

OVERVIEW

The *Within Reach*TM Conventional Down Payment Assistance Program (DAP) is a competitively priced Conventional loan program that does not require a minimum down payment from the homebuyer(s), exclusively offered from Land Home Financial Services, Inc. (LHFS). *Within Reach*TM provides your borrower(s) with a 5% DAP.

Loans submitted to LPA must not exceed 80% AMI for the location of the Mortgaged Premises. This applies to all *Within Reach*TM Conventional mortgages, including those secured by properties in low-income census tracts.

This home loan program is a purchase money first lien mortgage with down payment assistance in the form of a subordinate soft second lien with a 0.00% interest rate, as a 5-year term, forgiven at month 61. Borrower(s) must remain current on their mortgage for the second mortgage to be forgiven.

Please note: *Within Reach*TM Conventional for Manufactured Housing will remain a Grant.

- ☐ Refinance transactions are not eligible.
- ☐ Conforming loan amounts only
- ☐ Minimum FICO 620
- ☐ Manual underwriting is not permitted
- ☐ Down payment assistance is in the form of a soft second lien, 0.00% interest, as a 5-year term, forgiven at month 61.
 - *Within Reach*TM less than [or equal to 80% AMI](#) – DAP of 5% offered
- ☐ Income limits are based off credit qualifying income reported on the 1003. All eligible income must be used in income limit calculation regardless of need. Manipulation of income to meet the income limit is not acceptable.
- ☐ LHFS prepares - TRID partial exemption applies to the soft second lien:
 - NHF Program – Partial Exemption Disclosure
 - Second mortgage fees are noted on the LE & CD of the first mortgage
- ☐ No minimum borrower cash investment requirement
- ☐ LTV 97.00%/CLTV 105.00%
- ☐ Benefit – Mortgage insurance coverage is lower at 25% and cancellable vs. FHA financing life of loan
- ☐ Manufactured housing is allowed only under the [Within ReachTM MH guidelines](#) program

<i>Within Reach</i> TM <80% AMI
LTV 97%
AMI must be 80% or below
LHFS requires LPA AUS - Accept/Eligible required
5.00% DAP
up to 2.00% Origination fee (Cannot exceed LPC Agreement with LHFS)

PROGRAM CODES

*Within Reach*TM HP DPA <80% AMI and 5% Fixed

WCWRHP30<80AMI5-000

NOTE: Standard LHFS [overlays](#) apply to this Down Payment Assistance Program.



<i>Within Reach</i> TM Conventional Guidelines	
FIRST MORTGAGE LOAN TYPES AND TERMS	<ul style="list-style-type: none"> First mortgage conventional 30-year fixed term with full amortization, purchase transaction only No buy-downs are allowed Par priced program, no premium or discounts allowed
UNDERWRITING	<ul style="list-style-type: none"> LHFS will follow Agency Guidelines for Home Possible Subject to LHFS overlays 45% Max DTI All student loans must have a payment calculated in the debt ratio. Refer to Student Loan Matrix LHFS Requires LPA Accept/Eligible AUS - Manual underwriting is not permitted <ul style="list-style-type: none"> LPA should reflect Home Possible as the Offering Identifier All HPML loans must pass Safe Harbor in order to be eligible for closing.
BORROWER ELIGIBILITY	<p>Borrower must meet the following requirements:</p> <ul style="list-style-type: none"> All borrowers must occupy the property as their primary residence Cosigners/Non-occupying co-borrowers are not allowed. Meet Income Limits (See income limits section)
CASH BACK TO BORROWER	<p>Borrower may receive the difference of their earnest money cash back. No portion of the DAP, seller credits (including tax proration credits) or lender credits may be given back to the borrower and principal curtailments are not allowed. 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 considered as a part of the borrower's cash, eligible to be refunded to the borrower outside close of escrow.</p>
DESCRIPTION	<p>LHFS 1st conventional mortgage program combined with down payment assistance in the form of a soft second* DAP.</p> <p><i>Within Reach</i>TM Less Than 80% AMI</p> <ul style="list-style-type: none"> 5% of the first mortgage loan amount (rounded up always to the nearest dollar) Up to 2.00% Origination Fee 97% LTV <p>* In the case of a refinance, soft second must be paid in full – no subordination allowed.</p>
DISCLOSURES	<p>1st mortgage follows standard disclosure requirements, both LE and CD.</p> <p>2nd mortgage will require NHF Program – Partial Exemption Disclosure.</p> <p>Note: 2nd mortgage maximum allowed fees is 1% of the 2nd mortgage loan amount.</p>
DOWN PAYMENT AND CLOSING COST ASSISTANCE	<p>DAP can be applied to both borrower minimum investment required and/or to any closing costs.</p> <ul style="list-style-type: none"> DAP funds are reserved when the loan is locked. LHFS will advance the DAP funds at closing. <p>Per FHLMC guidelines:</p> <ul style="list-style-type: none"> Additional gift funds and seller concessions are allowed. No minimum borrower contribution required.
ELIGIBLE PROPERTIES	<p><u>Eligible:</u></p> <ul style="list-style-type: none"> Single family detached or semi-detached Condo units in an approved project (follow agency guidelines) PUD attached or detached Manufactured allowed, follow LHFS Within ReachTM MH guidelines <p><u>Ineligible:</u></p> <ul style="list-style-type: none"> No properties with significant repairs not paid by seller or buyer prior to closing are allowed (No repair escrows or holdbacks) Properties used for investment property, second home, or the operation of a business 2-4 unit Transferred appraisals
ELIGIBLE STATES	<p>Nationwide Program, excluding the states of New York and Washington.</p>



*Within Reach*TM Conventional Guidelines

FEES	<ul style="list-style-type: none"> Up to 2.00% borrower paid compensation is allowed for this program (No LPC) Cannot Exceed LPC Agreement with LHFS Third-party processing fee may not exceed \$995. LE must show "Mortgage Broker Compensation – Borrower Paid" LHFS standard <i>Within Reach</i>TM admin fee of \$1145 applies to all loans A fee of \$400 will apply to each expired lock / locked loan not delivered. <p><u>2nd Mortgage:</u></p> <ul style="list-style-type: none"> Escrow/Settlement Agency fees may not exceed 1% of the loan amount. Recording fees and transfer tax are not included in the 1% tolerance. Avoid any potential delays: Contact title company for 2nd mortgage fee amounts, notify LHFS of cost.
FIRST-TIME HOMEBUYER	<ul style="list-style-type: none"> Both 1st time homebuyers and repeat buyers allowed Subject to restrictions noted in Ownership of Other Residential Property
HOMEBUYER EDUCATION	<p>At least one borrower must participate in a homeownership education program before the Note date.</p> <ul style="list-style-type: none"> Homeownership education must not be provided by an interested party to the transaction, LHFS, or by the seller. Homeownership education programs may use different formats and require different lengths of time to complete. The following are acceptable: <ol style="list-style-type: none"> Programs developed by HUD-approved counseling agencies, Housing Finance Agencies (HFAs) or Community Development Financial Institutions (CDFIs) Programs developed by mortgage insurance companies Programs that meet the standards of the National Industry Standards for Homeownership Education and Counseling (www.homeownershipstandards.com) As an alternative to the programs listed above, LHFS allows CreditSmart® which meets the homeownership education requirements, provided: <ul style="list-style-type: none"> The borrower completes the on-line Credit Smart® – Steps to Homeownership Tutorial, which includes: <ul style="list-style-type: none"> Module 1 (Your Credit and Why It Is Important) Module 2 (Managing Your Money) Module 7 (Thinking Like a Lender) Module 11 (Becoming a Homeowner) and Module 12 (Protecting Your Investment) The financial literacy curriculum is not provided by an interested party to the transaction, the originating lender or by the seller. A copy of Exhibit 20, Homeownership Education Certification, or another document (such as the CreditSmart® – Steps to Homeownership certificate of completion) containing comparable information must be retained in the mortgage file.
INCOME LIMITS	<p><u>Income Limits</u></p> <ul style="list-style-type: none"> Income limits applicable to: <ul style="list-style-type: none"> 5% DAP less than or equal to 80% AMI Loans submitted to LPA must not exceed 80% AMI for the location of the Mortgaged Premises. This applies to all <i>Within Reach</i>TM Conventional mortgages, including those secured by properties in low-income census tracts
LOCK STATUS	<p>May lock at Conditionally Approved, with appraisal received. Loans are locked and DAP funds reserved at the same time. 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>
MORTGAGE INSURANCE	<p>25% coverage is required, and must be Borrower Paid Monthly</p>
OFFERING IDENTIFIER	<p>Land Home requires LPA AUS Select Offering Identifier "Home Possible" for single family properties, condos, or PUD's (attached or detached).</p>



*Within Reach*TM Conventional Guidelines

OWNERSHIP OF OTHER RESIDENTIAL PROPERTY	<p>Borrower(s) may not, as of the Note Date have an ownership interest in any other residential properties, except as stated below: The Borrower may have an ownership interest in a residential property other than the Mortgaged Premises if the Borrower does not occupy the property, and documents the following in the mortgage file:</p> <ul style="list-style-type: none"> • The Borrower inherited their ownership interest in the property and shares ownership with another party, or • The Borrower owns the property with another party and the debt associated with the property was assigned to the other party by a court order (e.g. divorce decree), or • The Borrower is a cosigner/guarantor on the related mortgage debt and someone other than the Borrower has made payments on the debt associated with the property for the most recent 12 months, as documented with copies of canceled checks or a statement from the lender.
SALES PRICE LIMITS	No sales price limits
SERVICER	<p>Master Servicer 1st: Land Home Financial Services, Inc. Master Servicer 2nd: Land Home Financial Services, Inc.</p>
SUBORDINATE FINANCING	<p>The “soft second” will close in the name of National Homebuyers Funds and follow RESPA partial exemption:</p> <ul style="list-style-type: none"> • Initial Truth in Lending Disclosure • Subordinate Loan Promissory Note • Subordinate Deed of Trust
HELPFUL LINKS / INFORMATION	<p><u>Land Home Financial Additional Resources:</u></p> <ul style="list-style-type: none"> • eXPRESS • https://Wholesale.LHFS.com • Within ReachTM Conventional Income Limits • Within ReachTM 2nd Loan Amount Calculator <p><u>Within ReachTM 2.0 Submission Checklists:</u></p> <ul style="list-style-type: none"> • Submission Checklist for LHFS Disclosed Loans • Submission Checklist for TPO Partner Disclosed Loans
PAYOFF DEMAND	<p><u>Payoff Demand for Within ReachTM First loan:</u> LHFS Servicing (877) 230-0466 (follow prompts for payoff request)</p> <ul style="list-style-type: none"> ○ Select Prompt #1 for English <ul style="list-style-type: none"> ▪ System will ask for: <ul style="list-style-type: none"> • Loan # (existing/servicing – account number from statement), • Last 4 digits of social security number, and • Property zip code ▪ The system will provide the following account information: <ul style="list-style-type: none"> • Balance, and • Last payment received ○ Select Prompt #4 for payoff demands <ul style="list-style-type: none"> ▪ Fax# required for entry ▪ Fax will be sent within 4 hours containing payoff information <p><u>Payoff Demand for Within ReachTM Second loan:</u> LHFS Special Servicing ATTN: Specialty Department 3611 S. Harbor Blvd, Suite 100 Santa Ana, CA 92704 Phone: 877.557.9042 Email: LHService@LHFS.com</p> <p>Please include the Borrower(s) name and the Within ReachTM first loan number with both requests.</p> <ul style="list-style-type: none"> • Optional: Include subject property address



URLA DETAIL

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)
National Homebuyers Fund, Inc.	<input type="radio"/> First Lien <input checked="" type="radio"/> Subordinate Lien	\$	\$5,000.00	\$
	<input type="radio"/> First Lien <input type="radio"/> Subordinate Lien	\$	\$	\$

- Enter “National Homebuyers Fund, Inc.” as the “Creditor Name”
- Check “Subordinate Lien” under “Lien Type”
- **DO NOT** enter a monthly payment - “Monthly Payment” field must be blank
- 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>A. 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><input type="text"/> <input type="text"/></p>
<p>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>C. 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 \$5,000.00</p>
<p>D. 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>E. 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.