



Louisiana Housing
Corporation

Last Updated: June 27, 2022

The Key to Homeownership

Partnership between and **Lakeview Loan Servicing** and **Louisiana Housing Corporation** using conventional and government loan options to help Louisiana Residents realize their homeownership dream.

Qualifies as an approved provider of down payment assistance under Fannie Mae, Freddie Mac, FHA, VA and USDA guidelines



Benefits

- Up to **5%** assistance for down payment, closing costs and/or prepaid items.
- First-time homebuyer requirement does not apply.
- Reduced mortgage insurance options available.
- No additional bond documents or compliance package required.
- Competitive **30-year** fixed rate mortgages.

Program Highlights

- Purchase transactions only.
- Proceeds can be used for **100%** of the borrower's down payment.
- Conventional and Government (**NEW**) first loan options are available.
- Rates are posted daily on [Louisiana Housing Corporation's website](#).

Program Highlights, continued

Home Buyer Education

- Required for all first-time homebuyers.
- Must be completed prior to close and Lender must retain the certificate of completion in the loan file.
- Online or in person Homebuyer Education course must:
 - meet both LHC and Agency guidelines and
 - meet the standards defined by the National Industry Standards for Homeownership Education and Counseling or be HUD approved.

Eligible Properties

- Eligible property types:
 - 1-2 unit primary residences
 - 2 units: Fannie Mae HFA Preferred only
 - Townhomes
 - PUDs
 - Condominiums
 - Leaseholds
 - Manufactured Homes (**NEW**)
 - **Government only**

Manufactured Home Guidelines

FHA & USDA Only

- Minimum 660 FICO
- 45% Maximum DTI
- Leaseholds not Eligible
- Doublewide or Greater Manufactured Homes only
- USDA Existing Manufactured Home Pilot :
 - Manual underwrite required for this program only. Must utilize the USDA stacking order checklist for Manual Underwrite and follow all USDA Manual Underwriting guidelines.
 - No credit exceptions permitted
 - Debt ratio waivers permitted per USDA guidelines
 - Refer to USDA Existing Manufactured Homes Pilot program at www.rd.usda.gov/files/RDUL-SFHpilots.pdf for more details

*Please refer to the [product matrix](#) for complete program guidelines.
(www.LakeviewCorrespondent.com/MRN/Product Matrices)*

Income Limits

- **Program Income Limit:** Refer to the Premier Program information posted Louisiana Housing's website.*
- **Conventional loans**
 - Use [Fannie Mae's income lookup tool](#) or [Freddie Mac's income lookup tool](#), (as applicable), to find AMI information.
 - Different pricing options may apply depending on product selected. (Less than or equal to 80% AMI vs greater than 80% AMI.)
- **All verified qualifying income must be applied against the applicable program income limit.**
 - Household income does not apply for program income limit*, only the borrower's income.

*USDA income limit may be more restrictive

Qualifying Income

Lender must attempt to verify all income listed on the application or disclosed through the loan process.

- What is the definition of **disclosed through the process**?
 - Listed on the 1003
 - Shown on the pay stubs
 - Shown on a written verification of employment
 - Shown on tax documents
- If the additional income does not meet investor guidelines (ex. one-time bonus), it does not need to be added to the application and run through the AUS. However, the **Underwriter must indicate** on the 1008/appropriate government form **why it was not used for qualification.**

Example: “Verified that borrower’s bonus was one-time and therefore did not use it.”

Qualifying Income Examples

Example 1

- The 1003 lists a second job, but it is not needed to pass ratios.

Does the income need to be developed?

- **Yes**, review the income documentation and determine if the income meets the guidelines: continuity, history, etc.
 - **If it does**, add it to the LOS and run through AUS for qualification.
 - **If it does not**, underwriter documents why.

Example 2

- The Underwriter reviews a pay stub and sees a bonus or overtime income that was not listed on the 1003.

Does the income need to be developed?

- **Yes**, review income documentation and determine if the income meets guidelines: continuity, history, etc.
 - **If it does**, add it to the 1003, LOS, and run through AUS for qualification.
 - **If it does not**, Underwriter documents why.

Conventional Premier Program- First Mortgage Loans

- Fannie Mae's **HFA Preferred** loans and Freddie Mac **HFA Advantage** loans only.
 - Standard Freddie Mac and Fannie Mae loan products are not permitted.
- **LTV/CLTV:** Up to maximum **97%/105%**
- All Borrowers must have a **FICO score** of no less than **640**.
- **Maximum DTI:** The **lesser of 50% or what AUS approves**.
- **Underwriting: Approve/Eligible** from DU or **Accept/Eligible** from LPA; manual underwriting and/or non-traditional credit are not permitted.
- **Employment and income documentation follow DU/LPA findings**, with a few exceptions:
 - Tax transcripts are required when utilizing 1040 income, working for family, or using WVOE as stand-alone income verification.

Conventional Premier Program- First Mortgage Loans

- Lower “Charter or Custom” Mortgage Insurance coverage is available for loans with **AMI ≤ 80%**.

LTV	Coverage
95.01%-97%	18%
90.01-95%	16%
85.01-90%	12%
80.01-85%	6%

- See the product matrix for more information.

In the case of conflicting guidelines, lender must follow the more restrictive guidelines of the HFA program, Fannie Mae or Freddie Mac (as applicable), Mortgage Insurer, Lender, or Lakeview Loan Servicing.

Second Loan Entry into DU and LPA

- Within **DU**, second loans are entered as a **liability** and in the **Community Lending** section. Remember to fill out the correct **repayment type** for the **Community Second** as well. Use **“Payments deferred”**.
- Within **LPA**, the second loan information is entered into the section entitled: **Other New Mortgage Loans on the Property You are Buying or Refinancing**.
 - Click the circle **Yes** under the question: **“Is the Other New Mortgage an Affordable Second?”**.
 - Click the circle **Yes** under the question: **“Is the Affordable Second Payment Deferred?”**.

Government Premier Program - First Mortgage

- Effective with all locks on or after **July 5th**

FHA/VA/USDA

- Maximum LTV: **FHA 96.5%, VA 100%, USDA 100%**. CLTV – **per investor guidelines**
- All borrowers must have a **FICO** score of no less than **640**. (No additional LLPAs assessed)
- Maximum DTI is the lesser of **50%** or DU/ LPA approval.
- **Underwriting: Approve/Eligible** from DU or **Accept** from LPA (FHA/VA) GUS (USDA).
- Manual underwriting is permitted (FHA only) subject to additional guidelines (refer to product matrix).
- Employment and income documentation follow AUS findings and investor guidelines with a few exceptions:
 - Tax transcripts are required when utilizing 1040 income, working for family, or using WVOE as stand-alone income verification.
- **Mortgage insurance required per investor guidelines.**

Premier Program-Second Mortgage

- Refer to Louisiana Housing Corporation Premier Program guidelines for all second mortgage requirements.
- **3%, 4% or 5%, Down Payment Assistance options.**
- **Assistance is in the form of a 3-Year Forgivable** Second Mortgage.
 - **0% interest**, no payments are required.
 - Forgiven at **1/36th per month.**
 - Second loan proceeds are advanced by the originating lender. Lenders will be reimbursed for the second mortgage at the time of first loan purchase by Lakeview.
 - Second mortgage documents will be sent to lenders by LHC.
- No DPA Options are also available

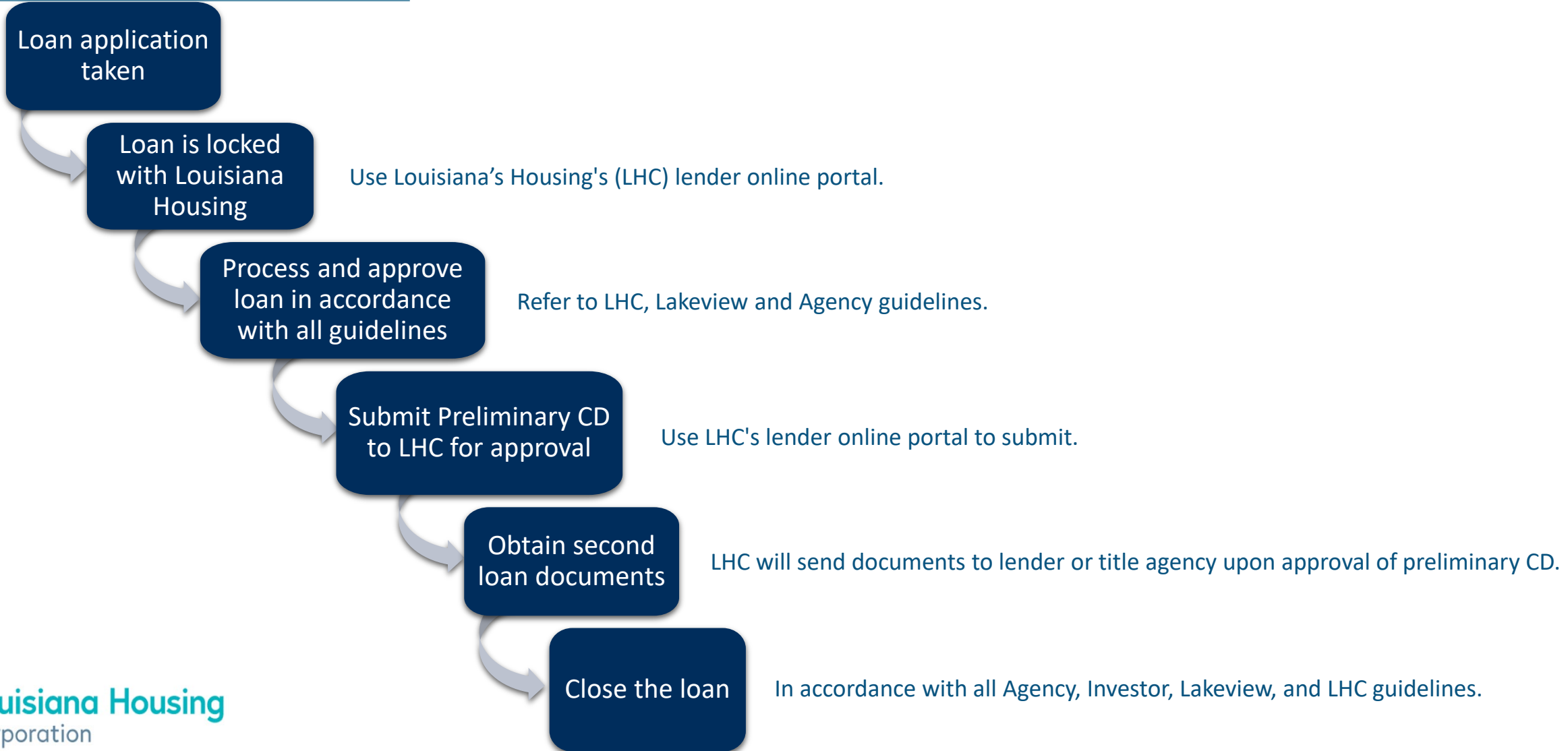


Other Program Information

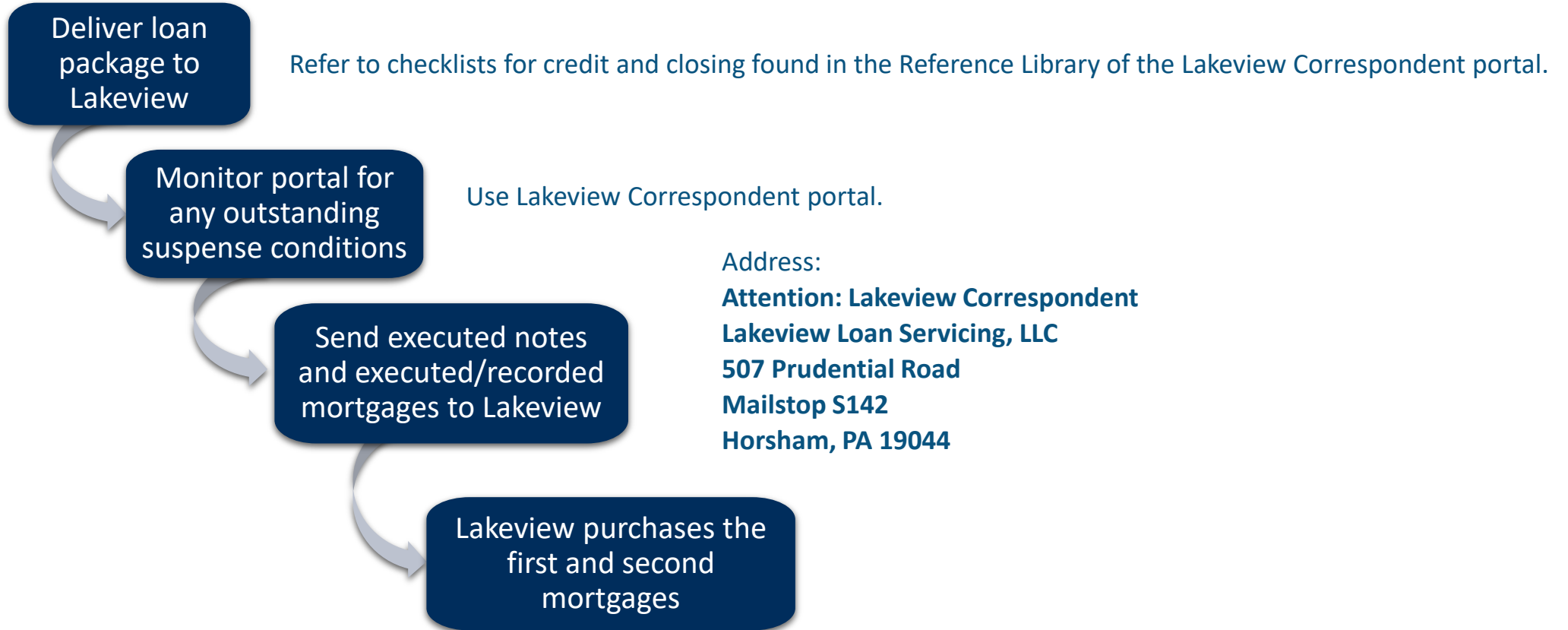
Fees:

- Lenders may charge mortgage related fees that are reasonable and customary.
- **No** origination fees permitted.
- Recording fees are the only allowable fees **on second DPA liens**.
- Program does not allow discount points to be charged to borrower(s).
- Netted at purchase by Lakeview Loan Servicing:
 - Correspondent lender fees: **\$400 funding fee, \$10 flood cert fee, \$75 tax service fee, and \$75 compliance fee**
 - 100% of the amortized balance of the first and second DPA mortgage
 - **SRP 2%** of the amortized balance of the first mortgage the date of purchase
 - Accrued interim interest up to the date of purchase

The Process



The Process, continued



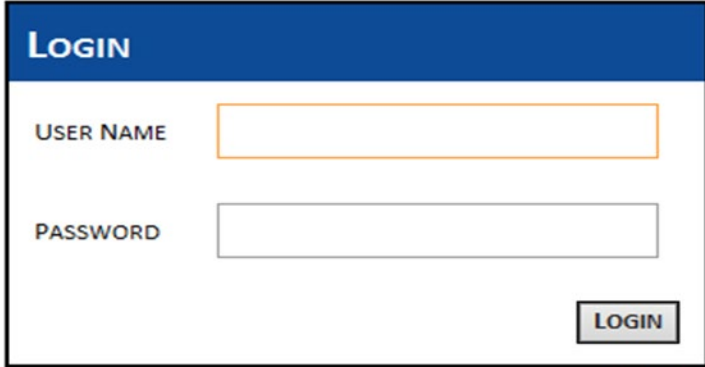
Louisiana Housing Corporation – Portal Access

- To request an User ID and password, please email the following information to singlefamily@lhc.la.gov.
 - Name
 - Position
 - Company Name
 - Physical Address
 - Phone Number
 - Fax Number
 - Email Address
 - Chums # (if underwriter)
- When entering the address, phone and fax numbers, please enter your actual location, not the home office.
- Once you are set up in the system, you will receive an email from Sonja Andrews (ssmith@lhc.la.gov) or Cody Henderson (chenderson@lhc.la.gov) with your user ID and password in it. Once you receive this email, you will be able to log into the system and complete your lock/reservation request.



Louisiana Housing Corporation – Locking Loan

- Go to website: <https://webapps4.lhc.la.gov> and Log into the LHC Online Reservation System.
- Fill in all fields or upload a 3.2 file from your LOS
- For complete step-by step instructions on LHC’s system, refer to the job aid posted on [Louisiana Housing Corporation’s Website](#).
 - If at any time assistance is needed, please contact LHC Single Family at (225) 763-8700.



LOGIN

USER NAME

PASSWORD

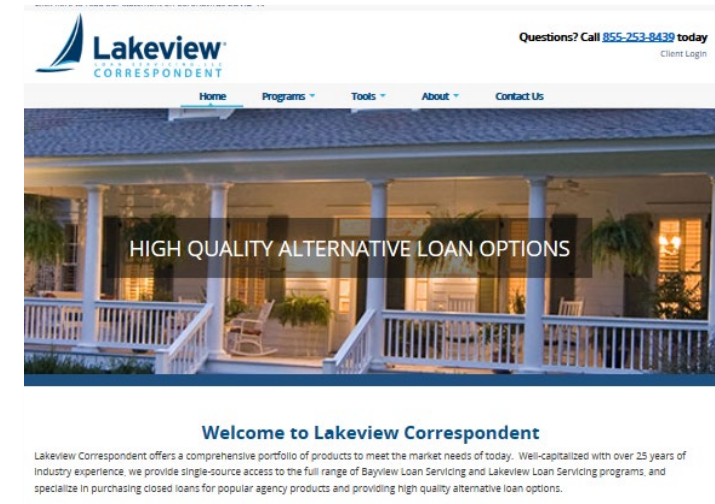
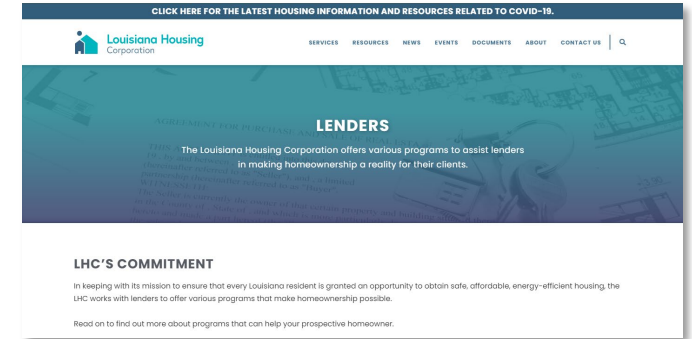
LOGIN

[REGISTER](#)

[RESET PASSWORD](#)

Online Resources

- For more information or questions about the **Louisiana Housing Corporation Premier Program** options, refer to the [Louisiana Housing Corporation Website](#).
- For more information or questions about the **First Mortgage or delivery process** go to the Lakeview Correspondent Portal at: www.lakeviewcorrespondent.com
 - Please note, access to the site may be limited by your organization. Follow your internal process for obtaining information on program details.



Questions?

Topic	Who to contact
General Product or Process	Contact your internal product development or training team.
Pricing and Program Guidelines	Pricing and guidelines are available in most product and pricing engines. Contact your internal lock desk on how to access pricing.
Loan-level Issues	Consult your Lakeview Business Development Director, Client Manager, or the Lakeview Underwriting Scenario desk (UnderwritingQuestions@Bayview.com), as applicable. Call 1-855-253-8439 and follow prompts for the applicable choice or send an email.



Any Questions?



Thank you!