

Effective Date: 07/02/26

DPA Matrix	
3.5% FHA DPA PROGRAM DETAILS	
Requirements	<ul style="list-style-type: none"> • 580 minimum FICO score required for each borrower with AUS approval • Manual underwriting allowed – 600 minimum FICO score required • First Time Home Buyer acceptable • Non-Occupant Co-Borrowers allowed • FHA 1st Lien to 96.5% LTV – 30-Year Fixed Rate or 25-Year Fixed Rate; 100% max CLTV • Standard and High balance loan amounts acceptable (see Terms topic below) • DPA funds can be used for down payment and/or closing costs • Follow FHA Handbook 4000.1 for underwriting
Income Limits	<ul style="list-style-type: none"> • No cap on qualifying income
HPML/HPCT	<ul style="list-style-type: none"> • Loans must be originated to meet definition of a Safe Harbor or Rebuttable Presumption Mortgage Loan under the Qualified Mortgage Rule
Program Fees	<ul style="list-style-type: none"> • Normal and customary fees are allowed (i.e. Appraisal, Credit Report, Survey, Title Insurance, etc.) • Fees must be charged in accordance with FHA Handbook 4000.1 • No Lender fees can be charged on the DPA 2nd Lien, only Title or Escrow fees may be charged
Eligible Borrowers	<ul style="list-style-type: none"> • U.S. Citizens • Permanent Resident Aliens • Inter Vivos Revocable Trusts • Non-Occupant Co-Borrowers
Eligible Properties	<ul style="list-style-type: none"> • Single Family Detached – 1 Unit • Single Family Attached – 1 Unit • Duplexes – 2 Units • Planned Unit Developments (PUDs) • Townhomes • Condos: FHA approved only, no litigation • Manufactured Homes: Double-Wide only • Owner Occupied only
DPA Terms	<ul style="list-style-type: none"> • DPA 2nd Lien = Lesser of 3.5% of purchase price or appraised value <ul style="list-style-type: none"> • Standard Balance and High Balance: 3.5% DPA 2nd lien may be Forgivable or Repayable (see below) • DPA 2nd lien may not be resubordinated <p>Forgivable DPA Terms</p> <ul style="list-style-type: none"> • Term = Non-amortizing loan for 360 months • No monthly payments required • Lien may be forgiven at borrower request after 36 consecutive and on-time payments completed on the 1st mortgage <p>Repayable Terms</p> <ul style="list-style-type: none"> • Interest Rate = 1st TD Note Rate + 2% **Check daily rate sheet for changes** • Term = Fully amortizing loan for 120 months • Include payment in DTI calculation <p>*High Balance 2nd Lien must be repayable</p>
Homeowner Education	<ul style="list-style-type: none"> • At least one borrower must receive housing counseling from a HUD-approved non-profit housing counseling agency. The U.S. Department of Housing and Urban Development provides a database of approved housing counseling services. https://answers.hud.gov/housingcounseling/s/?language=en_US
2-1 Buydown	<ul style="list-style-type: none"> • Available for 25-Year Fixed Rate or 30-Year Fixed Rate Standard and High Balance FHA 1st lien • Purchase only • Seller or builder paid buydown allowed; borrower paid buydowns are not permitted • Buydown must be included in the 6% interested party contribution limit • Borrower must qualify at the Note Rate



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5% FHA DPA PROGRAM DETAILS	
Requirements	<ul style="list-style-type: none"> • 580 minimum FICO score required for each borrower with AUS approval • AUS approval required; manual underwriting no allowed • First Time Home Buyer acceptable • Non-Occupant Co-Borrowers allowed • FHA 1st Lien to 96.5% LTV – 30-Year Fixed Rate or 25-Year Fixed Rate; 101.5% max CLTV • Standard and High balance loan amounts acceptable (see Terms topic below) • DPA funds can be used for down payment and/or closing costs • Follow FHA Handbook 4000.1 for underwriting
Income Limits	<ul style="list-style-type: none"> • No cap on qualifying income
HPML/HPCT	<ul style="list-style-type: none"> • Loans must be originated to meet definition of a Safe Harbor or Rebuttable Presumption Mortgage Loan under the Qualified Mortgage Rule
Program Fees	<ul style="list-style-type: none"> • Normal and customary fees are allowed (i.e. Appraisal, Credit Report, Survey, Title Insurance, etc.) • Fees must be charged in accordance with FHA Handbook 4000.1 • No Lender fees can be charged on the DPA 2nd Lien, only Title or Escrow fees may be charged
Eligible Borrowers	<ul style="list-style-type: none"> • U.S. Citizens • Permanent Resident Aliens • Inter Vivos Revocable Trusts • Non-Occupant Co-Borrowers
Eligible Properties	<ul style="list-style-type: none"> • Single Family Detached – 1 Unit • Single Family Attached – 1 Unit • Duplexes – 2 Units • Planned Unit Developments (PUDs) • Townhomes • Condos: FHA approved only, no litigation • Manufactured Homes: Double-Wide only • Owner Occupied only
DPA Terms	<ul style="list-style-type: none"> • Interest Rate = 1st TD Note Rate + 2% **Check daily rate sheet for changes** • DPA 2nd Lien = Lesser of 5% of purchase price or appraised value <ul style="list-style-type: none"> ◦ Standard Balance and High Balance: 5% DPA 2nd lien must be Repayable • Term = Fully amortizing loans for 120 months • Include payment in DTI calculation • DPA 2nd lien may not be resubordinated
Homeowner Education	<ul style="list-style-type: none"> • At least one borrower must receive housing counseling from a HUD-approved non-profit housing counseling agency. The U.S. Department of Housing and Urban Development provides a database of approved housing counseling services. https://answers.hud.gov/housingcounseling/s/?language=en_US
2-1 Buydown	<ul style="list-style-type: none"> • Not permitted for 5% DPA Program



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3.5% FHA MANUFACTURED HOME DPA PROGRAM DETAILS	
Requirements	<ul style="list-style-type: none"> • 620 minimum FICO score required for each borrower • Manual underwriting allowed • First Time Home Buyer acceptable • Non-Occupant Co-Borrowers allowed for relatives only • FHA 203(b) 1st Lien to 96.5% LTV – 30-Year Fixed Rate or 25-Year Fixed Rate, 100% max CLTV • Standard loan amounts acceptable (see Terms topic below) • DPA funds can be used for down payment and/or closing costs • Follow FHA Handbook 4000.1 for underwriting
Income	<ul style="list-style-type: none"> • Per HUD Guidelines • Verbal Verification of Employment is required for all borrowers using salaried income to qualify and must be completed within 10 calendar days prior to the note date. Verbal Verification of Employment is required for all borrowers using self-employed income to qualify and must be completed within 120 calendar days prior to the note date. • Federal law restricts marijuana related activities and therefore the income and assets from these sources are not allowed for qualifying. Related activities include: <ul style="list-style-type: none"> ○ Possession of cannabis or cannabis seeds ○ Processing ○ Growing ○ Harvesting/Cultivation ○ Testing ○ Packaging/Delivery ○ Wholesale or Retail Sales
Income Limits	<ul style="list-style-type: none"> • Limited to 80% of applicable low-income/AMI thresholds
Program Fees	<ul style="list-style-type: none"> • Normal and customary fees are allowed (i.e. Appraisal, Credit Report, Survey, Title Insurance, etc.) • Fees must be charged in accordance with FHA Handbook 4000.1 • No Lender fees can be charged on the DPA 2nd Lien, only Title or Escrow fees may be charged
Credit	<ul style="list-style-type: none"> • Tri-Merged Credit Report with a minimum credit score as referenced in the LTV Matrix. The credit report must include trended credit data.
Purpose	<ul style="list-style-type: none"> • Purchase only
Eligible Borrowers	<ul style="list-style-type: none"> • U.S. Citizens • Permanent Resident Aliens • Inter Vivos Revocable Trusts • Non-Occupant Co-Borrowers – Relatives only
Eligible Properties	<ul style="list-style-type: none"> • Manufactured Home – 1 Unit <ul style="list-style-type: none"> ○ Double Wide ○ Single Wide – LLPA apply • Follow FHA Handbook 4000.1 for underwriting
DPA Terms	<ul style="list-style-type: none"> • DPA 2nd Lien = Lesser of 3.5% of purchase price or appraised value <ul style="list-style-type: none"> ○ Standard Balance: 3.5% DPA 2nd lien Repayable (see below) • DPA 2nd lien may not be resubordinated <p>Repayable DPA Terms</p> <ul style="list-style-type: none"> • Interest Rate = 1% below 1st Lien Rate. • Term = Fully amortizing loan for 240 months • Include payment in DTI calculation
Homeowner Education	<ul style="list-style-type: none"> • At least one borrower must receive housing counseling from a HUD-approved non-profit housing counseling agency. The U.S. Department of Housing and Urban Development provides a database of approved housing counseling services. https://answers.hud.gov/housingcounseling/s/?language=en_US
Geographic Restrictions	<ul style="list-style-type: none"> • New York not eligible • Alaska and South Carolina



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	<ul style="list-style-type: none"> Minimum DPA of \$5,000 Loan Amount <\$143,800, Total DPA is \$5,000
Appraisal Requirement	<ul style="list-style-type: none"> Full Residential FHA Appraisal Report required, property must meet HUD Minimum Property Requirements see HUD Handbook 4000.1 for required property documentation Appraiser must be a state-licensed and HUD approved appraiser
Assumptions	<ul style="list-style-type: none"> N/A
Escrow Waivers	<ul style="list-style-type: none"> Taxes and Homeowners Insurance must be escrowed
HPML/HPCT	<ul style="list-style-type: none"> Loans must be originated to meet definition of Safe Harbor or Rebuttable Presumption Mortgage Loan under the Qualified Mortgage Rules
Payment Shock	<ul style="list-style-type: none"> Must be less than or equal to 225% when front-end DTI exceeds 36%
Program Name	<ul style="list-style-type: none"> DPA FHA 30 Year Fixed MH w/3.5% Fully Amortized Second (F30MHDAS) LegacyBuilder 3.5% 20 Year Fully Amortizing DPA 2nd (GDPAASMH)

