

LOUISIANA HOUSING CORPORATION

John Bel Edwards
Governor

Joshua G Hollins
President

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December 8, 2022

2022 B/C PROGRAM BULLETIN

TO: PARTICIPATING LENDERS
FROM: LOUISIANA HOUSING CORPORATION
RE: 2022 B/C SINGLE FAMILY PROGRAM NOTICE

Attached is a program notice for the 2022 B/C Program.

Beginning at 12 noon Thursday, December 8, 2022, we will continue and begin accepting reservations of funds for the LHC Tax Exempt, Taxable and HOME/MRB Program through our website at www.lhc.la.gov.

THE RESERVATION PROCESS

The Single Family Team will monitor the reservation and compliance processes. The telephone number for inquiries is 225-763-8700.

A new reservation will not be issued or honored in the 2022 B/C Program if the borrower has an existing confirmed reservation in one of the Corporation's current programs or if the borrower has a reservation in an existing Program that is **cancelled, expires, or is withdrawn within 30 days** of the start of this program.

Confirmation of reservations will occur on line. Should there be a problem with your reservation you will be contacted by a member of the Single Family Staff. A complete compliance package must be received by LHC within 40 days from the date the reservation is confirmed.

MEMORANDUM

To: Participating Lenders

From: Louisiana Housing Corporation

Date: December 8, 2022

Re: Louisiana Housing Corporation
Single Family Mortgage Revenue Bonds
2022 B/C Program

PROGRAM NOTICE

In December 2022, the Louisiana Housing Corporation will deliver the above captioned bonds to finance the purchase of GNMA/FNMA/Freddie Mac Certificates backed by mortgage loans to be originated by Lenders participating in the Corporation 2022 B/C Program. **The borrower's investment will be regulated by the particular type of loan being made – FHA, VA, RD or Conventional. There will be no origination or discount points charged to the borrower. Lenders will be compensated upon delivery of loans to Master Servicer at a rate of 2.00% of the loan amount.**

The 2022 B/C Schedule of Program Limitations/Requirements accompanying this letter sets forth key dates, interest rates and other information relating to the 2022 B/C Program. Please note the following important features of this program:

Assisted Program - \$34,500,000 - will initially bear interest at **6.11%% for Conventional Mortgages and 5.91% for Government Mortgage**. Assistance payments equal to 4% of the Mortgage Loan amount will be paid at closing to cover part of the down payment and closing

costs. The program is subject to rate changes as deemed by the market. Lenders should check rates daily.

First Responders (Police, Firefighters and Paramedics) and Teachers' Assisted Program - \$5,000,000 - will initially bear interest at **6.57% for Conventional Mortgages and 6.37% for Government Mortgages**. Assistance payments equal to 4% of the Mortgage Loan amount will be paid at closing to cover part of the down payment and closing costs. Lenders should check rates daily.

To qualify for this special set-aside, the borrower must 1) be an active, full time employee of a city, parish, or state police, or firefighter; or 2) be a full time, licensed and employed paramedic or 3) be an active, regular, full time teacher of a parish, city, state, or private school board, holding a Louisiana teacher's certificate and whose employment requires such a certificate.

Borrowers **do not have to be first time homebuyers**, but must certify that this property will be their primary residence and they cannot own additional residential property. The annual income limit for all parishes is \$110,000.00

NOTE: Lenders desiring to participate in the special First Responders and Teacher's Assisted Program must execute the Louisiana Housing Corporation **Program Lender Agreement – Single Family Bond Program (Taxable)** attached to this notice as Exhibit A – prior to reserving a loan under the set aside. Lenders will also be required to execute Exhibit V – Lender Mortgage Loan Closing Certification post-closing.

HOME/MRB Program - \$1,000,000 - will initially bear interest at **5.41% for Conventional Mortgages and 5.41% for Government Mortgages**. Assistance payments equal to 5% to 9% of the Mortgage Loan amount will be paid at closing to cover part of the down payment and closing costs. The program is subject to rate changes as deemed by the market. Lenders should check rates daily.

Lenders' Compensation

In support of a zero point/zero discount loan format for all loans, the Master Servicer will pay to lenders a **2.00%** lender fee plus amounts sufficient to reimburse Assistance Payments on Assisted Loans. PLEASE NOTE: MORTGAGE LOANS, INCLUDING THE LENDER MORTGAGE LOAN CLOSING CERTIFICATE (EXHIBIT V) NOT SUBMITTED TO THE Master Servicer within 31 days of closing will be assessed a late fee of .25% which will result in a reduction of the purchase price of the mortgage loan. The Master Servicer will not purchase a mortgage loan submitted more than 45 days following closing.

Waiver of the First-Time Homebuyer Rule

The first-time homebuyer rules are **waived** for the First Responders and Teacher Assisted Program.

Under the Assisted Program, the first-time homebuyer rules are **waived if**:

1. An individual who is a displaced homemaker and has only owned with a spouse.
2. A single parent who has only owned with a former spouse while married.
3. Targeted areas as reflected on **Exhibit P** (does not apply to HOME/MRB loans).

Exhibits

Current purchase price limits, income limits and bond documents and checklist can be referenced, downloaded and completed at [Resources for Homeownership \(la.gov\)](https://www.la.gov).

2022 B/C PROGRAM LIMITATIONS/REQUIREMENTS

Program Type	Assisted	HOME/MRB	First Responders and Teachers
Program Dollar Amount	\$34,500,000	\$1,000,000	\$5,000,000
Conventional Loan Rate	6.11%	5.41%	6.57%
Government Loan Rate	5.91%	5.41%	6.37%
Assistance Provided	4%	5% to 9% based on mortgage amount	4%
Loan Term	30 Years	30 years	30 years
Start Date	12/08/22	12/08/22	12/08/22
Compliance Package Delivery Deadlines	1/23/23	1/23/23	1/23/23
Loan Closing Deadlines	75 days from reservation date	75 days from reservation date	75 days from reservation date
Mortgage Loan Sale Date	100 days from reservation date	100 days from reservation date	100 days from reservation date
Code Compliance Fee	\$75.00	\$75.00	\$75.00
Number of Living Units	1	1	1

All types of loans are allowed in each program - FHA, VA, RD, & Conventional.

*The Compliance Package for each loan must be received by Louisiana Housing Corporation within forty (40) days from the date of the Confirmation of Reservation. The loan must close within seventy-five (75) days from the date of Confirmation of Reservation, but in no event later than the deadlines specified.