



MEMORANDUM

VIA E-MAIL

TO: WVHDF Participating Lenders

FROM: Jon M. Rogers  
Senior Division Manager – Single Family Lending

DATE: Thursday, February 11, 2021

SUBJECT: \$1500 Lender Credit Offer

Effective immediately, the Fund is pleased to announce an exciting, new initiative that provides eligible applicants a \$1500 Lender Credit to be used for closing costs and pre-paid items on applicable transactions. Loan purpose, product, income, and property limitations apply, as follows:

1. Loan purpose must be either **purchase** or **limited cash-out refinance** on primary, 1 – 4 unit dwelling
2. The incentive is available on the following WVHDF products *only*:
  - a. **Conventional Movin' Up and Movin' Up Special** (purchase), and
  - b. **Secondary Market (FNMA)** (purchase or limited cash-out refinance)
3. Income must not exceed the applicable county's **80% area median income (AMI)** limit
  - a. Income limit is applicable to the Borrower(s) qualifying/DU income only. (Caution: Conventional Movin' Up/Movin' Up Special purchases are still subject to program eligibility calculations for federal compliance.)
  - b. Link to Fannie Mae Area Median Income Lookup Tool:  
<https://ami-lookup-tool.fanniemae.com/amilookuptool/>
4. Subject property must be in a **Fannie Mae Duty to Serve Rural**, WV census tract:
  - a. <https://www.fhfa.gov/DataTools/Tools/Pages/Duty-to-Serve-High-Needs-Counties-with-Rural-Tracts-Map.aspx>
5. The credit *cannot* be used for down payment assistance, only closing costs or pre-pays. There is no repayment, additional lien, or note securing the funds.
6. Lenders utilizing the incentive must reserve the \$1500 credit separately at initial loan registration for funding purposes. Please refer to registration guidance on the next page.

**Closing and Funding**

Lenders should advance the \$1500 credit to the closing table from their own account. When the Fund receives the file for purchase, we will reimburse the lender for the credit at par.

### Disclosure

Lenders are to disclose the \$1500 on the Legacy 1003 (Details of Transaction, I. Other Credits)/URLA (4d. Grant, Not Deposited, Lender), and Loan Estimate and Closing Disclosure (J. Lender Credit).

### Underwriting

1. Non-delegated Underwriters: The Fund will make a note to your DU findings upon verification of eligibility.
2. Delegated Underwriters: For loans utilizing the credit, please indicate "\$1500 Grant – Special Feature Code/SFC 843" on your Underwriting Compliance Sheet and the qualifying income amount used in DU. We suggest placing this in the Mortgage Insurance section. Example:

MORTGAGE INSURANCE			DI
<input type="checkbox"/> FHA #	\$1500 Grant - SFC 843		FI R/ &
<input type="checkbox"/> VA <input type="checkbox"/> USDA/RD <input type="checkbox"/> MI	DU Income \$64,500yr		
<b>COMPLIANCE: DOCUMENTS RECEIVED, REVIEWED, AND APPROVED BY PARTICI</b>			

### Registration

A separate reservation is required to secure the credit. Regardless of your transaction type, please input the following product features along with the usual Borrower/property information:

- Occupancy: Primary Residence
- Loan Purpose: Purchase, or Limited Cash-out Refinance
- Loan Type: Conventional
- Rate: 0.001% (this is only to satisfy the system's interest rate requirement)
- Term: 120 (this is only to satisfy the system's term requirement)
- Base and Total Loan Amounts: \$1500
- Product: 9001 SEC MKT \$1500 GRANT
- Lock Period: 60

**At this time, the Fund is limited to 40 transactions utilizing this credit and all associated loans must close on or before December 15, 2021. We will keep you informed of availability.**

As always, please let me or other Single Family staff know if there are additional questions. We appreciate your partnership.