

Louisiana Housing Corporation

Delta 100 Program



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Delta 100 Program Training Agenda



- Welcome & Introductions
- Delta 100 Program and Overview
- Questions

Delta 100 Program Partners



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The Louisiana Housing Corporation's mission is to ensure that every Louisiana resident is granted an opportunity to obtain safe, affordable, energy-efficient housing.

Each day this ongoing challenge is met by a dedicated staff of professionals who allocate federal and state funds to help working families make their housing dreams a reality.

We administer federal and state funds through programs designed to advance the development of energy efficient and affordable housing for working families, drive housing policy for Louisiana and oversee the state's Disaster Housing Task Force.



Home Bank is committed to serving the needs of our communities. We have earned our reputation as trusted financial partners for families and businesses across Louisiana and Mississippi and Texas, because our bankers put you first. It's part of our culture, and it's what sets us apart. We are focused on integrity, innovation and a commitment to providing exceptional service.

At Home Bank, you'll find a welcoming atmosphere and bankers who take the time to understand your needs and goals. We invite you to visit one of our locations to find out why more people are coming home, to Home Bank.

Delta 100 Program Overview

- In house Conventional loan product only
- 30 Year fixed rate
- Owner Occupied
- Up to 100% LTV
- First Mortgage Only
- Income Limits – HUD 80% AMI by parish and household size
- No Mortgage Insurance required
- First Time Homebuyer only

Delta 100 Program Overview



- Closing Cost Assistance Grant – up to 3% of the loan amount
- Seller concessions – up to 6% includes seller paid 2% SRP
- The Delta 100 Program is not a “**No Doc**” or “**Low Doc Program**”. Documentation supporting income, assets, and credit are required.
- Louisiana Housing Corporation Homebuyer Education Course required
- 1 Unit property (single family detached, condo, townhome, modular and manufactured – double wide, permanently attached)

Delta 100 Program Fees

Program Fee	seller required to pay 2% fee – retained by lender
Compliance Fee	\$75
Core Logic Flood Certification Fee	\$14.50
Tax Service Fee	\$101
Wire Fee	\$40
Appraisal Report Fee	\$500
Traditional Tri-merge Credit Report Fee	\$50.72

Delta 100 Program Benefits




- Up to 100% financing, dependent upon credit score
- Borrowers denied through conventional methods, may be considered eligible for participation
- No Minimum Credit Score
- Low interest rate “under market rate”
- Buydowns are not allowed
- 3% toward closing cost and prepaid items (grant)
- Non-traditional credit allowed

Delta 100 Program Eligible Borrowers



HUD 80% AMI Household Income

First Time Home Buyers

- No ownership for any property within 3 years.
 - Single Parent with dependents who has only owned with a former spouse while married.
 - Displaced Homemaker who has only owned with a former spouse while married.
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Delta 100 Program Borrower Requirements



- Borrower Minimum Requirement – 1% of purchase price of \$1500 - whichever is less (contributed toward down payment, closing cost, or prepaid items) – No Gift, No Credit
- Reserves 2 months PITI – cannot be a gift
- Ratios: **PITI range 28% - 31%** **DTI range 39% - 41%**
- Borrowers must have the monthly payment auto drafted from their bank account.
- Continuous Employment for at least 2 years with no breaks in employment
- Co-Signers and Non-Occupying Co-Borrowers are not allowed.

Delta 100 Program Credit Qualifications



Delta 100 is a non traditional credit program. Credit Score is not required, but the better the score, the better the program is for the borrower.

579 or below / No Credit Score	70% LTV, 10% own funds + 20% gift
580 – 599	80% LTV, 10% own funds + 10% gift
600 – 619	90% LTV, 5% own funds + 5% gift
620 or above	100% LTV

Non Traditional Credit Requirements
12 months Rental History
2 additional non-traditional credit references

Borrower’s with a credit score 619 and below may be required to participate in Home Bank’s Credit Builder.

Delta 100 Program Homebuyer Education Requirement

Louisiana Housing Corporation "First Time Homebuyer" 2 Day Zoom Webinar class – Free. Two classes given per month

<https://www.lhc.la.gov/events>

Sonja Smith, HUD certified instructor
Sarah Davis, HUD certified instructor



Delta 100 Program Eligible Parishes

Caldwell	Catahoula
Concordia	East Carroll
Franklin	Madison
Morehouse	Pointe Coupee
Richland	Tensas
West Carroll	Ouachita (excluding City of Monroe)

Delta 100 Program Occupancy Requirements

Period of Affordability – Time required to live in the property

Funds Provided	Time
Less than \$15,000	5 Years
\$15,000 - \$40,000	10 years
Greater than \$40,000	15 years

Delta 100 Program Rate and Reservations



- Interest Rate – “Below market rate”
- Reservation can be made daily
- Step by step instructions for reservations can be found in the LHC Program Reservation Guide.
- Once the reservation is completed, print the *Loan Confirmation – Exhibit A*.
- Once a reservation is made, the rate lock will remain with the borrower throughout the lock period.

Delta 100 Program Deadline Requirements



- Compliance Loan Package **must be submitted** to LHC for compliance review.
- Closed loan files **must be delivered** to LHC within 65 days of reservation.
- **Loans must be purchased** within 80 days of the reservation date.

Delta 100 Program Compliance File and Closing File Checklists

- **Exhibit G1** provides the list of required documentation when submitting the Compliance File to LHC for approval.
- **Exhibit G2** provides the list of required documentation when submitting the Closed Loan Package to LHC for approval.

LHC will review the submitted documentation for completeness and accuracy within 72 business hours. If documentation is omitted, LHC will issue a list of outstanding conditions and all conditions must be cleared prior to approval.

Delta 100 Requisition Wire Request



- The lender must email the Requisition Form/Wiring instructions, Exhibit E and Complete Preliminary Closing Disclosure to singlefamily@lhc.la.gov *and* mrbaaccounting@lhc.la.gov no later than 36 hours prior to the scheduled loan closing date with cut off being 12:00 p.m.
- The lender will fund the 1st mortgage loan amount at closing and LHC will provide the Closing Cost Assistance at the closing table.
- The Closing Cost Assistance should be labeled “LHC Closing Cost Assistance” on the complete preliminary closing Disclosure and be placed Line L06 to Line L11.

Delta 100 Program Loan Purchase



- Loans will be serviced by AmeriNat, LHC's sub-servicer. Once closed loans are approved for purchase, they will be transitioned over immediately for servicing.
- LHC will reimburse the lender the full loan amount deducting any outstanding fees after post closing is complete.

Delta 100 Program Documents

The Delta 100 Program documents will be available after the reservation is completed from the online reservation system.

Exhibit A – Confirmation Report	Exhibit H – Homeownership Summary Agreement
Exhibit B – Reservation Document	Exhibit I – Program Limits
Exhibit C1 - Commitment	Exhibit K – Underwriter Certification Form
Exhibit C2 – Notice of Denial	Exhibit L – Seller Affidavit
Exhibit E – Requisition Form	Exhibit M – Borrower Affidavit
Exhibit F – Closing Certification	Exhibit N – Annual Monitoring Compliance Certification
Exhibit G1 – Compliance Checklist	
Exhibit G2 – Closing Checklist	

Delta 100 Program



Questions?

LHC Contacts

Homeownership Director and Chief Sustainability Officer

Brenda Evans

bevans@lhc.la.gov

225-763-8852

Single Family Manager

Cody Henderson

chenderson@lhc.la.gov

225-763-8650

Compliance Specialist

Kelya Woods

kwoods@lhc.la.gov

225-763-8687

Shannon Jenkins

sjenkins@lhc.la.gov

225-763-8676

Kevin McCleary

kmccleary@lhc.la.gov

225-763-8707

Sarah Davis

sdavis@lhc.la.gov

225-763-8698

Sharonda Rachal

srachal@lhc.la.gov

225-763-8640

Business Development Officer

Daniel Duggan, supervisor

dduggan@lhc.la.gov

225-953-2022

Terry Hale

thale@lhc.la.gov

225-975-2913

Dexter Alexander

dalexander@lhc.la.gov

225-939-6843

HUD Homebuying Counselor

Sonja Andrews-Smith

ssmith@lhc.la.gov

225-763-8654

Administrative Assistant

Monica Meilleur-Mealancon

mmeilleur-mealancon@lhc.la.gov

225-763-8678



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(225) 763-8700 • LHC.LA.GOV