

## OVERVIEW

The GSFA Government Down Payment Assistance Program (DAP) is a competitively priced loan program that does not require a minimum down payment from the homebuyer(s).

- Owner occupied, purchase & limited cash out refinance, both 1<sup>st</sup> time and repeat buyers allowed
- Borrower may not own any other property at the time of closing, no exceptions
- Must use GSFA 1<sup>st</sup> mortgage program
- LHFS advances down payment assistance funds
- Available for both purchase and refinance transactions (no cash back)
- Interest rates on the 1<sup>st</sup> mortgage loan vary based on the assistance selected

GSFA Platinum provides your borrower(s) with 3 program options:

- Standard:** An amortizing 15-year Second Mortgage Loan, sized up to 5.00% of the First mortgage loan amount.
- Select:** An amortizing 15-year Second Mortgage Loan, sized at 3.50% of the First Mortgage Loan Amount, with optional Gift funds, up to 1.50%.
- Assist-to-Own:** A deferred Second Mortgage Loan, sized at 3.50% of the First Mortgage Loan amount, with optional Gift funds, up to 2.00%

### PROGRAM CODES

PROGRAM CODES	
<b>GSFA Standard:</b>	
W CA-GSFA FHA Standard DAP	WGF30GSFASD-041
W CA-GSFA VA Standard DAP	WGV30GSFASD-041
W CA-GSFA USDA Standard DAP	WGR30GSFASD-041
W CA-GSFA Standard Amortizing <b>2nd Mtg</b>	WCE15GSFASD2nd-041
<b>GSFA Assist-to-Own:</b>	
W CA-GSFA FHA Assist DAP	WGF30GSFAAST-041
W CA-GSFA VA Assist DAP	WGV30GSFAAST-041
W CA-GSFA USDA Assist DAP	WGR30GSFAAST-041
W CA-GSFA Assist Deferred <b>2nd Mtg</b>	WCE30GSFAAST2nd-041
<b>GSFA Select:</b>	
W CA-GSFA FHA Select DAP	WGF30GSFASLCT-041
W CA-GSFA VA Select DAP	WGV30GSFASLCT-041
W CA-GSFA USDA Select DAP	WGR30GSFASLCT-041
W CA-GSFA Select Amortizing <b>2nd Mtg</b>	WCE15GSFASLCT2nd-041

**NOTE:** LHFS will follow standard agency guidelines. Also, subject to LHFS overlays as well as those outlined in borrower's eligibility, property eligibility and underwriting sections of this document.



## GSFA Government Guidelines Summary

<p><b>FIRST MORTGAGE          LOAN TYPES AND          TERMS</b></p>	<p><b><u>Loan Types:</u></b></p> <ul style="list-style-type: none"> <li>FHA; in accordance with FHA guidelines.             <ul style="list-style-type: none"> <li>Cooperative housing (co-op) is not eligible.</li> </ul> </li> <li>VA: In accordance with VA guidelines under 1810 and 181A.</li> <li>USDA RD: In accordance with USDA guidelines.</li> </ul> <p><b><u>Loan Term:</u></b></p> <ul style="list-style-type: none"> <li>30-year fixed term with full amortization.</li> </ul> <p><b><u>Maximum Loan Amount:</u></b></p> <ul style="list-style-type: none"> <li>Lesser of \$726,200 or county limits</li> </ul> <p><b><u>Max LTV/CLTV:</u></b></p> <ul style="list-style-type: none"> <li>Follow agency guidelines</li> </ul> <p>For Conventional Loan options within the GSFA Platinum Program, please see the <a href="#">GSFA Platinum Matrix</a>.</p>
<p><b>BORROWER          ELIGIBILITY</b></p>	<p><b><u>Occupancy:</u></b></p> <ul style="list-style-type: none"> <li>Borrower must occupy the residence as their primary residence.</li> <li>For non-occupant co-borrowers, refer to FHA agency guidelines.</li> </ul> <p><b><u>Income Limits (based on county of property):</u></b></p> <ul style="list-style-type: none"> <li>Follow agency guidelines.</li> </ul> <p><b><u>Minimum Credit Score: 640</u></b></p> <p><b><u>Maximum DTI:</u></b></p> <ul style="list-style-type: none"> <li>FICO 680+             <ul style="list-style-type: none"> <li>50% maximum DTI with acceptable AUS findings</li> </ul> </li> <li>FICO 640-679             <ul style="list-style-type: none"> <li>45% maximum DTI with acceptable AUS findings</li> </ul> </li> <li>FICO 640+             <ul style="list-style-type: none"> <li>45% maximum DTI for manufactured housing with acceptable AUS findings</li> </ul> </li> </ul> <p><b><u>Homebuyer Education:</u></b></p> <ul style="list-style-type: none"> <li>Please refer to FHA for specific requirements.</li> </ul>
<p><b>CASH BACK TO          BORROWER</b></p>	<ul style="list-style-type: none"> <li>No portion of the GSFA Platinum DAP, seller credits, or tax proration credits, may be given back to the borrower.</li> <li>Once the Minimum Required Investment (MRI) has been satisfied, borrowers are permitted reimbursement of POC items and/or earnest money deposit (must leave a \$250 cushion). If the Appraisal fee was paid by debit card transaction, 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 and will eligible to be refunded to the borrower.</li> <li>Principal reductions are not allowed.</li> </ul>
<p><b>COMMUNITY /          AFFORDABLE          SECONDS</b></p>	<ul style="list-style-type: none"> <li>Additional subordinate financing is not allowed.</li> </ul>



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<b>DISCLOSURES</b>	<ul style="list-style-type: none"> <li>1st &amp; 2nd mortgage follows standard disclosure requirements, both LE and CD.</li> </ul>
<b>DOWN PAYMENT AND CLOSING COST ASSISTANCE</b>	<p>DAP is available from GSFA for Purchase or Refinance transactions in the form of an amortizing 15-year Second Mortgage Loan, sized up to 5.00% of the First Mortgage Loan Amount.</p> <ul style="list-style-type: none"> <li>* In the case of a refinance, soft second must be paid in full – no subordination allowed.</li> </ul> <p>DAP Amount based on AMI:</p> <ul style="list-style-type: none"> <li>DAP up to 5.00% of the First Mortgage Loan amount.</li> <li>Second mortgage loan, 15-year loan term.</li> <li>Note Rate of Second Mortgage is same as the Note Rate of First Mortgage.</li> <li>Amortizing loan with monthly payments.</li> <li>Second Mortgage is due and payable upon sale, refinance or payoff of the First Mortgage.</li> <li>Lender must conform to federal RESPA and Truth-in-lending laws in disclosing the terms of the Second Mortgage.</li> <li>Proceeds may be used for down payment and/or closing costs;</li> <li>There must be no cash back to the borrower from the Second Mortgage proceeds;</li> <li>LHFS upfronts the DAP amount at closing.</li> </ul> <p>DAP types available:</p> <ul style="list-style-type: none"> <li>For Platinum “Select” transactions, the DAP is an amortizing 15-year Second Mortgage Loan, sized at 3.50% of the First Mortgage Loan Amount, with optional Gift funds, up to 1.50%. (See <a href="#">Platinum “Select” Eligibility</a> section for details).</li> <li>For Platinum “Assist-to-Own” transactions, the DAP is sized at 3.50% of the First Mortgage Loan amount, with optional Gift funds, up to 2.00%. (See <a href="#">Platinum “Assist-to-Own” Eligibility</a> section for details).</li> </ul>
<b>ELIGIBLE PROPERTIES</b>	<p>Eligible properties:</p> <ul style="list-style-type: none"> <li>Single Family (1 -4 Unit) properties ONLY, as allowed per Agency guidelines.</li> <li>Manufactured housing allowed with a minimum of 680 FICO and maximum DTI of 45% (no manual underwriting)</li> <li>Approved Condos and Townhomes</li> </ul> <p>Ineligible properties:</p> <ul style="list-style-type: none"> <li>Co-ops.</li> <li>Rental homes, investment properties.</li> <li>Recreational, vacation or second homes.</li> </ul>
<b>ELIGIBLE STATES</b>	California only.
<b>FEES</b>	<ul style="list-style-type: none"> <li>Up to 2.00% borrower paid compensation is allowed for this program (No LPC).</li> <li>Discount Points: 0.00% (This Program does not allow Discount Points to be charged to the Borrower)</li> <li>Processing fee must be reasonable and customary.</li> <li>LE must show “Mortgage Broker Compensation – Borrower Paid.”</li> <li>LHFS standard GSFA Platinum admin fee of \$1145 applies to all loans.</li> <li>A fee of \$400 will apply to each expired lock / locked loan not delivered</li> </ul>



<b>GSFA Government Guidelines Summary</b>	
<b>FIRST-TIME HOMEBUYER</b>	<ul style="list-style-type: none"> <li>Available for first time, repeat buyers.</li> <li>Borrower may not own any other property at the time of closing, no exceptions.</li> </ul>
<b>HOMEBUYER EDUCATION</b>	Please refer to Agency for specific requirements.
<b>INCOME LIMITS</b>	<ul style="list-style-type: none"> <li>Follow agency guidelines.</li> </ul>
<b>LOCK STATUS</b>	<ul style="list-style-type: none"> <li>May lock at Conditionally Approved, with appraisal received.</li> <li>Loans are locked, and DAP funds reserved at the same time.</li> <li>GSFA loans are locked in DASH.</li> <li>Special Programs are subject 2:00 PST cutoff for same day lock commitment.</li> <li>30-day lock period only.</li> </ul> <p>Please Note: If loan is locked, and DAP amount (%) needs to change, the lock will be cancelled, a \$400 cancelation fee will apply, and 30 days must elapse before locking to the new program.</p>
<b>MAX LOAN AMOUNT</b>	<ul style="list-style-type: none"> <li>\$726,200</li> </ul>
<b>MINIMUM BORROWER CONTRIBUTION</b>	<ul style="list-style-type: none"> <li>No minimum required borrower contribution.</li> <li>Additional gift funds and seller concessions allowed.</li> <li>Follow Agency, mortgage insurance, and LHFS GSFA guidelines.</li> </ul>
<b>MORTGAGE INSURANCE</b>	<ul style="list-style-type: none"> <li>Follow Agency Guidelines.</li> </ul>
<b>PLATINUM "SELECT" ELIGIBILITY</b>	<p>Borrowers with the following occupations in California are eligible for the Platinum "Select" feature, which provides an amortizing 15-year Second Mortgage Loan, sized at 3.50% of the First Mortgage Loan Amount, with optional Gift funds, up to 1.50%.</p> <ul style="list-style-type: none"> <li>FHA Energy Efficient Mortgage (EEM);</li> <li>USDA RD; and</li> <li>FHA Mortgages where borrower has one of the following occupations in California:             <ul style="list-style-type: none"> <li>Medical and Healthcare workers;</li> <li>Peace Officers, Sheriff, Border Patrol Agents, Correctional Officers and others serving in a Law Enforcement capacity;</li> <li>Firefighters, CalFire, paramedic, and Emergency Medical Technicians (EMTs), including administrative staff that supports firefighters; or</li> <li>Current members of the California State Teachers Retirement System (CalSTRS) or University of California Retirement Plan (UCRP), employees of a California accredited Private, Charter or Public School District or California State University, Junior College or Private College, including school administration and staff.</li> <li>Must upload documented evidence of a borrower's eligible occupation within five (5) business days of submitting a loan reservation online. Acceptable file formats include .pdf, .bmp, .gif, .jpg, .jpeg and .img.</li> </ul> </li> </ul>



## GSFA Government Guidelines Summary

<b>PLATINUM “ASSIST-TO-OWN” ELIGIBILITY</b>	<p>Borrowers that work in the following counties in California are eligible for the Platinum “Assist-to-Own” feature, a deferred Second Mortgage Loan, sized at 3.50% of the First Mortgage Loan amount, with optional Gift funds, up to 2.00%:</p> <ul style="list-style-type: none"> <li>Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Kings, Lake, Lassen, Madera, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Placer, Plumas, San Benito, San Luis Obispo, Santa Barbara, Shasta, Sierra, Siskiyou, Solano, Sutter, Tehama, Trinity, Tulare, Tuolumne, Yolo, and Yuba counties.</li> </ul>
<b>REFINANCE TRANSACTIONS</b>	Not allowed
<b>SALES PRICE LIMITS</b>	N/A
<b>SECOND MORTGAGE LOAN DOCUMENTATION</b>	<p>Required DPA Second Mortgage Loan Documents include:</p> <ul style="list-style-type: none"> <li>Promissory Note</li> <li>Deed of Trust</li> <li>Funding Commitment Notice</li> <li>Second Loan Estimate and Closing Disclosure (for all loan options with Amortizing Second Mortgages)</li> <li>GSFA must serve as the Lender and beneficiary for the Second Note and Security Instrument</li> </ul>
<b>UNDERWRITING</b>	<p><b><u>Follow Agency guidelines, LHFS guidelines and overlay matrix:</u></b></p> <ul style="list-style-type: none"> <li>Allows DU/LPA/GUS</li> <li>Manual underwrite not allowed</li> <li>Borrower must meet all required FHA, VA, USDA-RHS underwriting criteria.</li> <li>No manual underwriting allowed.</li> <li>Max DTI of 45%.</li> <li>Minimum FICO 640 (manufactured 680).</li> <li>Income limits based off 1003 qualifying income.</li> <li>All eligible income must be used in income limit calculation. Manipulation of income to meet the income limit is not acceptable.</li> <li>Gift funds allowed.</li> <li>Modifications to a reservation require approval; only Property address or loan amount are allowed with NHF, any other modifications require loan cancellation (borrower, interest rate).</li> </ul>



## URLA DETAIL (ASSIST TO OWN)

### Section 4: Loan and Property Information: 4b. Other New Mortgage Loans on the Property

#### 4b. Other New Mortgage Loans on the Property You are Buying or Refinancing

Does not apply

Creditor Name	Lien Type	Monthly Payment	Loan Amount/ Amount to be Drawn	Credit Limit (if applicable)
GSFA	<input type="radio"/> First Lien <input checked="" type="radio"/> Subordinate Lien	\$	\$ 11,250.00	\$
	<input type="radio"/> First Lien <input type="radio"/> Subordinate Lien	\$	\$	\$

- Enter "GSFA" as the "Creditor Name"
- Check "Subordinate Lien" under "Lien Type"
- Do not enter a monthly payment amount under the "Monthly Payment" field
- Enter DAP dollar amount under "Loan Amount / Amount to be Drawn"

### Section 5: Declarations: 5a. About this Property and Your Money for this Loan

#### 5a. About this Property and Your Money for this Loan

<b>A.</b> Will you occupy the property as your primary residence? If YES, have you had an ownership interest in another property in the last three years? If YES, complete (1) and (2) below: (1) What type of property did you own: primary residence (PR), FHA secondary residence (SR), second home (SH), or investment property (IP)? (2) How did you hold title to the property: by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?	<input type="radio"/> NO <input type="radio"/> YES <input type="radio"/> NO <input type="radio"/> YES  <input type="text"/> <input type="text"/>
<b>B.</b> If this is a Purchase Transaction: Do you have a family relationship or business affiliation with the seller of the property?	<input type="radio"/> NO <input type="radio"/> YES
<b>C.</b> Are you borrowing any money for this real estate transaction (e.g., money for your closing costs or down payment) or obtaining any money from another party, such as the seller or realtor, that you have not disclosed on this loan application? If YES, what is the amount of this money?	<input type="radio"/> NO <input checked="" type="radio"/> YES \$ 11,250.00
<b>D.</b> 1. Have you or will you be applying for a mortgage loan on another property (not the property securing this loan) on or before closing this transaction that is not disclosed on this loan application? 2. Have you or will you be applying for any new credit (e.g., installment loan, credit card, etc.) on or before closing this loan that is not disclosed on this application?	<input type="radio"/> NO <input type="radio"/> YES <input type="radio"/> NO <input type="radio"/> YES
<b>E.</b> Will this property be subject to a lien that could take priority over the first mortgage lien, such as a clean energy lien paid through your property taxes (e.g., the Property Assessed Clean Energy Program)?	<input type="radio"/> NO <input type="radio"/> YES

- 5a, item C - Mark "Yes"
- Enter DAP dollar amount in the blank field

Please Note: The above sections are the only entries needed for DPA. Do not enter amounts in any other sections of the URLA.

**\*\*See following page for GSFA Standard and Select Entries\*\***

## URLA DETAIL (STANDARD AND SELECT)

### Section 4: Loan and Property Information: 4b. Other New Mortgage Loans on the Property

#### 4b. Other New Mortgage Loans on the Property You are Buying or Refinancing

Does not apply

Creditor Name	Lien Type	Monthly Payment	Loan Amount/ Amount to be Drawn	Credit Limit (if applicable)
GSFA	<input type="radio"/> First Lien <input checked="" type="radio"/> Subordinate Lien	\$100.00	\$11,250.00	\$
	<input type="radio"/> First Lien <input type="radio"/> Subordinate Lien	\$	\$	\$

- Enter "GSFA" as the "Creditor Name"
- Check "Subordinate Lien" under "Lien Type"
- Enter a monthly payment amount under the "Monthly Payment" field
- Enter DAP dollar amount under "Loan Amount / Amount to be Drawn"

### Section 5: Declarations: 5a. About this Property and Your Money for this Loan

#### 5a. About this Property and Your Money for this Loan

<p><b>A.</b> Will you occupy the property as your primary residence?            If YES, have you had an ownership interest in another property in the last three years?            If YES, complete (1) and (2) below:            (1) What type of property did you own: primary residence (PR), FHA secondary residence (SR), second home (SH), or investment property (IP)?            (2) How did you hold title to the property: by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?</p>	<p><input type="radio"/> NO <input type="radio"/> YES  <input type="radio"/> NO <input type="radio"/> YES</p> <p>_____</p> <p>_____</p>
<p><b>B.</b> If this is a Purchase Transaction: Do you have a family relationship or business affiliation with the seller of the property?</p>	<p><input type="radio"/> NO <input type="radio"/> YES</p>
<p><b>C.</b> Are you borrowing any money for this real estate transaction (e.g., money for your closing costs or down payment) or obtaining any money from another party, such as the seller or realtor, that you have not disclosed on this loan application? If YES, what is the amount of this money?</p>	<p><input type="radio"/> NO <input checked="" type="radio"/> YES            \$ 11,250.00</p>
<p><b>D.</b> 1. Have you or will you be applying for a mortgage loan on another property (not the property securing this loan) on or before closing this transaction that is not disclosed on this loan application?            2. Have you or will you be applying for any new credit (e.g., installment loan, credit card, etc.) on or before closing this loan that is not disclosed on this application?</p>	<p><input type="radio"/> NO <input type="radio"/> YES  <input type="radio"/> NO <input type="radio"/> YES</p>
<p><b>E.</b> Will this property be subject to a lien that could take priority over the first mortgage lien, such as a clean energy lien paid through your property taxes (e.g., the Property Assessed Clean Energy Program)?</p>	<p><input type="radio"/> NO <input type="radio"/> YES</p>

- 5a, item C - Mark "Yes"
- Enter DAP dollar amount in the blank field

**Please Note: The above sections are the only entries needed for DPA. Do not enter amounts in any other sections of the URLA.**