

	<i>Within Reach</i> TM FHA 3.5% DAP	LINK	OWNOPTION TM TRIO
PROGRAM DESCRIPTION	<p>This home loan program is a purchase money first lien mortgage with down payment assistance in the form of a 15-year fully amortizing second lien that is 2.00% higher interest rate than the 1st with 3.50% assistance.</p> <ul style="list-style-type: none"> • Must meet Income Limits (up to 160% AMI) • First lien is a 30-year fixed term with full amortization • Manufactured housing eligible under the Within ReachTM FHA MH program <p>Additional DPA requirements:</p> <ul style="list-style-type: none"> • Auto draft (ACH) required for the 1st and 2nd • Payment Protection plan is required for 3 years (both 1st and 2nd mortgage payments): <ul style="list-style-type: none"> • 1st year premium collected at closing, impounds will be required for the 2nd and 3rd year. • https://www.appliedassurance.net 	<p>LINK provides customers access to homeownership through an affordable long-term finance agreement and allows customers time to get mortgage ready with an equitable title interest.</p> <p>Trio's newest home financing product LINK provides yet another way for customers otherwise unable to obtain affordable financing to access homeownership.</p> <ul style="list-style-type: none"> • Offers 100% financing up to FHA loan limits • Includes a second mortgage covering the required FHA down payment • LINK is a seller financing agreement providing the rights and privileges of homeownership via equitable title, similar to a standard mortgage and deed of trust • Built-in refinancing allows for customer transition into direct ownership • Financial counseling, payment protection and home warranty included 	<p>OwnOptionTM FHA mortgage is used to facilitate home closings where an applicant does not qualify for or is hesitant to commit to a standard home mortgage. It offers Customers a lease-to-own agreement coupled with an FHA assumable mortgage originally made to an institutional borrower. The program may be used as a direct purchase or as an alternative close to a mortgage denial. The program further provides an excellent alternative to traditional down payment assistance programs, with no income restrictions and more favorable underwriting conditions. Customer must qualify for an FHA assumption or new loan at the end of the lease period. LHFS underwrites the Customer's credit profile and the property. LHFS has a flexible, pragmatic approach to the underwriting approval and looks at a complete picture of all applicants to determine eligibility. LHFS underwrites the Borrower, an FHA qualified instrumentality of government ("IOG") under FHA Guidelines, such as the Interagency Home Finance Cooperative, LLC (IHFC) as well as the property, and ensures they both meet FHA Guidelines. IHFC is an FHA qualified instrumentality of government ("IOG") under FHA Guidelines.</p>
MINIMUM CREDIT SCORE	640	580 (see below for adjusters) <ul style="list-style-type: none"> • 620 Minimum – Self-employment, second home, or high balance • Reduced interest rates with 2.5% or 5%+ down payment • Credit score rate tiers 580-619 (incl. no score ITIN), 620-659, 660+ 	580 – W2 applicants 620 – Self Employed / 1099 Applicants
DEBT RATIOS	Per AUS	Max DTI: 42% payment to income (PTI) / 55% obligations to income (See guidelines for additional modifiers).	38% maximum gross payment to income ratio with a back-end ratio of 50% maximum gross obligation to income ratio. (See guidelines for additional modifiers).
INCOME	Income limit is 160% of Area Median Income (AMI) or maximum allowable by FHA. Limit is based on qualifying income used for the transaction, not household income.	No Income Limits	\$3,600 minimum gross monthly income
DAP FUNDS	DAP funds available, 3.5% of the purchase price.	LINK finances 100% of the purchase price, no down payment by customer is required for the FHA loan (Financing Agreement requires cash from Borrower. Trio/IHFC provides DAP to purchase the home).	Lease to Own Program (DAP funds not applicable)
DOWN PAYMENT AND CLOSING COST ASSISTANCE	DAP funds may be used for down payment and/or closing costs.	IHFC DAP funds may be used for down payment.	N/A



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FEES AND POINTS	Up to 2.0% Borrower Paid compensation. LHFS Admin Fee: \$1,145 Third-Party Processing Fee: May not exceed \$995 A fee of \$400 will apply to each expired lock / locked loan not delivered.	Up to 2.0% Borrower Paid Compensation on the FHA first total loan amount LHFS Admin Fee: \$995 Broker Processing Fee: Up to \$595 All above fees are collected at LINK signing.	Up to 2.0% Borrower Paid Compensation LHFS Admin Fee: \$995 No Processing fee allowed Admin Program Review Fee: \$495
FIRST TIME HOME BUYER	No requirement to be a first-time homebuyer	No requirement to be a first-time homebuyer	No requirement to be a first-time homebuyer
HOME BUYER EDUCATION REQUIRED	At least one borrower must participate in a homeownership education program before the Note date. (Please see program matrix)	First time homebuyer class from eHome America (www.ehomeamerica.org)	No
HOUSING HISTORY REQUIRED	Yes	Yes	Yes
LIVE RENT FREE ALLOWED	Yes, for borrower(s) with no previous housing history, follow specific FHA guidelines as applicable in addition to the following (If Borrower is currently living rent free): <ul style="list-style-type: none"> • Additional requirement must be documented for those URLA's stating Borrower Living Rent Fee to evaluate the housing expense. • 3 months reserves (PITIA) are required (must be from own funds). Gifts not considered savings ability, and • Letter from landlord stating no rental payments required, and • The amount of time the borrower has been living rent free. 	No	No
PROPERTY ELIGIBILITY	1-4 units allowed and Manufactured Homes	SFR, Condos, and Townhomes <ul style="list-style-type: none"> • Ineligible: Manufactured homes, mobile homes, and homes located in flood zones. • Max acreage: 5 Acres 	SFR, Condos, and Townhomes <ul style="list-style-type: none"> • Ineligible: Manufactured homes, mobile homes, and homes located in flood zones • Max acreage: 5 Acres
INSPECTION	Standard FHA Home Inspections apply	Home inspection is required when subject is not a new build.	Home inspection is required when subject is not a new build.
ELIGIBLE LOCATIONS	Program eligible nationwide, excluding the states of States of West Virginia, South Carolina, Minnesota, Michigan, Massachusetts, Illinois, DC, Connecticut, New York, and Washington.	Nationwide program, excluding Alaska, the New York City Metro Area (including areas in New Jersey bordering Manhattan), and coastal counties in Florida along the Atlantic seaboard	AL, AR, AZ, CA, CO, DE, FL (some restrictions may apply), GA, ID, LA, MD, MN, MS, NC, NM, NV, OR, PA, SC, TN, TX, UT, VA, WA, and WY
APPRAISAL REQUIREMENTS	Full appraisal required	Full appraisal required	Full appraisal required
HOME WARRANTY	No	Home warranty must be included.	Home warranty must be included.
NON-OCCUPANT / CO-SIGNERS	Not allowed	N/A	N/A



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CASH BACK TO BORROWER	Borrower may receive the difference of their earnest money. No portion of the DAP nor seller credits (including tax proration credits) may be given back to the borrower and principal curtailments are not allowed. If the Appraisal fee was paid by Debit Card, a copy of the bank statement listed on the 1003 showing immediate withdrawal from the borrowers account, will be consider as a part of the borrower's cash, eligible to be refunded to the borrower.	No	No
MINIMUM BORROWER CONTRIBUTION	No minimum borrower contribution required. Gift funds are allowed – follow guidelines.	<ul style="list-style-type: none"> • Borrower Paid LINK Fees = Closing Fee \$1,295 + Signing \$465 + Origination 0.75% of Purchase Price (paid by Customer at LINK agreement). • Admin fee of \$995, must be disclosed on FHA LE paid to "Land Home." • Processing fee up to \$595. • Origination fee up to 2% on the FHA first total loan amount. • All closing costs can be reduced with use of seller credit (up to 6%). • 1% of the purchase price in liquid reserves, Proof of funds for cash to close required. • High balance \$647,000+, 5% down payment required; exceptions for over \$700,000 with 10% down. • Self-employed, 2.5% minimum down payment; Second home, 5% minimum down payment. 	<ul style="list-style-type: none"> • Savings/Assets - \$5,000 minimum - Proof of Upfront Costs and First Month's Payment for Approved Home Price, with minimum amount held being no less than \$5,000. Actual upfront costs will vary based on the home that's selected. • NO down payment, 1% Inception Fee + \$1295 Underwriting & Program Fee paid by Customer at lease inception. Closing costs up to 3% responsible by customer; can be covered by seller concession, agent contribution, and/or other, and financing available for up to 2%. • Down payment may be required of up to 2% for transactions over \$500,000 depending on customer underwriting and home condition. • First month's payment in full, second month is prorated based on closing date
SELLER CONTRIBUTIONS ALLOWED	Yes – 6%	Yes – 6%	Yes – 6%
PRIVATE MORTGAGE INSURANCE PERCENTAGE OF COVERAGE	Standard FHA Upfront Mortgage Insurance Premiums (UFMIP) and Mortgage Insurance Premiums (MIP) apply.	Mortgage Payment Protection Insurance Premium – Borrower paid (Disclose on LE/CD): <ul style="list-style-type: none"> • Mortgage Payment Protection Insurance Policy (payee is Applied Assurance Corp) 	Mortgage Payment Protection Insurance Premium – Borrower paid (Disclose on LE/CD): <ul style="list-style-type: none"> • Mortgage Payment Protection Insurance Policy (payee is Applied Assurance Corp)
PREPAYMENT PENALTY	No	Customer can refinance from equitable title into direct title <ul style="list-style-type: none"> • Prior to 36 months requires a 2% prepayment penalty 	No (must abide by lease terms)
AUS REQUIREMENTS	<ul style="list-style-type: none"> • DU - Approved Eligible • LPA - Accept • Manual underwriting is not allowed 	No need to run AUS. Submit FNMA 3.4 file, credit report, 1003, income, and asset documents for LINK AUS approval via DASH .	No need to run AUS. Submit FNMA 3.4 file, credit report, 1003, income, and asset documents for OwnOption AUS approval via DASH .
HELPFUL LINKS	Program Matrix Income Limits Mortgage Limits Institute for Building Technology and Safety (IBTS)	Program Matrix	Program Matrix

