

Statewide (except Cascade County) Low & Moderate Amortizing Second Mortgage Program

Product	Statewide (except Cascade County) low and moderate amortizing second mortgage																								
Eligibility	<ul style="list-style-type: none"> Total household income must be at or below 125% of the HUD median income guidelines adjusted for family size in the county which the home is located. Borrower must qualify for a 1st mortgage (FHA/VA/CONV/RD) through a participating lender. Borrowers are required to complete a NeighborWorks approved Homebuyer Education class prior to loan closing. <p><i>For FHA 1st mortgages the maximum household income is 115% of the county median.</i></p>																								
Program Summary	<ul style="list-style-type: none"> Available to assist qualified borrowers with their closing costs associated with purchasing a single family home. Borrowers must provide FHA 3.5% down payment. Not required to be a first time homebuyer. Borrowers are required to occupy the home as their principle residence for the duration of the loan. First mortgage must be 30 year fixed rate 																								
Loan Amount	<ul style="list-style-type: none"> Minimum loan amount: \$1,500.00 Maximum loan amount: \$10,000.00 																								
Term	<ul style="list-style-type: none"> Max 30 years for borrowers <80% median income Max 15 years for borrowers >80% median income 																								
Interest Rate	<p><i>Varies according to borrowers income and 1st mortgage lender</i></p> <p><i>** Interest Rate subject to change quarterly – please check nwmt.org for updated rates **</i></p> <table border="1"> <thead> <tr> <th><u>Borrowers Income</u></th> <th><u>Interest Rate</u></th> <th><u>Loan Pool Participant Rate</u></th> <th><u>Term</u></th> </tr> </thead> <tbody> <tr> <td><50% AMI</td> <td>2.00%</td> <td>1.50%</td> <td>Max 30 year term</td> </tr> <tr> <td>51% - 65%</td> <td>4.00%</td> <td>3.50%</td> <td>Max 30 year term</td> </tr> <tr> <td>66% - 80%</td> <td>6.25%</td> <td>4.25%</td> <td>Max 30 year term</td> </tr> <tr> <td>81% - 115%</td> <td>7.25%</td> <td>5.25%</td> <td>Max 15 year term</td> </tr> <tr> <td>116% - 125%</td> <td>7.25%</td> <td>6.25%</td> <td>Max 15 year term</td> </tr> </tbody> </table>	<u>Borrowers Income</u>	<u>Interest Rate</u>	<u>Loan Pool Participant Rate</u>	<u>Term</u>	<50% AMI	2.00%	1.50%	Max 30 year term	51% - 65%	4.00%	3.50%	Max 30 year term	66% - 80%	6.25%	4.25%	Max 30 year term	81% - 115%	7.25%	5.25%	Max 15 year term	116% - 125%	7.25%	6.25%	Max 15 year term
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Ratios	<ul style="list-style-type: none"> Maximum 29/41 unless valid compensating factors apply. 																								
CLTV	<ul style="list-style-type: none"> Cannot exceed 105% of the purchase price. 																								
Asset Limits	<ul style="list-style-type: none"> Borrowers are required to contribute a minimum of \$1,000.00 of their own funds <p><i>More than \$1,000.00 may be needed to comply with the 105% CLTV maximum.</i></p>																								
Fees	<ul style="list-style-type: none"> Loan underwriting fee-\$400 Approximately \$225 in other loan fees <p><i>Fees may be financed into the NeighborWorks Loan</i></p>																								
Collateral	<ul style="list-style-type: none"> Mortgages will be secured by a deed of trust. NeighborWorks Montana to be in 2nd lien position (unless valid compensating factors apply). Mortgage is not assumable. The property cannot have been rented the previous 90 days. 																								
Payments	<ul style="list-style-type: none"> ACH payments are required. 																								