



Product Guide

Housing Stability Program 100% Grant Gift Down Payment Assistance

Oklahoma Housing Stability Program 100% Grant Gift DPA Program provides 5% or the purchase price as down payment assistance that is 100% forgiven after 3 years (36 months) of living in the eligible property as a primary residence.

This **Housing Stability Program 100% Grant Gift DPA** product guide notice is provided to each Lender known by Oklahoma Housing Finance Agency (OHFA) that is doing business with the Oklahoma Housing Stability Program 100% Grant Gift program. Lenders have the necessary qualifications to participate with OHFA and have been approved by OHFA Housing Stability Program 100% Grant Gift DPA. This product guide is **not a substitute for the First Mortgage guidelines.**

<b>ISSUER AND REVIEW AGENT:</b>	
Oklahoma Housing Finance Agency 100 NW 63 <sup>rd</sup> Street Oklahoma City, Oklahoma 73116 405-419-8201 or 1-800-256-1489 Ext 8201	OHFA is an instrumentality of government
	EIN Number: 73-0999618
<b>WEBSITE AND LINKS:</b>	
Eli Vargas	<a href="http://www.ohfa.org/housingstability">www.ohfa.org/housingstability</a>
HSP Administrator	<a href="mailto:hspgiftdpa@ohfa.org">hspgiftdpa@ohfa.org</a> – Loan Notifications email
<a href="mailto:eliezer.vargas@ohfa.org">eliezer.vargas@ohfa.org</a>	<a href="mailto:hspgiftdpa@ohfa.org">hspgiftdpa@ohfa.org</a> – Loan Questions email
405-419-8201	

**HOUSING STABILITY 100% GRANT GIFT DPA REQUIREMENTS**

- CAN BE OFFERED AS A STAND ALONE DPA WITH THE FIRST MORTGAGE LOAN PRODUCT OF THE BORROWER/HOMEBUYER’S CHOICE WITH THE APPROVED LENDER.
- IS SUBJECT TO ALL LOAN PRODUCT GUIDE REQUIREMENTS FOR PURCHASE PRICE LIMITS.
- SUBJECT TO REPAYMENT OF PRO-RATED BALANCE IF BORROWERS LEAVE RESIDENCE AS THEIR PRIMARY RESIDENCE IN LESS THAN 36 MONTHS AFTER LOAN CLOSING.
  - The total balance of the Down Payment and/or Closing Cost Assistance received is pro-rated by 1/36 for each month the borrower remains in the property as their primary residence and is 100% forgiven after a 3-year period. Borrowers who leave the property as their primary residence less than 36 months from the date of loan closing will be responsible for repaying the prorated balance of the total amount granted at closing to the Oklahoma Housing Finance Agency.
- ELIGIBLE HOMEBUYERS:
  - Homebuyers who purchase a home built with financing from OHFA Approved and OHFA Administered State Funds including the Oklahoma Housing Stability Program and the Oklahoma Housing Trust Fund.
  - MUST have a financed loan – no cash buyers.



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#### HOUSING STABILITY 100% GRANT GIFT DPA REQUIREMENTS CONTD.

- If coupled with OHFA Legacy 3.5% DPA Program, lenders must follow all published Housing Stability Enhanced DPA guidelines
- Housing Stability 100% Grant Gift cannot be added to the OHFA Legacy Dream Zero Loan Program.

#### DOWN PAYMENT ASSISTANCE AND APPLICATION

- 5.00% of the purchase price Down Payment Assistance
- Zero percent (0%) interest, zero (0) monthly payment, (0) Fees added Deed Restriction filed on the property. Original recorded Deed Restriction to be sent to OHFA 100 NW 63<sup>rd</sup> St Attention: Housing Stability Program Oklahoma City OK 73116
- Pro-Rated 1/36 DPA repaid to OHFA only if borrower doesn't remain in the property as their primary residence for 36 months from the date of loan closing
- DPA 100% forgiven after borrower resides in the property as their primary residence for 36 months after loan closing
- Application of down payment assistance (DPA) provided to be determined after taking into consideration the extent the seller is obligated to pay any portion of the closing costs as provided in the related real estate sales contract
- Housing Stability 100% Grant Gift DPA is funded at closing via wire by OHFA HSP Accounting.
- APPLICATION OF DPA:
  - First, towards meeting minimum down payment requirement applicable to the first mortgage loan originated
  - Second, toward "normal and customary" closing costs
  - Third, towards reduction of first mortgage loan principal balance
  - Max allowed for the Down Payment Assistance is 5.00% of the total purchase price. No portion of the DPA funds can be paid to the borrower unless the borrower is being reimbursed for allowed fees associated with the first mortgage loan. This includes additional gift funds from other sources including family members.
  - Allowed reimbursable fees: earnest money, credit report and appraisal fee
  - Lenders option to charge up to a 1% origination charge and reasonable administrative fees.
  - A principal reduction of the first mortgage loan will be required if any DPA and/or gift funds from any allowable source(s) are remaining after reimbursement of allowable fees
  - Funds may NOT be used to buy down the interest rate of the borrowers mortgage loan.

#### MORTGAGE PRODUCTS AND PROGRAMS

**Housing Stability 100% Grant Gift DPA may be applied to the mortgage loan product of the homebuyer's choice, including all government and conventional loan product options.**

- Lender determined & approved minimum credit score.
- Lender determined & approved maximum payment and total debt ratios.
- Lender/1<sup>st</sup> mortgage loan investor determined and approved Automated Underwriting System finding.
- Lender determined & approved minimum required borrower reserves.
- **Only homes built with OHFA Administered State Funds** are allowed.
- Follow 1<sup>st</sup> mortgage investor underwriting guidelines.



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**MORTGAGE PRODUCTS AND PROGRAMS CONTD**

- Housing Stability 100% Grant Gift DPA and Mortgage Loan REFINANCE:
  - No mortgage loan may replace an existing mortgage loan except for construction period, bridge loans or similar temporary financing having an original term of 24 months or less.
  - Once a mortgagor occupies the home as primary residence then the construction loan is ineligible for refinance.

**QUESTIONS**

Any additional questions, please contact:

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