a tax credit in an amount equal to the annual amount of interest paid on the mortgage loan multiplied by the Mortgage Credit Certificate Rate. Currently, to maximize the benefit to the MCC applicants, the Mortgage Credit Certificate Rate for the Program is 20%, there is no annual maximum tax credit cap.

As an example, an Applicant with a \$349,000, 30 year, fixed rate mortgage (monthly payment has equal monthly installments of principal and interest) and a 7.125% interest rate could realize the following federal income tax savings (numbers are rounded):

Example of Buyer Benefit (20% Tax Credit)

- 7.125%, 30-year fixed rate mortgage
- \$349,000 mortgage loan amount
- 20% Tax Credit Rate with no annual maximum tax credit cap
- \$22,685 mortgage interest paid in first year
- Multiply MCC Credit Rate of 20% (.20) x Mortgage Interest Paid (\$22,685) = \$4,537
 - \$4,537 is the maximum potential tax credit
- Borrower has \$5,500 in tax liability (because the tax liability is more than \$4,537 in potential tax credit, the borrower can use the entire amount of the tax credit.
 - Of the \$22,685 mortgage interest paid apply as follows on the tax return:
 - \$4,537 may be applied as a Tax Credit (this is a dollar for dollar reduction)
 - \$18,148 will remain as a Tax Deduction

During the first year of the Program, the Applicant in the example would be eligible for a tax credit of up to \$4,537 if not limited by tax liability. The Applicant would be able to file a revised W-4 withholding form taking into consideration the anticipated tax credit and have approximately \$378 per month in additional disposable income in the first year.

In the example, 100% of the mortgage interest paid is \$22,685 so 20% of the mortgage interest paid is \$4,537. Because the credit rate is 20%, the amount that may be claimed as a credit there is no annual maximum tax credit cap. According to IRS instructions on Form 8396, the amount of allowable mortgage interest deduction on Schedule A is determined by reducing the amount on Line 3 of Form 8396 (\$4,537). So the total mortgage interest paid in

the first 12 months was \$22,685, subtract \$4,537 and the remaining \$18,148 may continue to be used as a deduction.

The tax credit amount may be used as a tax credit after all other deductions and credits have been applied and to the extent there is tax liability. If not all of the tax credit can be used because there is not enough tax liability, it may be carried forward for up to three years. However, it cannot be added to the allowable mortgage interest deduction.

Borrowers who receive an MCC and who continue to own and occupy the financed home will be eligible for a tax credit each year for the term of the loan.

The amount of the credit actually claimed on the MCC holder's federal income tax return cannot exceed the amount of federal income taxes due after other credits and deductions have been taken into account.

A purchaser of a new or existing single family home may apply for a MCC through any participating mortgage lender at the time he or she applies for a mortgage from the lender. A MCC cannot be issued to a homebuyer who is refinancing an existing mortgage or in connection with a mortgage from a relative. Also, an MCC cannot be used in connection with a bond program.

It's important to note that all or a portion of the MCC related tax credit may be subject to recapture if the Residence is sold within the first full nine years of purchase. This tax credit recapture is further explained in the Notice of Potential Recapture Tax and in the Recapture Tax brochure provided to an applicant.

It is important that borrowers understand the MCC and consider getting more information from their tax professional or the IRS.

What is the lender involvement?

Simply follow the guidelines for the first mortgage.

The Lender is responsible for filing a form with the IRS in each year in which they originate loans for which MCCs are issued, and for keeping certain records regarding the MCCs. For participating lenders, the annual form will be forwarded via email by the Program Administrator for execution and filing by the Lender.

MCC Homebuyer Benefit

The MCC can reduce the amount of federal income taxes; however, the tax benefit cannot exceed the amount of federal taxes owed for the year after other credits and deductions have been taken. But unused credit may be carried forward for up to three years.

Borrowers will have to adjust federal income tax withholding in order to receive the MCC benefit on a monthly basis. This adjustment is accomplished by the borrower speaking to their payroll department at their place of work. By reducing monthly withholding, they will have more disposable (after tax) income with which to make mortgage payments. The benefit of the MCC program continues for the term of the mortgage as long as the holder of the MCC continues to own and occupy the home under the mortgage for which the MCC was issued.

What does the Homeowner have to do to claim the benefit with the IRS?

Each year the homeowner files Form 8396 with their federal income tax return. The form is available on the IRS website.

MCC Special Rules

Process the first mortgage following these guidelines. After closing, simply follow the compliance file checklists. There are separate checklists for the first mortgage and for the MCC.

The MCC and Final Recapture Notice will be issued by the Program Administrator via mail sent to the borrower at the property address once the compliance file is approved.

Each January, the Program Administrator will provide the Lender with the required IRS reporting form for each year in which the Lender originates loans with MCC's.

Term of HFA of Manatee MCC Program

By law the current election to use allocation for MCCs is available for loans closing through December 31, 2025. The Issuers may choose to allocate additional funds to another MCC program.

FIRST MORTGAGE PROGRAM REQUIREMENTS

ELIGIBLE BORROWER

- Buyers are NOT required to be first time buyers.
- Follow Agency (FHA, VA, USDA-RD, Freddie Mac) and U.S. Bank guidelines for non-citizens.
- Buyers must occupy the property within 60 days of closing.
- Buyers must live in the property they purchase as their principal residence.
- Applicants must be considered irrespective of sex, age, race, color, religion or national origin.
- Tax returns/transcripts are NOT required for program purposes.
- Lender must follow, Agency (FHA, VA, RD, Freddie Mac) guidelines regarding ownership of other property. (Added 12/12/18)
- **Mandatory MCC for buyers with income that qualify. (Added 09/03/24)**

MINIMUM CREDIT SCORE/MAXIMUM DTI

FHA loans minimum FICO 660 maximum DTI 45%

USDA-RD and VA loans minimum FICO 640 maximum DTI 45%

FHA, USDA-RD and VA loans minimum FICO 680 maximum DTI 50%

Freddie Mac HFA Advantage loan minimum FICO 640 maximum DTI 50%.

If an Agency (FHA, etc) has a higher minimum, follow Agency guidelines. If a participating lender has a higher minimum for other loans and wishes to require a higher minimum for loans, then lenders must use the higher minimum.

Lenders must comply with Mortgage Insurance DTI requirements which may limit the maximum DTI for borrowers.
(Updated 04/19/24)

HOMEBUYER EDUCATION

Any party appearing on the Note must complete a Program-approved pre-purchase homebuyer education course even if the borrower(s) is a Veteran or purchasing in a Targeted Area. The HFA will accept face-to-face homebuyer education if provided by a HUD approved counseling agency, a unit of local government that provides pre-purchase homebuyer education in FL, or a counseling agency designated by a unit of local government to provide homebuyer education on their behalf. Refer to HUD link below for a list of approved education providers by county. Online HBE is permitted if provided by a HUD approved agency, a unit of local government that provides pre-purchase homebuyer education in FL, a mortgage insurance provider, or an Agency or GSE sponsored course. (Updated 04/19/24)

Homebuyer education provided over the phone or by the lender is NOT acceptable.

Certificates of completion are acceptable for 2 years from the date of completion.

Helpful links to provide to homebuyers:

Approved Face-to-Face education providers:

- Face to face from a [HUD approved education provider](#)

Approved Online education providers:

- Online education from eHomeAmerica www.eHomeAmerica.org
- Freddie Mac Credit Smart <https://creditsmart.freddie.mac.com/paths/homebuyer-u/>
- HomeTREK online education: <https://www.hometrek.org>
- Framework Online Homebuyer Education: <https://hpn.frameworkhomeownership.org>
- MGIC - Finally Home! Homebuyer Education: <https://www.finallyhome.org/en/partners/mgic/>

(Updated 04/19/24)

HOUSEHOLD INCOME CALCULATION

Include income of borrower(s) and spouse (occupants and non- occupants) and any person who will live in the household who is 18 years of age or older. Program income is not averaged. It is annualized. That’s different from income used for credit underwriting. More detailed guidelines for calculating program income are in the Underwriter’s Program Income Calculation Guide included in this Guide, pages 31 - 35. **If a buyers income qualifies using the MCC income limits, it is mandatory the buyer receive the MCC. (Added 09/03/24)**

**HOUSEHOLD INCOME LIMITS
KEY TO HOMEOWNERSHIP PROGRAM**

	FHA, VA, USDA-RD & Freddie Mac over 80% AMI Non-Target Area & Targeted Area Effective 05/06/24	Freddie Mac at or below 80% AMI Effective 05/20/24
All Household Sizes	\$145,500	\$77,600

(Rev 05/19/24)

**HOUSEHOLD INCOME LIMITS
MORTGAGE CREDIT CERTIFICATE PROGRAM**

If a buyers income qualifies using the MCC income limits, it is mandatory the buyer receive the MCC. (Added 09/03/24)

County	1-2 person household Non-Target	3 or more person household Non-Target	1-2 person household Target	3 or more person household Target
Manatee	\$100,181	\$115,208	\$120,217	\$140,253

(Added 09/03/24)

GEOGRAPHY AND PROPERTY REQUIREMENTS

Eligible Area

Includes all of Manatee County

ACQUISITION LIMITS (SALES PRICE LIMITS)

KEY TO HOMEOWNERSHIP PROGRAM and MCC PROGRAM

The sales price must include everything paid by the buyer or on the buyer’s behalf. Effective with new loan reservations 05/06/24

Non-Target Area	Targeted Area
\$561,333	\$686,073

PROPERTY REQUIREMENTS

- Single family, 1-4 unit*, owner-occupied, principal residences that are detached structures, or condominiums**, town homes/PUDs or duplexes subject to the applicable FHA, VA, RD, Freddie Mac guidelines.
- 2-4 Unit properties must be at least 5 years old and the mortgagor must reside in one unit of the property.
- Land may not exceed the size required to maintain basic livability.
- Homes are considered new if never previously occupied.
- Manufactured, mobile, recreational, seasonal or other types of vacation or non-permanent homes are not permitted.
- 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).

(Updated 04/19/24)

*Freddie Mac HFA Advantage loans, 1-unit property only.

** Refer to US Bank HFA Lending Guide 800: Condominium Project Review for all U.S. Bank condo requirements. For questions on Delegated Condo Approval please contact Lender Support at (800) 562-5165 Option 2 or by email HFA.Programs@usbank.com.

SECOND MORTGAGE PROGRAM REQUIREMENTS

SECOND MORTGAGE DISCLOSURE REQUIREMENTS

The determination has been made that the HFA of Manatee County Second Mortgage, as non-amortizing 0%, 30-year deferred subordinate loans, IS NOT SUBJECT TO TILA or RESPA and lenders may NOT use the new TRID forms (Loan Estimate and Closing Disclosure) for these loans.

The use of a separate HUD-1 Disclosure for the second mortgage will no longer be required. Instead, lenders are required to use a DPA Loan Disclosure Form created to further clarify the terms of the Second Mortgage for the borrower. The disclosure is generated from the eHousingPlus Lender portal and is signed at closing by the borrower. (Effective 05/22/17)

SECOND MORTGAGE PROCESS

The Lender shall:

- 1) Qualify the Buyer for the first mortgage loan (to be sold to and serviced by US Bank).
- 2) Reserve both the first mortgage loan and the second mortgage loan in the eHPortal.
- 3) Process normally. DPA funds may not be requested for loan closings until the First Mortgage Loan has received Underwriter Certification.
- 4) At least 3 days prior to Closing, the Lender or closing agent will request funds for the Second Mortgage by printing the DPA Wire request form via eHProForms.
- 5) In addition to the first mortgage loan forms, complete the following forms found behind security on the website. Some information will auto-fill. Those blanks that do not auto-fill are interactive so that lenders can complete the blanks online and print the completed form.
 - a. The Second Mortgage;
 - b. Promissory Note;
 - c. DPA Certificate;
 - d. DPA Loan Disclosure
 - e. Second Mortgage Documentary Stamp Affidavit
- 6) At closing, the Buyer must execute the Second Mortgage, Promissory Note, DPA Certificate, DPA Loan Disclosure, Second Mortgage Documentary Stamp Affidavit and pay a second mortgage processing fee of \$125.00. Checks should be made payable to the Housing Finance Authority (HFA) of Manatee County. The Second Mortgage DPA Loan Disclosure should indicate that the fee was paid to the HFA.
- 7) The Lender or closing agent shall record the second mortgage loan along with the second mortgage documentary stamp affidavit. The recorded second mortgage and note should be delivered to Angela A. Abbott, P.A. at the address below.
- 8) Within 2 business days of closing, the Lender or closing agent shall deliver by overnight mail, the following documents to the Program Administrator, Angela A. Abbott (at the address below):
 - a. The original Promissory Note for the second mortgage loan;

- b. The original DPA Certificate;
- c. A copy of the Closing Disclosure for the First Mortgage Loan;
- d. A copy of the Second Mortgage Documentary Stamp Affidavit;
- e. A Copy of the Second Mortgage DPA Loan Disclosure ;
- f. A certified copy of the Second Mortgage; and
- g. The processing fee of \$125.00 payable to the Housing Finance Authority of Manatee County, Florida.

9) All documents and correspondence in connection with the Second Mortgage should be sent to:

Angela A. Abbott, P.A.
4420 S. Washington Avenue
Titusville, FL 32780
(321) 264-0334
angelaabbott@cfl.rr.com

DO NOT DIRECT ANY FORMS OR QUESTIONS RELATING TO THE SECOND MORTGAGE LOAN PROGRAM TO US BANK.

Assumption The second mortgage loan is not assumable.

Documentary Stamp Tax

The first mortgage and second mortgage are exempt from documentary stamps. To qualify for the exemption, the first mortgage documentary stamp affidavit AND the second mortgage documentary stamp affidavit must be recorded IMMEDIATELY AFTER the first mortgage and the second mortgage as separate documents. The following should be typed at the bottom of the first mortgage: "This mortgage is exempt from documentary stamp tax pursuant to section 159.621(2), F.S." (Updated 04/19/24)

The second mortgage will pre-print with the Documentary Stamp exemption language. (Effective 07/01/18)

Funding of Second Mortgage Loans Manatee HFA advances the funds.

Hazard and Title Insurance Requirements The hazard insurance policy, when issued, must name the Housing Finance Authority of Manatee County as an insured second mortgagee. The mortgage title insurance policy, when issued, must include the second mortgage as a valid lien against the property subordinate only to the first mortgage.

Intangible Tax Exemption

There is NO Intangible Tax Exemption on the First Mortgage, First Note and the Second Note. the second mortgage is exempt from Intangible Tax pursuant to Section 199.183, Florida Statues. The exemption language appears at the top of the Second Mortgage that is generated from the eHousingPlus lender portal. (Effective 07/01/18)

Loan Repayment This second mortgage loan must be repaid in full on the earlier of 30 years (final repayment date of the first mortgage loan) or upon sale, transfer, rental, other disposition of the property (including any involuntary transfer by or as a result of foreclosure or judicial sale or operation of law), refinance or satisfaction of the first mortgage loan. This loan must be repaid. It is never forgiven.

Maximum income and purchase price limits Limits are the same as for the HFA first mortgage loans.

Mortgagee The Mortgagee is the Housing Finance Authority of Manatee County as preprinted on the Second Note and Second Mortgage and, therefore, an Assignment is not required.

Owner Occupancy Requirement The borrower receiving the second mortgage loan must occupy the residence for the term of the loan or until the loan is satisfied.

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

Recapture The second mortgage loan is not subject to Recapture Tax.

Recordation Requirements The Documentary Stamp Tax Affidavits (1st and 2nd) must be recorded IMMEDIATELY after the first mortgage and second mortgage.

Refinance of First Mortgage Loan: The second mortgage loan must be repaid. It can never be subordinated.

Use of Second Mortgage Loan Proceeds Second mortgage loans are available ONLY with an HFA first mortgage loan. Proceeds may be used for down payment, closing costs, and reimbursement of prepaids and earnest money deposit to the extent any minimum contribution has been satisfied and that the reimbursement is permitted by Agency (FHA, VA, etc) guidelines. There is no "cash-back" to the borrower. To the extent the funds advanced by the borrower, plus the first and second mortgage amounts, are less than required at closing, the Mortgage Lender will reduce the second mortgage amount.

FINANCING FACTS

It's expected that lenders have reviewed some **preliminary documentation and believe that applicants will also qualify for credit. Excessive cancellations will be reviewed** to assure that program funds are not being utilized **inappropriately**.

Check with your underwriter for updates to information for Freddie Mac HFA Advantage. Such information is provided by third parties (i.e.Freddie Mac, U.S. Bank, etc) who do not provide updated information to eHousingPlus.

[Freddie Mac HFA Advantage Fact Sheet](#) (Updated link 05/01/24)

[Freddie Mac HFA Advantage LPA Instructions](#)

Appraisal

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

Assumptions

The first and second mortgage are not assumable. (Rev 05/01/24)

Buydowns

Not allowable.

Cash Back

Cash Back to the borrower is **not permitted**. However, borrowers are permitted a reimbursement of prepaids and reimbursement of overage of earnest money deposit to the extent any minimum contribution has been satisfied and permitted by Agency guidelines.

Construction to perm

Construction to perm loan type is not permitted.

Cosigners

Cosigners are permitted for FHA loans under very specific conditions. Follow FHA guidelines for credit purposes only. Treat cosigner credit/income as directed by FHA. Cosigners are allowable in an FHA transaction when meeting the following conditions (1) a cosigner cannot have any ownership interest in the property (they cannot be on the Mortgage/Deed/Title) and (2) the cosigner cannot reside in the property being purchased. A cosigner's income is not considered for program purposes, tax returns are not required and cosigners **ONLY** sign the Note.

Cosigners (Freddie Mac) - Not allowable. (Added 01/13/20)

Documentary Stamp Tax

Lenders should log-in to the eHPortal to view a letter from the HFA, instructions and sample documents. The first mortgage and second mortgage are exempt from documentary stamps. To qualify for the exemption, an affidavit must be recorded IMMEDIATELY AFTER the first mortgage and the second mortgage as a separate document. The following should be typed at the bottom of the first mortgage: "This mortgage is exempt from documentary stamp tax pursuant to section 159.621(2), F.S."

The second mortgage will pre-print with the Documentary Stamp exemption language. (Effective 07/01/18)

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.

Intangible Tax Exemption

There is NO Intangible Tax Exemption on the First Mortgage, First Note and the Second Note. the second mortgage is exempt from Intangible Tax pursuant to Section 199.183, Florida Statutes. The exemption language appears at the top of the Second Mortgage that is generated from the eHousingPlus lender portal. (Effective 07/01/18)

Manual Underwriting - Effective 04/06/20, not allowable for FHA loans. Lenders should reference the US Bank Seller Guide. Contact US Bank at 800-562-5165 to request a copy of the update. (Rev. 06/25/20)

Minimum Loan Amount

There is **no minimum loan amount** in this program.

Prepayments

The first and second mortgage 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

There is no Recapture Tax in this program.

Refinances

This program is for new mortgage loans only. Refinances are not permitted. However, temporary, construction or bridge financing with a term of 2 years or less may be taken out with a bond program loan.

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

Targeted areas are determined by HUD specifically for this program by census tract number. Typically a targeted area has low loan origination or is considered economically distressed. In order to increase loan origination in a targeted area, the income and purchase price limits are higher. The following are the Targeted Area Census Tracts in Manatee County: 0001.05, 0001.06, 0002.03, 0003.13, 0003.14, 0007.04, 0008.11 (Rev 04/19/24)

Tax Returns or Tax Transcripts are not required for this program. Consult US Bank regarding overlays, 800-562-5165.

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.

RESERVE FIRST MORTGAGE FUNDS

To reserve funds, use the [eHousingPlus eHPortal](#). Log in and reserve the first mortgage. 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. (Updated 04/19/24)

RESERVE SECOND MORTGAGE ASSISTANCE

Immediately following reservation of the first mortgage click on the "Add DPA/MCC" button found on the main menu to reserve the second mortgage funds. From the next screen, click on HFA of Manatee County DPA, then, click on Start DPA/MCC. All fields will populate except for the second mortgage loan amount. Enter the loan amount and then click on the "SUBMIT DPA/MCC" button to add the second mortgage assistance to the first mortgage loan reservation.



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.

RESERVE MORTGAGE CREDIT CERTIFICATE

(Mandatory with any new loan reservation 10/01/24 that income qualifies for the MCC)

Immediately following reservation of the second mortgage click on the “Add DPA/MCC” button found on the main menu to reserve the second mortgage funds. All fields will auto-populate, there is NOTHING to enter on this screen. Click on the “SUBMIT DPA/MCC” button add the mortgage credit certificate to the loan.

PRINT PRE-CLOSING FORMS

The program forms may only be found within the eHousingPlus eHPortal. Forms generated from any other source may void the loan making it not purchasable in the program. A lender will need user credentials for the eHPortal to access the forms.

Provide the borrower(s) with the following forms that need to be signed pre-closing:

HFA of Manatee County Key to Homeownership Program and MCC Program
Notices to Buyers
Recapture Brochure (informational only, not signed)

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. (Update 04/19/24)

REQUEST DOWN PAYMENT ASSISTANCE FUNDS

With a minimum of three (3) business days prior to closing and after the Underwriter Certification has been completed, and with a scheduled closing date, the Lender's authorized representative must fill out and execute the Down Payment Assistance Funding Request Form available in the system, under FORMS.

The Request Form must be printed, signed, **and scanned in pdf, jpg, tiff or png format.**

Three (3) business days prior to funding, the Lender sends a complete, executed pdf or scanned version of the DPA Funds Request Form, to **Angela Abbott**
angelaabbott@cfl.rr.com (Rev 2/3/14)

Anything received by 2 pm ET will be verified that day and the requests forwarded to the HFA.

Requests received after 2 pm ET, will be processed by 12 noon ET the following day. Special Attention will be given to Forms received on Fridays to ensure that they are sent before start of business on Monday.

Any emails received over the weekend will be processed on Monday and for Holidays on the next business day.

The DPA Funds Request Form is reviewed by eHousingPlus (eHP) for accuracy. Lenders will be contacted by eHP if the Form cannot be verified. Verified forms are sent to the HFA of Manatee County and to the Trustee (US Bank, NA) by eHP. US Bank wires funds to the closing agent. Funds are wired directly to the Closing Agent/Title Company and NOT the Lender or Borrower.

Please make sure that instructions are provided to internal Processor/Closer and to the Title Company/Closing Agent.

If the Loan does not close on the Loan Closing Date indicated on the Request Form, Lender agrees to cause the funds to be returned to (US Bank, NA) for the credit of the Authority's account not later than the close of business on the business day following the Loan Closing Date. Wiring instructions for the return of funds are as follows: **US Bank**, 777 E. Wisconsin Avenue, Milwaukee, WI 53202-5300 **ABA** 091000022 **A/C** US Bank Trust Wire Clearing **A/C** 180121167365
Ref Manatee HFA/95930830 **Attn** James Audette/651.466.6174

IT'S IMPORTANT that lenders (1) have the borrower(s) sign the letter that meets requirements of 2013-14 (appears in the auto-fill *Loan Forms* available for closing labeled as 2013-14) and retain original with copies to borrower, US Bank and a copy in the FHA Case Binder. FOLLOW US BANK requirements USB002. (Rev 7/1/13)

Please make sure that Angela Abbott's email address is added to your white lists/contacts as other emails related to the DPA Funds Request may be sent. Should you have any questions, please contact Angela Abbott angelaabbott@cfl.rr.com (Rev 2/3/14)

CLOSE - KEY TO HOMEOWNERSHIP PROGRAM & MCC PROGRAM

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 PROGRAM DOCUMENTS?

No one should be listed on the title or Deed except the borrower and NPS.

FORM	WHEN SIGNED?	BORROWER	CO-BORROWER	NON PURCHASING SPOUSE	CO-SIGNER
Notices to Buyers	Pre-Closing	Yes	Yes	Yes	No
Recapture Brochure	Pre-Closing	Not signed - Informational only			
DPA Funding Request	Pre-Closing	This form is used to request DPA Funds, see previous page for details.			
Program Affidavit	Closing	Yes	Yes	Yes	No
Lender Certification	Closing	Yes	Yes	Yes	No
First Mortgage Doc Stamp Affidavit	Closing	Yes	Yes	Yes	No
Second Mtg Loan Disclosure	Closing	Yes	Yes	Yes	No
Second Mortgage Doc Stamp Affidavit	Closing	Yes	Yes	No Signature Informational only	No
DAP Certificate	Closing	Yes	Yes	Yes	No
Award Letter	Closing	Yes	Yes	Yes	No
DPA Loan Disclosure	Closing	Yes	Yes	Yes	No
Second Mortgage	Closing	Yes	Yes	Yes	No
Second Note	Closing	Yes	Yes	No	Yes

(Updated 04/19/24)

RECORD THE DOCUMENTARY STAMP AFFIDAVITS

There will be 2 Documentary Stamp Affidavits to be recorded.

1) HFA of Manatee County First Mortgage Documentary Stamp Affidavit

Every loan closed in the program will use this form. It should be recorded IMMEDIATELY AFTER the first mortgage as a separate document.

2) HFA of Manatee County Second Mortgage Documentary Stamp Affidavit. It should be recorded IMMEDIATELY AFTER the second mortgage as a separate document.

If this step is missed the Florida Dept. of Revenue (DOR) will not accept the document stamp affidavit and the lender will be responsible should DOR require the Doc Stamps to be paid.

(Rev 04/19/24)

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 the **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. (Updated 04/19/24)

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.](#)

When submitting a loan with the MCC, you need only submit one compliance file.

Items to be uploaded in the compliance file include:

- FINAL SIGNED Closing Disclosure for the First Mortgage
- FINAL SIGNED 1003
- Notices to Buyers
- Program Affidavit
- Lender Certification
- Real Estate Purchase Contact
- Warranty Deed

UPLOAD THE COMPLIANCE FILE TO EHP DIGITAL DOCS

[Log-in here and use the DigitalDocs 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. (Updated 04/19/24)

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 you're shipping and post-closing staff is very familiar with this area. Remember your loan can't be approved without standing 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 US Bank. The US Bank Delivery and Funding Checklist is found within the US Bank web site.

To locate the US Bank product guidelines [Click on this link](#), then click on HFA Guidelines > US bank HFA Lending Guide > 900: Delivery and Funding. You may need to enable pop-up windows on your web browser. Please contact your IT Department for assistance with this. If you experience any technical difficulty, please contact US Bank HFA Division directly at 800-562-5165. (Updated 04/19/24)

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, the closing second lien assistance and other similar forms you will submit to the servicer and their package 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.

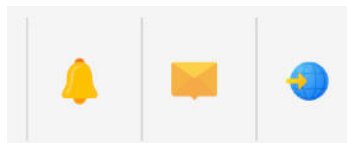
In Collaboration Station you can also find the Servicer notes and exceptions that need to be addressed with them. By providing this view to you it gives you transparency to any problem that has to be resolved related to the mortgage or collateral submitted to the Servicer. This view can be grouped, filtered,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

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. **This is particularly important with respect to new construction, foreclosures and short sales.** Please wait to reserve funds **UNTIL 45 DAYS PRIOR TO CLOSING.** Loans not purchased within the timeframe below, cannot be purchased.

The revolving pool of funds assures continuous funding. Fund availability makes it unnecessary to rush to reserve funds.

Loan Processing, Delivery and Purchase Timetable:

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

- Underwriter certified within **15 days of loan reservation**
- Purchased within **70 days of loan reservation.**

Loan Purchase Extension Fee

Any loan not purchased within 70 days will automatically receive a one-time only 30-day extension. **The cost of the extension is \$375** and the fee is due whether or not the Mortgage Loan is ultimately delivered by the Lender for purchase. If the Loan is delivered and purchased, the fee shall be charged and netted out of the Mortgage Loan purchase price paid to the Lenders, with a separate monthly payment to the Issuer for all collected extension fees. If the extended Mortgage Loan is not purchased to U.S. Bank, the fee will be separately invoiced by the Issuers and paid by the Lender to the Issuers.

If a Lender participating in the Program has a high rate of cancellations of loan reservations, or otherwise engages in behavior inconsistent with Program goals, the Issuers reserve the right to consider the suspension or termination of such Lender with respect to the Program, even if such Lender is in good standing with the Master Servicer.

PROGRAM FEES**FIRST MORTGAGE FEES**

1.00% may be charged and retained by lender as an Origination Fee. But No Discount Fees may be charged. At loan purchase by US Bank, lenders net 2.75% as the Authority is paying the 1.75% SRP.

eHousingPlus First Mortgage Fee

The program includes a first mortgage Compliance/Admin Fee and a penalty fee of \$100 for files that are chronically deficient. The Compliance/Admin Fee is submitted with the Compliance File. (Rev 12/12/18)

HFA of Manatee Key to Homeownership Loan \$300

HFA of Manatee Key to Homeownership Loan AND Mortgage Credit Certificate \$575

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. (Added 10/14/15)

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, tax returns where applicable 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.). (Rev 08/22/16)

US Bank Tax Service Fee

\$84 Tax Service Fee.

US Bank Funding Fee

\$400 should reflect as "Investor Funding Fee" on the LE/CD.

LENDER FEES

Lenders are permitted to charge reasonable and customary charges for out of pocket expenses and costs. Other financing costs such as legal fees and underwriting fees may be charged and courier fees may be charged if such fees are normally charged. Lenders may charge the usual and reasonable settlement costs. Settlement costs include titling and transfer costs, title insurance, survey fees or other similar costs. Other allowable fees include doc prep fees, notary fees, hazard, mortgage and life insurance premiums, recording or registration charges, prepaid escrow deposits and other similar charges allowable by the insurer/guarantor. "Junk" fees are not a defined term and may not be charged. Excessive fees are not permitted in the program.

CALCULATING INCOME

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.

Calculating Income from Other Sources

TYPES OF INCOME

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

Wages from an Employer

Base Pay

Definition/Inclusions	Exclusions
<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>	<p>Income no longer available</p>

Guidance

- Borrowers can't manipulate income (quit job, etc.) to become eligible.
- Include all income, including sick, holiday and vacation pay.
- 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.
- Income documentation is required, and could include, but is not limited, to, paystubs, VOE, tax returns, W-2's, etc.
- Seasonal work requires the same documentation for variable pay as outlined above, but should also include any unemployment benefits, if applicable.
 - 1099s, tax returns, and/or verification from unemployment office to verify unemployment benefits

Additional Income from an Employer

Definition/Inclusions	Exclusions
<p>Income over and above base pay, such as overtime, shift differential, bonuses, profit-sharing, tips, commissions, etc.</p>	<p>One-time (non-recurring) income; i.e., income received once that does not have a history and is unlikely to reoccur in the future.</p>

Guidance

- Documentation of additional pay could include, but is not limited to, paystubs, VOE, etc.
- 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).
- Always use an average for 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).
- Include all income that is included in the YTD Earnings Total on a paystub or on a VOE.
- 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.

Other Sources of Income

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"> Determine gross annual income. Use a two-year average from the most recent federal income tax returns. Self-employment income documentation is required, and may include, but is not limited, to: <ul style="list-style-type: none"> Tax form Schedule C, most recent two years YTD Profit & Loss Statement Tax form Schedule K-1 (Form 1120S) Request additional supporting documentation (i.e., current balance sheet and income statement) when necessary. Deduct out-of-pocket business expenses such as office rent, telephone, etc., which are generally tax-deductible items. 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. If a net loss, use \$0. Do not subtract the loss from the Program Eligibility Income calculation. 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.

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"> One-time lump sum payments Investments in retirement accounts (IRAs, VIPs, 403(b)'s, 401(k)'s) Any cash withdraws from retirements accounts 	<ul style="list-style-type: none"> Always check tax returns for income from financial assets. Include average of periodic payments, including recurring, lump-sum payments. 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.

HFA of Manatee County Single Family Program

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

Government Transfer Payments		
Definition/Inclusions	Exclusions	Guidance
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"> • Food stamps • Government-paid child care paid directly to the provider • Foster care income • Section 8 vouchers 	<ul style="list-style-type: none"> • Include all sources of this income at current level. Do not gross up.
<ul style="list-style-type: none"> • Retirement benefits • Disability benefits • Income maintenance benefits • Pensions • Veterans benefits 	<ul style="list-style-type: none"> • Federal education & training assistance • Public assistance • Worker's Compensation • Social Security benefits • Unemployment insurance compensation 	

Investment Property Net Rental Income		
Definition/Inclusions	Exclusions	Guidance
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"> • Monthly Gross Rent - Vacancy Loss = Gross Adjusted Rent • 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.

Child/Spousal Support		
Definition/Inclusions	Exclusions	Guidance
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"> • Use average of actual support received. • Review divorce/child support agreement. • Check with county social service agency to determine whether any payment adjustments have been made since the original payment schedule. • Cross-check payment schedule with bank statements, etc.

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

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

Custodial Account Income		
Definition/Inclusions	Exclusions	Guidance
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"> 529 plans Accounts where someone other than the parents are named as custodian. Unearned income of adult dependents age 21 or older 	Include all custodial account income.

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

**ARCHIVED REVISIONS TABLE
2013 - 2023**

Date	Topic (effective immediately unless otherwise noted)	Page
4/11/13	DPA revised to \$7,500	5
5/1/13	Clarified tax transcripts language	28
7/1/13	ADDED INFORMATION REGARDING DPA AWARD LETTER RE: 2013-14	16,18,27
7/2/13	CLARIFIED INFORMATION REGARDING DPA AWARD LETTER RE: 2013-14	16,18
8/5/13	DPA INCREASED	5
9/1/13	US Bank Revised Transfer Fee	22
2/3/14	DPA Wire request now is sent to Angela Abbott	17, 18
4/16/14	eHousingPlus fees adjusted	22
5-24-14	Loans in pipeline or submitted to HFA on May 23 but not yet reserved closing by July 7, receive \$10,000. All others receive \$7,500	5
6-9-14	U.S. Bank Funding Fee increased	22
6-24-14	New Income and Purchase Price Limits Added Initial 1003 to forms in compliance file	12 29
8-18-14	First mtg, no first time buyer requirement, no tax transcripts for first mortgage program borrowers; MCC applicants = different rules	11
4-20-15	DPA increased to \$10,000 Mortgages and notes: No longer exempt from Doc Stamp and Intangible Taxes	5 13, 22
9-26-15	Added Contact Directory Reformatted Financing Facts Reformatted Origination Process Reformatted the eHP and US Bank Fees Reformatted Documents Required for the Compliance File	5 14, 15 16-18 21 26
10-2-15	Revised second mortgage disclosure language	8, 18
10-14-15	Removed 2nd mortgage fee & increased 1st mortgage fee for eHP. Added eHP fee information & revised US Bank fees.	21
12-1-15	Effective with New Reservations December 1, 2015 Minimum Credit Scores Manufactured Housing Manual Underwriting Credit Documentation Revised	12 12, 15 15 23
1-11-16	Minimum Credit Score reverts back to 640 Term of MCC Program	12 20
03-08-16	Updated HFA of Manatee County Logo	Cover

Date	Topic (effective immediately unless otherwise noted)	Page
07-27-16	Revised Doc Stamp and Intangible Tax language	8 & 21
08-22-16	Clarified eHousingPlus Fees	21
05/15/17	Revised <i>Who To Contact</i> Directory Added Freddie Mac to Loan Products Updated MCC Program Information Revised requirements for non-citizens Added Freddie Mac to Minimum Credit Score Added Freddie Mac to DTI Requirement Added <i>What is a Targeted Area?</i> Added Freddie Mac to Property Requirements Added US Bank Condominium Expansion language Added Freddie Mac property ownership overlay Revised Second Mortgage Disclosure Requirements Added new DPA Loan Disclosure Form requirement Changed Second Mortgage process by adding the DPA Loan Disclosure Added Freddie Mac Fact Sheet web page link Added new DPA Loan Disclosure Revised US Bank Tax Service Fee effective 04/17/17 Revised US Bank Web Site address	6 7 7 8 8 8 8 9 9 9 10 10 10 & 11 13 17 20 26
06/30/17	Revised Income Limits Revised Purchase Price Limits	8 9
04/17/18	Revised Conventional Loan DTI Revised US Bank Tax Service Fee effective 04/30/18	8 20
05/03/18	Revised Income Limits Effective 05/04/18 Revised Purchase Price Limits Effective 05/04/18	8 9
05/17/18	Added Affordable Income Subsidy (AIS) Grant to guidelines	7, 9, 15, 16, 18, 20
09/05/18	Added Doc Stamp Exemption	
12/12/18	Changed eHousingPlus Lender Portal to, eHPortal Removed screen shots for AIS Grant reservation Added language for a lender to contact the Agency regarding ownership of other property Added Mortgage Insurance language under DTI requirement Added Documentary Stamp and Intangible Tax language Added eHP Digital Docs	Throughout 8 8 11, 12, 14 16, 19-24, 27, 33
08/01/19	Revised Income & Purchase Price Limits	8 & 9

Date	Topic (effective immediately unless otherwise noted)	Page
01/13/20	Added note, effective Jan 13, 2020 AIS Grant no longer available Added Special Note for Freddie Mac HFA Advantage loans Revised Minimum Credit Score and Maximum DTI Revised Homebuyer Education to include Freddie Mac overlay Revised income limits Added Freddie Mac condo guidance Added Cosigners not allowable with Freddie Mac HFA Advantage Revised manual underwriting guidance Removed reservation of AIS Grant from Summary of the Compliance Origination Process Revised US Bank web site information Added note to timeline regarding Freddie Mac HFA Advantage loans Added old revisions table for 2013 - 2018	6 7 8 8 9 10 14 15 17 & 18 26 27 35
06/25/20	Revised Contact Directory Added US Bank COVID-19 Guidance Added Homebuyer Education REQUIRED for all loan products Removed HomeTRAK as an approved homebuyer education provider Revised FHA, VA, USDA-RD Income Limits Revised Purchase Price limits for all loan products Updated Manual Underwriting Removed AIS Grant from Guide	5 7 8 8 8 9 14 Throughout
07/19/20	Added Note: Freddie Mac loan suspension Revised Freddie Mac 80% AMI & lower income limits	6 & 8 8
03/15/21	Freddie Mac HFA Advantage Loan product available, no longer suspended	
05/13/21	Revised Contact Directory Revised FHA, VA and USDA-RD Income and Purchase Price Limits	5 8 & 9
02/01/22	Revised FICO and DTI requirements	7
04/14/22	Revised DPA amount to \$15,000	6
08/26/22	Updated Contact Directory Revised Purchase price and Income Limits Revised US Bank Fees	5 8 & 9 27
02/21/23	Added Freddie Mac over 80% AMI	6
03/15/23	Removed US Bank COVID Guidance Updated homebuyer education providers Revised Minimum FICO and Maximum DTI loan products Revised buydown policy Renamed Compliance Process to: Process Summary from Training to Loan Purchase Added Who Signs Program Documents Revised link to US Bank web site	7 7 7 13 16 19 23
06/16/23	Revised income and purchase price limits	8 & 9
10/03/23	Revised contact directory Added eHP FrontPorch	