



Job Aid

**VHFA Programs, Benefits & Eligibility**

This job aid should not be used for underwriting purposes. All VHFA programs are paired with 30-year fixed rate purchase mortgages and sold servicing-released to U.S. Bank. Lenders responsible for underwriting and compliance with the most restrictive requirements for U.S. Bank, VHFA and the underlying mortgage. See [VHFA Program and Procedural Guide](#) and [U.S. Bank HFA Lending Guide](#).

	MOVE	MOVE MCC	ADVANTAGE
Benefits	<ul style="list-style-type: none"> <li>✓ ASSIST eligible up to \$7,500</li> <li>✓ VHFA's Lowest Rate</li> <li>✓ Lower MI on Conventional</li> <li>✓ Savings up to \$825 on VT Property Transfer Tax</li> </ul>	<ul style="list-style-type: none"> <li>✓ ASSIST eligible up to \$5,000</li> <li>✓ Mortgage Credit Certificate</li> <li>✓ Savings up to \$825 on VT Property Transfer Tax</li> </ul>	<ul style="list-style-type: none"> <li>✓ ASSIST eligible up to \$5,000</li> <li>✓ Savings up to \$825 on VT Property Transfer Tax</li> </ul>
Income Limits*	<a href="http://www.vhfa.org/lenders/limits*">www.vhfa.org/lenders/limits*</a>	<a href="http://www.vhfa.org/lenders/limits*">www.vhfa.org/lenders/limits*</a>	<a href="http://www.vhfa.org/lenders/limits*">www.vhfa.org/lenders/limits*</a>
First-Time Homebuyer*	No ownership within 3 years if purchasing in: Addison, Bennington, Chittenden, Grand Isle or Windsor. <b>If using ASSIST, see below*</b>	No ownership within 3 years if purchasing in: Addison, Bennington, Chittenden, Grand Isle or Windsor. <b>If using ASSIST, see below*</b>	None unless using ASSIST, see below.*

\*First-Time homebuyer restriction applies to all borrowers and non-borrowing spouses. Income includes combined gross annual income for all borrowers and non-borrowing spouses. See 'Calculating Income' on page 2.

VHFA ASSIST
<ul style="list-style-type: none"> <li><input type="checkbox"/> 0% loan for down payment and closing costs</li> <li><input type="checkbox"/> No monthly payment, repaid when borrower sells, refinances or pays off first mortgage</li> <li><input type="checkbox"/> Must be paired with VHFA MOVE, MOVE MCC, ADVANTAGE</li> <li><input type="checkbox"/> <b>TRUE FIRST-TIME HOMEBUYER REQUIREMENT:</b> All borrowers and non-borrowing spouses must be true first-time homebuyers, no prior ownership interest or spousal benefit in any principal residence</li> <li><input type="checkbox"/> <b>ASSET LIMIT:</b> Borrowers and non-borrowing spouses combined liquid assets - including gift funds - must be less than \$30,000 from the date of loan application through loan closing.</li> </ul>

Mortgage Credit Certificate (MCC)
Annual federal tax credit for up to 50% of mortgage interest paid each year capped at \$2,000 per year for as long as borrower lives in home and holds the original first mortgage. Borrowers can "attach" the MCC to their mortgage using VHFA MOVE MCC or as 'Stand-alone' MCC paired with any loan the lender offers. Not assumable or transferrable. If the first mortgage the MCC was issued with is REFINANCED, the MCC will terminate and not be reissued. Subject to recapture, but VHFA will reimburse. See <a href="#">VHFA MCC Procedural Guide</a> for more information.

Underlying Purchase Mortgage*			
	AUS	LTV/CLTV	MI & UPFRONT FEES
<b>Fannie Mae</b>	HFA Preferred (DU) MH Advantage (DU)	95%-97%/105%*	BELOW 80% AMI: Charter MI Coverage ABOVE 80% AMI: Standard MI Coverage
<b>Freddie Mac</b>	HFA Advantage (LPA)	97%/105%*	BELOW 80% AMI: Charter MI Coverage ABOVE 80% AMI: Standard MI Coverage
<b>FHA</b>	DU or LPA	96.5%/105%*	Standard upfront & monthly MIP
<b>RD</b>	GUS	100%/105%*	Standard upfront & monthly guarantee fees
<b>VA</b>	DU or LPA	100%/105%*	Standard upfront & monthly guarantee fees

\*VHFA only eligible with 30-year, fixed rate purchase money mortgage only.

<b>Borrower Eligibility</b>	
<b>Calculating Income</b>	VHFA compliance (Fed Act) income is calculated differently than DU/LPA qualifying income. The combined gross annual income for <b>all borrowers and non-borrowing spouses</b> cannot exceed the VHFA income limit in effect at time of loan reservation. Current VHFA income limits at <a href="http://www.vhfa.org/lenders/limits">www.vhfa.org/lenders/limits</a> . To calculate, use <b>VHFA Federal Act Income &amp; Acquisition Cost Worksheet (VHFA Form #S-601)</b> available at <i>LOC &gt; Main Menu &gt; Guides, Forms, and Resources</i> .
<b>CREDIT, DTI, CLTV</b>	<b>Fannie Mae/Freddie Mac:</b> See <a href="#">U.S. Bank VHFA Conventional Product Guide</a> <b>FHA, RD, VA:</b> See <a href="#">U.S. Bank VHFA Government Product Guide</a> . Borrowers must meet more restrictive requirements for underlying loan and U.S. Bank.
<b>First-Timer Homebuyer</b>	<b>ASSIST:</b> All borrowers and non-borrowing spouses must be true first-time homebuyers, no prior ownership interest or spousal benefit in any principal residence <b>MOVE, MOVE MCC &amp; Standalone MCC:</b> All borrowers & non-borrowing spouses must not have owned within <b>3 years</b> if purchasing in: Addison, Bennington, Chittenden, Grand Isle or Windsor. If using ASSIST then all borrowers & non-borrowing spouses must be true first-time homebuyers. <b>ADVANTAGE:</b> No Requirement unless using ASSIST
<b>Homebuyer Education</b>	<b>ASSIST:</b> One borrower must complete online education through eHome America and <u>in-person counseling</u> through a VT Homeownership Center. Completion Certificate must be dated within 18 months of closing. <b>Without ASSIST:</b> One borrower must complete online education through eHome America and receive a completion certificate from eHome America dated with 18 months of closing. <b>2-Unit Duplex:</b> One borrower must complete Landlord Education and homebuyer education See <a href="http://www.vhfa.org/lenders/">www.vhfa.org/lenders/</a> for sign up and cost information.

<b>Property Eligibility</b>	
<b>Eligible Property Type</b>	<b>FANNIE MAE:</b> Single-Family, U.S Bank Approved Condo/PUD, Manufactured, 2-Unit (Duplex), CLT/Resale Restricted <b>FREDDIE MAC:</b> Single-Family, U.S. Bank Approved Condo/PUD <b>RD:</b> Single-Family, U.S. Bank Approved Condo/PUD, <u>New</u> Manufactured <b>FHA, VA:</b> Single-Family or U.S. Bank Approved Condo/PUD, 2-Unit (Duplex), Manufactured
<b>Purchase Price Limits</b>	See <a href="http://www.vhfa.org/lenders/limits">www.vhfa.org/lenders/limits</a>
<b>Property &amp; Use Requirements</b>	<ul style="list-style-type: none"> <li>• Max property size is 15 acres, and no more than 15% commercial or home business use.</li> <li>• Borrowers &amp; non-borrowing spouses must occupy as full-time primary residence within 60 days of closing and for as long as they hold the VHFA mortgage.</li> <li>• No other real estate owned as of the loan closing date.</li> <li>• Borrowers and non-borrowing spouses may take title, no co-signers.</li> </ul>
<b>Condominium Review</b>	Lenders are responsible for determining condominium eligibility requirements per U.S. Bank's condominium review policy available at the <a href="#">U.S. Bank HFA Lending Guide</a> .
<b>Manufactured Home</b>	Multi-width (double-wide or larger), on owned-land (no park setting) no more than 15 acres, model year 20-years or newer OR brand new if using RD.
<b>Duplex (2-Unit Max)</b>	No more than 2-unit existing (no new construction), both units residential use for the prior 5 years. One borrower must complete Landlord Education and homebuyer education.
<b>New Construction</b>	VHFA does NOT provide construction loans, and VHFA may not be used to refinance any existing lien except to replace short-term construction financing with a term of no more than 24 months.
<b>Repairs &amp; Fixer-Uppers</b>	All properties must meet minimum <u>health</u> , <u>safety</u> and <u>structural</u> standards based on the underlying loan product. When repairs are necessary, the total cost of financed repairs may not exceed \$15,000 and may be included in loan only if final acquisition cost is supported by appraised value. Lender responsible for managing completion of all repairs and enforcement of repair escrow agreement.
<b>Accessory Dwelling</b>	One 'contiguous roofline' between all accessory dwellings at the time of purchase.