



MONTANA

HOME PURCHASE LOAN PRODUCTS SUMMARY

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		Statewide Low-Mod	20+ Community Second	State HOME Deferred
Program Summary	Product Type	Amortizing subordinate mortgage for down payment and closing costs	Amortizing 2 nd mortgage for down payment and closing costs to eliminate PMI	Deferred 2 nd mortgage for down payment and closing costs Check if available in your area
	Eligible Lenders	Available only through Montana Housing approved lenders	Available only to loan pool invested lenders	Available only through Montana Housing approved lenders
	General Requirements	Owner-occupied Single-family residences only Homebuyer education required	Owner-occupied Single-family residences only Homebuyer education and one-on-one counseling required	Owner-occupied Single-family residences only Homebuyer education required First time homebuyer
	Area Restrictions	State of Montana	State of Montana	State of Montana Check program guidelines for approved jurisdictions
Basic Eligibility	Income Limits	At or below 150% AMI FHA: max income is 115% AMI	At or below 150% AMI	At or below 80% AMI
	Credit Score	640 unless valid compensating factors If mid-credit score of any borrower is below 640 the following additional items are required: 1. verification of rent (VOR) for minimum of 12 months, 2. credit explanation letter from applicant(s), 3. letter from loan officer as to why NWMT should grant a credit waiver		
	Qualifications	Do not have to be first time homebuyer	Do not have to be first time homebuyer	1 st time homebuyer (not owned home in 3 yrs); or single w/dependent children; or household member with a disability
	Purchase Price	Limits only as defined by first mortgage loan	Limits only as defined by first mortgage loan	Limits defined by HUD, refer to HOME Purchase Price Limits document
Loan Terms	Loan Amount	Min \$2,500 Max \$20,000	Min \$10,000 No defined Max, must meet all loan guidelines	Min \$2,500 Max \$50,000 or \$65,000* * if person with a disability, manufactured home, or high cost area
	Term	< 80% AMI 30 years > 80% AMI 15 years	30 years	15 years, extended an additional 15 years if borrower still occupies and owns the property
	Interest Rate	Fixed rate determined by total household income level; Lower rates for EQ2 invested lenders; See product sheet for details	First mortgage rate +2.00%	0.00%
	First Mortgage	FHA/VA/RD/CONV FHA Borrower must contribute the 3.5% required down payment	CONVENTIONAL 80% LTV DU must be "Approved/Eligible"	FHA/VA/RD/CONV FHA-HOME can loan the 3.5% down payment
	Lien Position	NWMT subordinate to other liens prefer 2 nd lien position but allow more subordinated positions	NWMT must be in 2 nd lien position unless valid compensating factors	HOME loan must be in 2 nd lien position
	CLTV	105%	105%	105%
	Payment Requirement	ACH to NWMT	ACH to NWMT	N/A
	Occupancy	Owner occupied Loan due if sell, move out, or death, or if 1 st mortgage is refinanced	Owner occupied Loan due if sell, move out, or death, or if 1 st mortgage is refinanced	Owner occupied Loan due if sell, move out, or death, or if 1 st mortgage is refinanced or paid off
Ratios	Ratios Guidelines	Max 32/42 unless valid compensating factors	Max 32/42 unless valid compensating factors	Housing minimum 28 and maximum 32 Max 42 unless compensating factors
	Ratio Calculations	Compensating factors for ratios outside of stated maximums include stable employment, good credit, low payment shock (mortgage payment similar to existing rental payment), low overall debt, etc. NWMT follows the income and debt approach of the first mortgage for items such as medical debt and student loans.		
Assets and Borrower Contribution	Asset Limitations After Closing	Liquid = \$15,000 Total = \$100,000	Liquid = \$15,000 Total = \$100,000	Liquid = \$10,000 Total = \$100,000
	Minimum Investment	\$1,000	1% of purchase price or \$1,000 whichever is greater	1% of purchase price or \$1,000 whichever is greater
	Matching Funds	None required	None required	If first mortgage is not MBOH need 5.00% of the NWMT loan as match (includes seller paid, gifted funds directly to title company, etc.)
	Fees	Loan Fee: \$425 PP interest, title fees, recording	Loan Fee: 2% of NWMT loan amount PP interest, title fees and recording	Loan Fees paid by Lender
Property Requirements	Previous Property Tenancy	If property was a rental need to have proof that tenant was given proper notice for end of lease	If property was a rental need to have proof that tenant was given proper notice for end of lease	Property cannot have been rented in last 90 days
	Property Quality	Allow holdbacks at closing for repairs	Allow holdbacks at closing for repairs	All repairs must be completed prior to closing unless clear justification for holdbacks due to timing or weather; NWMT requires and orders an HQS inspection; No paint problems allowed if built prior to 1978

Together we strengthen our communities by providing education and financing that gives every Montanan the opportunity to live in a home where they can thrive.