VHFA Process Training
**VHFA Loan Process Overview**

1. **Reservation**
   - **Reserve** a new loan
   - Print the **Reservation Confirmation** and **Compliance Checklist**
   - Print and work with the borrower to complete the program **Compliance Affidavit**
   - Print and complete the **Income and Acquisition Cost Worksheet**
   - Direct the borrower to complete the appropriate **homebuyer education and counseling**

2. **Compliance Submission**
   - Submit all documents listed on the **Compliance Checklist** to VHFA
   - Receive **Loan Status Change** notification
   - Manage **Unsatisfied Conditions**
   - Print the **Conditional Commitment** from the Loan Origination Center

3. **Closing**
   - Print and complete the **VHFA Forms**

4. **Post Closing Submission**
   - Submit all documents listed on the **Conditional Commitment** to VHFA
   - **Follow submission procedures for U.S. Bank**
   - Receive **Loan Status Change** notification
   - Manage **Unsatisfied Conditions**
   - Print the copy of the **MCC** and/or **ASSIST Funding Notification** (if applicable)
Step 1: Reservation

- Reserve a new loan
- Print the Reservation Confirmation and Compliance Checklist
- Print and work with the borrower to complete the program Compliance Affidavit
- Print and complete the Income and Acquisition Cost Worksheet
- Direct the borrower to complete the appropriate homebuyer education and counseling
Reserve a new loan

Lender compensation is optimized at 60 days (reservation to U.S. Bank purchase) but allows for up to 110 days for loan delivery:

<table>
<thead>
<tr>
<th>Underlying Product</th>
<th>60 day pricing</th>
<th>90 day pricing</th>
<th>110 day pricing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conventional</td>
<td>102.00%</td>
<td>101.75%</td>
<td>101.25%</td>
</tr>
<tr>
<td>Government</td>
<td>102.25%</td>
<td>102.00%</td>
<td>101.50%</td>
</tr>
</tbody>
</table>

Loans can be reserved between 10:00am ET and 7:00pm ET on business days that VHFA is open. Rates are updated every business day and published at 10:00 am ET. If you access Program Rates in the Loan Origination Center before 10:00 am ET you will not see any rates published and you will not be able to submit a reservation.
Reserve a new loan

Select **Register a New Loan** from the Loan Origination Center menu:
Reserve a new loan

(1) Select Program Type (VHFA Program) > (2a) Select Product Type (FNMA Conventional, FHMLC Conventional or Government) > (2b) Confirm ASSIST selection (if applicable):
Reserve a new loan

(3) Complete all **Loan Information** including **Loan Type** selection from dropdown, **Interest Rate** defaults based on VHFA program and product type selected on prior screen:

- Tip: If the borrower has punctuation in their name do not enter (i.e. enter O Connor vs. O’Connor)
- Select FNMA HFA Preferred for automated decisions using DU.
- Select FNMA Manual Home Ready for manual decisions.
Reserve a new loan

(4) Complete Property Information including County, New/Existing and Construction Information:

- CONDOMINIUM
- DETACHED SINGLE FAMILY
- MANUFACTURED
- ATTACHED SINGLE FAMILY
- EXISTING DUPLEX
Reserve a new loan

(5a) Complete Mortgagor Information including Ethnicity and Marital Status:
Reserve a new loan

(5b) Complete Co-Mortgagor Information and Second Co-Mortgagor Information if applicable:
Reserve a new loan

(6) Enter Loan Originator NMLS ID > (7) enter Borrower Email; all other fields are required only when the circumstance applies and (8) select Submit:
Print Documents and Forms

(1) Go to Loan Detail and (2) select Print Documents:
Print Documents and Forms

(3) View Print Documents and (4) select the documents and forms from the Click on a Form to Print section:

The following documents and forms will be available to view, download or print:

- Reservation Confirmation
- Compliance Checklist
- Federal Act Income and Acquisition Cost Worksheet
- Program Compliance Affidavit
- Mortgagor Disclosure of Recapture Tax (MOVE, MOVE MCC & MCC only)
# Income and Acquisition Cost Worksheet

**Vermont Housing Finance Agency**

## Federal Act Income and Acquisition Cost Worksheet

**Borrower Name:**

**Co-Borrower/Non-Borrowing Spouse:**

**Property Address:**

**VHFA Loan Number:**

For all Vermont Housing Finance Agency programs, the federal act income calculation must be used. All sources of annual income for each borrower and any non-borrowing spouse must be totaled and gross total annual income cannot exceed the eligible income limits for the Vermont Housing Finance Agency program selected.

**Income**

Complete this section to total gross annual income for each borrower and any non-borrowing spouse:

<table>
<thead>
<tr>
<th>Type of Income**</th>
<th>How to Calculate</th>
<th>Borrower</th>
<th>Co-Borrower or Non-Borrowing Spouse</th>
<th>Total Gross Annual Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Salary or Hourly Wage</td>
<td>Total current annual base salary or weekly base pay annualized or multiplied by 52 weeks.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overtime, Commission, Tips or Diversions</td>
<td>Total amount paid over the last 52 weeks, or if with this employer for less than 52 weeks use the weekly average to date multiplied by 52 weeks.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonuses or Profit Sharing</td>
<td>If paid once a year, include last bonus paid or if paid multiple times in a year add all of bonuses paid over the last 52 weeks.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-Employed</td>
<td>Net profit over the last 52 weeks (depreciation does not need to be added back).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Military</td>
<td>Include base pay, any reserve pay for the last 52 weeks and any non-taxable stipends such as quarters, meals, clothing, etc.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partnership Income</td>
<td>Total income and distributions reflected on line 6-1.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VA Disability</td>
<td>Annuity or amount received.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Security</td>
<td>Annuity or amount received.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annuity or Child Support</td>
<td>Annuity or amount received.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend or Interest</td>
<td>Include amount reflected on most recent statement or return. Note: Interest is being liquidated do not include. If interest is being partially liquidated reduce by ½ of adjustment.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stipends</td>
<td>Annuity or amount based on most recent award letter.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployment</td>
<td>Include unemployment income within 30 days (i.e. seasonal workers) and reflect total annual received over the last 52 weeks.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Assistance</td>
<td>Annuity or amount based on most recent award letter.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subject Property Rental Income</td>
<td>Includes 50% of gross rent based on (a) market rent or (b) lease agreement.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>Annuity or amount received.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| | Total Gross Annual Household Income: | | | |
| | Total number of people in household: | | | |

**Note:** If a borrower, co-borrower or non-borrowing spouse has more than one source for any income type, complete the calculations (as applicable) for each income type and enter the sum of all income sources in the appropriate field.

### Input required:
- Borrower, Co-Borrower and any Non-Borrowing Spouse
- Property Address
- VHFA loan number

### Input required:
- Income for Borrower, Co-Borrower and any Non-Borrowing spouse.
- Follow the instruction in the ‘How to Calculate’ column.

### Total Gross Annual Household Income will calculate

### Input required:
- Total number of people in household
- VHFA program income limit
## Income and Acquisition Cost Worksheet

**Acquisition Cost**

Complete this section for the total value of the subject property:

<table>
<thead>
<tr>
<th>Type of Value</th>
<th>How to Calculate</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Price</td>
<td>Purchase price reflected on the purchase and sale agreement (or addenda).</td>
<td></td>
</tr>
<tr>
<td>Personal Property</td>
<td>Value of any personal property included in the sale (e.g., lawn mower, above ground pool, any non-standard item that will convey with the sale above what is considered normal and customary.)</td>
<td></td>
</tr>
<tr>
<td>Repairs</td>
<td>Estimate any acceptable, suitable and reasonable improvements that will be made to the property and are not factored into the purchase price. (Maximum of $10,000 may be included in the mortgage loan.)</td>
<td></td>
</tr>
<tr>
<td>Community Land Trust</td>
<td>Multiply the full monthly lease fee or membership fee by 12 and divide by the VHFA interest rate.</td>
<td></td>
</tr>
</tbody>
</table>

**Total Acquisition Cost:**

- Vermont Housing Finance Agency program purchase price limit.

**Lender Verification:**

- (Signature)
- (Printed Name)
- (Lending Institution and Title of the individual verifying the worksheet)

---

**Input required:**
- Acquisition Costs
- Follow the instruction in the ‘How to Calculate’ column.

---

**Input required:**
- Name, Lending Institution and Title of the individual verifying the worksheet.
Homebuyer Education

Direct the borrower to the VHFA web page (https://www.vhfa.org/homebuyers/education):

- Education can be completed online or in person

- Counseling instructions are provided after education is complete

- If a borrower is obtaining any down payment and closing cost assistance, education and counseling must be completed with a Vermont Homeownership Center

Vermont Homeownership Centers:
- Champlain Housing Trust; www.getahome.org
- RuralEdge; www.ruraledge.org
- Downstreet; www.downstreet.org
- Windham & Windsor Housing Trust; www.w-wht.org
- NeighborWorks® of Western Vermont; www.nwwvt.org
Homebuyer Education

Step 1: Consumer selects Option A or B

Step 2: Landing page; consumer will select ‘Get Started.’

Step 3: Navigate to closest Homeownership Center.

Step 4: Select Homeownership Center

Step 5: Enroll and complete course

Step 6: Contact Homeownership Center to schedule and complete one-on-one counseling

Online Enrollment Step-by-Step
VHFA loan with VHFA ASSIST

Affordable Homes for a Sustainable Vermont
Homebuyer Education

Online Enrollment Step-by-step

VHFA loan without down payment and closing cost assistance

Step 1
Consumer selects Option A, B or C

Step 2
Landing page; consumer will select ‘Get Started.’

Step 3
Consumer will select ‘Get Started.’

Step 4
Enroll and complete course

Step 5
Contact eHome America to schedule and complete one-on-one counseling

Affordable Homes for a Sustainable Vermont
Homebuyer Education: Landlord Education

Direct the borrower to the VHFA web page (https://www.vhfa.org/homebuyers/education):
- Landlord education is not covered in the Homebuyer Education and Counseling

Homebuyer education

Buying a 2-unit property?

VHFA requires landlord education in addition to the pre-purchase homebuyer education

Access and complete the education (2 options):

Option A: Genworth
- Go to Genworth education page: https://www.mortgageinsurance.genworth.com/homebuyer-education to register for landlord education.
- Read the Fannie Mae Becoming a Landlord Publication: https://www.fanniemae.com/content/tools/landlord-guidance.pdf
- Complete and pass the test on the Genworth site.
- Receive completion certificate.

Option B: MGIC
- Go to the MGIC education page: https://www.readynest.com/homebuyer-resources/landlord-test
- Read the Fannie Mae Becoming a Landlord Publication: https://www.fanniemae.com/content/tools/landlord-guidance.pdf
- Complete and pass the test on the MGIC site.
- Receive completion certificate.
Step 2: Compliance Submission and Conditional Commitment

- Submit all documents listed on the Compliance Checklist to VHFA through the Loan Origination Center, use the Compliance Checklist as a cover sheet and follow the stacking order listed
- Receive Loan Status Change notification
- Manage Unsatisfied Conditions
- Once VHFA issues Conditional Commitment, print the Conditional Commitment from the Loan Origination Center
Compliance Submission

(1) Go to Loan Detail and (2) select Print Documents:
Compliance Submission

(3) View **Print Documents** and (4) select **Compliance Checklist** from the Click on a Form to Print section:
(5) Select Document Images navigational button > (6) Access screen to Upload Loan Document(s) and select Browse next to Loan Compliance Documents (7) select Upload:

If the appraisal is being submitted as a trailing document use the Appraisal Report
Compliance Submission

(8) select **Process Now**, (9) the system will return to **Loan Documents** screen upon successful upload and display **Received**:

**Best Practices:**
Post-Closing Submission should include all documents.

Use the Compliance Checklist as a cover sheet and follow the stacking order listed.

Upload all documents in one single file.
Loan Status Change

When there is a loan status change (Incomplete or Conditional Commitment) (1) an email notification will be sent to one common email address (i.e. a group email address is best) (2) this email will be the primary communication method to prompt a lender to access the Loan Detail page where they can view Unsatisfied Conditions:

1. 
An email is sent for each loan program (i.e. MOVE with ASSIST status change will result in 2 emails, 1 email for the MOVE loan and a 2nd email for the ASSIST loan)

2. 

If you have any questions about the loan please contact Homeownership Department us at Homeownershipdept@vhfa.org

Loan Number: 02599999
Mortgage: DOE JOHN
Old Status: RESERVED
New Status: INCOMPLETE
There are 2 ways to view unsatisfied conditions on the Loan Origination Center: Unsatisfied Conditions Report (entire pipeline) and Loan Detail (loan specific). Verify conditions incremental to the Compliance Checklist when the loan status is Incomplete (pre-closing):
Print the Conditional Commitment

(1) Go to Loan Detail and (2) select Print Documents:
Print the Conditional Commitment

(3) View **Print Documents** and (4) select the **Conditional Commitment** from the Click on a Form to Print section:

**Vermont Housing Finance Agency**

**CONDITIONAL COMMITMENT**

- Date:
- Program:
- Lender:
- Reservation Date:
- Final Purchase Date:
- U.S. Bank/VHFA Loan #:
- VHFA MCC #:
- Acquisition Cost:
- Loan Amount:
- Loan to Value:
- Affordable Housing Grant Interest Rate:
- Terms:
- Property Type:
- Property Address:

Terms: (1) All VHFA closing conditions must be met, (2) loan pricing is based on the number of days from the Reservation Date to the Final Purchase Date, and (3) the eligible-closed loan must be offered for purchase to U.S. Bank prior to the Final Purchase Date.

The issuance of this Conditional Commitment does not guarantee future loan purchase.

The lender is responsible for notifying VHFA of any changes to the information above.

**VHFA Post-Closing Submission Documents**

The lender warrants that: (1) All documentation provided is true and accurate; (2) if there is a material change to the information previously provided, the lender has submitted updated documents; and (3) the required post-closing documents have been submitted to U.S. Bank via Envision.

VHFA reserves the right to request additional documents. VHFA’s review and acceptance of documents does not guarantee purchase by U.S. Bank National Association. For VHFA forms, the most current version must be used. Please submit copies of the requested documents, in the order below, for the applicable program(s).

- **ADVANTAGE Documents**
  - No Additional Documents
  - MOVE Documents:
    - VHFA Notice to Mortgagee of Modified Recapture Tax. Go to [https://vhfa.org](https://vhfa.org) to prepare the Notice

- **MOVE MCC Documents**
  - VHFA MCC Notice to Mortgagee of Modified Recapture Tax. Go to [https://vhfa.org](https://vhfa.org) to prepare the Notice
Print the Conditional Commitment

1. **Conditional Commitment**
   Conditional Commitment generated for all programs.

2. **ASSIST Loan Acknowledgement and Award Letter**
   Generates only when FHA is the underlying first mortgage product and ASSIST is used.

<table>
<thead>
<tr>
<th>VHFA Program</th>
<th>Conditional Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advantage</td>
<td>1. Conditional Commitment</td>
</tr>
<tr>
<td>MOVE</td>
<td>1. Conditional Commitment</td>
</tr>
<tr>
<td>MOVE MCC</td>
<td>1. Conditional Commitment</td>
</tr>
<tr>
<td>ASSIST</td>
<td>1. Conditional Commitment</td>
</tr>
<tr>
<td></td>
<td>2. FHA product only: VHFA ASSIST Loan Acknowledgement and Award Letter</td>
</tr>
<tr>
<td>MCC</td>
<td>1. Conditional Commitment</td>
</tr>
</tbody>
</table>
Step 3: Closing

- Print and complete the VHFA Forms
Print VHFA forms for closing

(1) Go to Loan Detail and (2) select Print Documents:
**VHFA forms executed at Closing**

<table>
<thead>
<tr>
<th>VHFA Program</th>
<th>Post-Closing Submission Form</th>
</tr>
</thead>
</table>
| Advantage    | 1. Reaffirmation of Affidavit  
|              | 2. VT Property Transfer Tax Exemption  |
| MOVE         | 1. Reaffirmation of Affidavit  
|              | 2. VT Property Transfer Tax Exemption  
|              | 3. Mortgagor Disclosure of Recapture Tax  |
| MOVE MCC     | 1. Reaffirmation of Affidavit  
|              | 2. VT Property Transfer Tax Exemption  
|              | 3. Mortgagor Disclosure of Recapture Tax  
|              | 4. Notice to Holder  |
| ASSIST       | 1. Closing Agent Instructions  
|              | 2. ASSIST Disclosure  
|              | 3. ASSIST Note  
|              | 4. ASSIST Deed  |
| MCC          | 1. Reaffirmation of Affidavit  
|              | 2. Mortgagor Disclosure of Recapture Tax  
|              | 3. Notice to Holder  |

1. **Reaffirmation of Affidavit**
   - Advantage, MOVE, MOVE MCC and MCC all require the borrower(s) and any non-borrowing spouse sign in the presence of a notary re-affirming that they are eligible for the program.

2. **VT Property Transfer Tax Exemption**
   - Lender completes and sends to the state with the VT tax form PTT-172.

3. **Mortgagor Disclosure of Recapture Tax**
   - MOVE, MOVE MCC and MCC all require the borrower(s) and any non-borrowing spouse sign.

4. **Notice to Holder**
   - MOVE MCC and MCC all require the borrower(s) to sign.

5. **ASSIST Closing Documents**
   - Closing Agent Instructions are informational only, no signature.
   - Disclosure and Note signed at closing by borrower(s) and any non-borrowing spouse.
   - Borrower(s) and any non-borrowing spouse sign the Deed at closing in the presence of a notary.

**Affordable Homes for a Sustainable Vermont**

VHFAProcess_2020 01 01
Step 4: Post-Closing Submission and Approval

- Submit all documents listed on the **Conditional Commitment** to VHFA through the Loan Origination Center, use the Conditional Commitment as a cover sheet and follow the stacking order listed
- **Follow submission procedures for U.S. Bank** found in the U.S. Bank HFA Division Guide
- Receive **Loan Status Change** notification
- Manage **Unsatisfied Conditions**
- Once VHFA issues **Post-Closing Approved**, (if applicable) print the copy of the MCC and/or ASSIST funding notification from the Loan Origination Center
Post-Closing Submission

(1) Go to Loan Detail and (2) select Print Documents:
(3) View Print Documents and (4) select Conditional Commitment from the Click on a Form to Print section:

Conditioned COMMITMENT

<table>
<thead>
<tr>
<th>Date:</th>
<th>Program:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Lender:</td>
</tr>
<tr>
<td></td>
<td>Loan Type:</td>
</tr>
<tr>
<td></td>
<td>Reservation Date:</td>
</tr>
<tr>
<td></td>
<td>Final Purchase Date:</td>
</tr>
<tr>
<td></td>
<td>U.S. Bank/VHFA Loan #:</td>
</tr>
<tr>
<td></td>
<td>Acquisition Cost:</td>
</tr>
<tr>
<td></td>
<td>Loan Amount:</td>
</tr>
<tr>
<td></td>
<td>Loan to Value:</td>
</tr>
<tr>
<td></td>
<td>Affordability Subsidy Grant:</td>
</tr>
<tr>
<td></td>
<td>Interest Rate:</td>
</tr>
<tr>
<td></td>
<td>Term:</td>
</tr>
<tr>
<td></td>
<td>Property Type:</td>
</tr>
<tr>
<td></td>
<td>Property Address:</td>
</tr>
</tbody>
</table>

Terms: (1) All VHFA closing conditions must be met; (2) close-pricing is based on the number of days from the Reservation Date to the Final Purchase Date; and (3) the eligible closed loan must be offered for purchase by U.S. Bank prior to the Final Purchase Date. The issuance of this Conditional Commitment does not guarantee future loan purchase. The lender is responsible for notifying VHFA of any changes to the information above.

VHFA Pren-Closing Submission Documents

The lender warrants that: (1) All data submitted provided is true and accurate; (2) if there is a material change to the information previously provided, the lender has included updated data; and (3) all required pre-closing documents and (4) all required post-closing documents have been submitted to U.S. Bank VHFA Division.

VHFA reserves the right to request additional documents. VHFA’s review and acceptance of documents does not guarantee purchase by U.S. Bank National Association. For VHFA forms, the most current version must be used. Please submit copies of the requested documents, in the order below, in the applicable program(s):

Additional: No Additional Documents

MOVES Documents:
- VHFA Notice to Mortgage of Maximum Recapture Tax — Go to [https://vhfa.vt.gov](https://vhfa.vt.gov) to prepare the Notice
- VHFA Notice to Mortgage of Minimum Recapture Tax — Go to [https://vhfa.vt.gov](https://vhfa.vt.gov) to prepare the Notice

VHFA Process_2020 01 01
Post-Closing Submission

(5) Select Document Images navigational button > (6) Access screen to Upload Loan Document(s) and select Browse next to Loan Closing Documents (7) select Upload:
Post-Closing Submission

(8) select Process Now, (9) the system will return to Loan Documents screen upon successful upload and display Received:

Best Practices:
Post-Closing Submission should include all documents.

Use the Conditional Commitment as a cover sheet and follow the stacking order listed.

Upload all documents in one single file.
Loan Status Change

When there is a loan status change (Post-Closing Conditions or Post-Closing Approved) an email notification will be sent to one common email address (i.e. a group email address is best). This email will be the primary communication method to prompt a lender to access the Loan Detail page where they can view Unsatisfied Conditions:

Tip: An email is sent for each loan program (i.e. MOVE with ASSIST status change will result in 2 emails, 1 email for the MOVE loan and a 2nd email for the ASSIST loan).
Unsatisfied Conditions

There are 2 ways to view unsatisfied conditions on the Loan Origination Center: Unsatisfied Conditions Report (entire pipeline) and Loan Detail (loan specific). Verify conditions incremental to the Compliance Checklist when the loan status is Incomplete (pre-closing):
Print MCC or ASSIST Funding Notification

(1) Go to Loan Detail and (2) select Print Documents:
(3) select **ASSIST Funding Notification** or **MCC** from the Click on a Form to Print section:
Post-closing documents and forms

ASSIST Funding Notification
Generates only for transactions using ASSIST.

MCC
Generates only for MOVE MCC and MCC.

Lenders Final Cost Certification
Completed by the lender and sent to VHFA once repairs are complete.

<table>
<thead>
<tr>
<th>VHFA Program</th>
<th>Post-Closing Documents</th>
</tr>
</thead>
<tbody>
<tr>
<td>MOVE MCC</td>
<td>1. Copy of MCC issued</td>
</tr>
<tr>
<td>ASSIST</td>
<td>1. ASSIST Funding Notification</td>
</tr>
<tr>
<td>MCC</td>
<td>1. Copy of MCC issued</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>VHFA Program</th>
<th>Post-Closing Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advantage</td>
<td>1. Lenders Final Cost Certification (for post-closing repairs only)</td>
</tr>
<tr>
<td>MOVE</td>
<td>1. Lenders Final Cost Certification (for post-closing repairs only)</td>
</tr>
<tr>
<td>MOVE MCC</td>
<td>1. Lenders Final Cost Certification (for post-closing repairs only)</td>
</tr>
</tbody>
</table>