



YORK HOMEBUYER ASSISTANCE PROGRAM ELIGIBILITY REQUIREMENTS

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1. The borrower and any co-borrowers must be "first time buyers" who have not owned a home within the last 3 years. If a borrower previously jointly owned a home with a former spouse (and are now divorced), s/he must be removed from the prior deed and released from the note and mortgage. The borrower and co-borrowers may not have an ownership interest in any other real estate or business other than a business that is their primary source of income. Non-occupant co-borrowers are not permitted.
2. *The borrower and any co-borrowers should complete LHOP's York Housing Opportunity Center's Home Buyer Course prior to entering into a Sales Agreement.* There is a non-refundable \$25.00 tuition fee due at registration for each person expected to complete the course. Completion of the course does not guarantee Home Buyer Loan eligibility or the availability of funds. Applicants who completed training more than 2 years prior to the date of the Sales Agreement must repeat the course.
3. The borrower and any co-borrowers must occupy the home as their primary residence on a permanent, year-round basis within sixty (60) days of closing.
4. Borrower and any co-borrowers must meet with a qualified Housing Counselor for an individual counseling session prior to settlement. Borrower must contact the LHOP York Housing Opportunity Center at 717-827-4334 to schedule this meeting.
5. Properties to be purchased must be located within the County of York (including York City) and the most recent occupant must have been the property owner (or the current tenant) to be considered for a Home Buyer Loan. Please contact LHOP with any questions.
6. Manufactured homes qualify provided the lot is included in the purchase and the unit is attached to a permanent foundation.
7. The purchase price cannot exceed \$158,000.00 for existing homes and \$224,000.00 for new construction properties. Sales Agreements must include an executed YHAP Addendum. Funds are subject to availability and will be distributed as stated on Commitment Letter.
8. YHAP's Home Buyer Loan funds may be used for down payment, eligible closing costs and are available only in combination with qualified first mortgage loan products offered by YHAP's Partnership Lenders (see listing attached). The borrower must meet the lender's eligibility and underwriting requirements for the specific primary mortgage product desired as well as YHAP's Home Buyer Loan underwriting requirements as per YHAP's Home Buyer Loan Policies & Procedures. YHAP's Loan Applications must be submitted by Lenders within 5 days of the full execution of the Agreement of Sale. Incomplete applications will not be accepted. **For specific Home Buyer loan underwriting requirements such as minimum credit score and maximum debt to income ratios allowance, please refer to the Home Buyer Policies & Procedures posted on our website, www.lhop.org/york-housing-opportunity-center or contact LHOP at 717-827-4334.**
9. A satisfactory whole house inspection and wood destroying insect infestation inspection must be completed by a qualified inspector. Properties must also comply with the requirements of 24 C.F.R. Part 35 (Lead-Based Paint Poisoning Prevention in Certain Residential Structures); therefore, the Home Inspection must record any evidence of lead-based paint issues in dwellings built prior to 1978 to determine the possible need for additional evaluation and/or remediation. The borrower must accompany the inspector during the inspection. A satisfactory final inspection will be required. Major defects must be corrected as a condition to receiving the Home Buyer loan. A major defect is any existing condition that will adversely affect the health and safety of the borrower or any major system or structural component in immediate need of repair or replacement. All applicable documentation must be forwarded to LHOP's York Housing Opportunity Center within 10 to 15 days of the full execution of the Agreement of Sale.
10. A Uniform Physical Condition Standard (UPCS) inspection will be required on all homes per HUD, by a County/City certified Rehabilitation Specialist/Inspector. The Property must meet minimum Uniform Physical Condition Standards (UPCS).
11. A satisfactory pre-house screening completed by the borrower and realtor to insure that the property meets the standards of the UPCS inspection.
12. A satisfactory property appraisal must be completed by a lender-approved, certified appraiser and submitted to LHOP's York Housing Opportunity Center 20 days before closing.
13. The borrower's required contribution must be verifiable funds on deposit in the borrower's account(s) prior to closing. Borrowers may retain a cash reserve after closing of no more than \$7,500.00 and no less than the equivalent of one month's PITI payment.
14. The projected gross household income, expected to be received over the next 12 months, may not exceed the following limits. Please note that the limits are based on total household members.

1 member	\$39,700	5 members	\$61,200
2 members	\$45,350	6 members	\$65,750
3 members	\$51,000	7 members	\$70,250
4 members	\$56,650	8 members	\$74,800

15. Income will be calculated for all "adult household members" including the borrower, any co-borrowers, the spouse of the borrower or any co-borrowers, and any other adults over the age of 18 who are expected to reside in the home. If a borrower is married, but separated, the spouse's income may be excluded if the separation can be clearly documented by a filing for divorce, a legal spousal support order, or other convincing evidence that the borrower has maintained a separate residence for at least one year.

16. To be included as a household member, a minor or full-time student must be a legal dependent of at least one of the adult household members and must reside in the home as their primary residence.
17. Eligibility income will generally be determined based on the gross income received by all adult household members from all income sources for the four (8) week period immediately preceding the date of the primary loan application, projected forward for the next 12 months. LHOP may consider alternative methods of determining eligibility income where it can be clearly demonstrated that the household member's income for this period is not representative of their typical earnings history.
18. The maximum Home Buyer loan amount and related requirements are as follows:

Maximum Loan Amount:	8% of Purchase Price with a maximum of \$5,000.00 County/ \$7,000.00 City
Minimum Contribution from Borrower's own funds:	1% of purchase price or a minimum of \$1,000 (whichever is greater)
Minimum Primary Mortgage:	90% LTV
Maximum Combined Loan to Value Ratio:	108% CLTV
19. A minimum middle credit score of 620 is required. Only on a case-by-case basis, YHAC may consider at its discretion, applications from borrowers who may have less than a 620 credit score which have strong, compensating factors. If a borrower has less than three opened (traditional) trade lines, YHAC may require additional satisfactory non-traditional trade line documentation. Contact LHOP's York Housing Opportunity Center for more specific information.
20. No Credit Score – A minimum of three open trade lines with a satisfactory 12-month payment history is required in the event that the borrower doesn't have a traditional credit score. Rent payment history, utilities, cell phone, car insurance (if paid in monthly installments), are acceptable examples of these required trade lines.
21. YHAC will allow a maximum PITI ('FRONT END') debt-to-income ratio of up to 33% of the borrower's monthly gross income and a maximum ('BACK END') total debt-to-income ratio of up to 43% of the borrower's monthly gross income. Debt-to-income ratios are based on YHAC Income Calculation Method.
22. **If borrower exceeds the 33/43 ratios, please contact LHOP's York Housing Opportunity Center immediately before taking a Home Buyer Loan application.** On a case by case basis, YHAC at its sole discretion, may consider higher debt-to-income ratios if the borrower has at least two of the following compensating factors:
 - ✓ Three months reserves of PITI payments from their own funds documented at the time of their loan application.
 - ✓ Credit Score of 700 or higher;
 - ✓ Monthly housing payment savings (PITI vs. RENT) of greater than \$100;
 - ✓ Stable employment history (i.e., at least 2 years at the same employer);
 - ✓ Additional verifiable household income not listed on the mortgage application. (i.e., a spouse who will not be on the mortgage application, but has verifiable income. In this case, a copy of the spouse's credit report will be required in order to calculate the appropriate 'back end' ratio for the household.)
23. The Home Buyer loan is provided at 0% interest with no monthly payments required. Loan repayment is due in full upon sale or transfer of the property or in the event the borrower ceases to occupy the home as their primary residence. The loan is secured by a second mortgage lien and County / City must be listed as an additional insured on the Homeowner's Insurance policy.
24. The Home Buyer loan amount determination is based on an assessment of acceptable costs required to close and the availability of funds from other sources, including borrower's liquid cash assets, gifts, seller contributions, and primary mortgage proceeds. Loan funds may not be used to pay off current debt obligations as may be required for borrower to qualify for the primary loan.
25. Recording fees are the responsibility of the borrower and may be included in the Home Buyer loan amount. There is no application fee for the Home Buyer loan.
26. Borrower and co-borrowers must be U.S. citizens, permanent resident aliens or non-permanent resident aliens with a valid Social Security Number and eligible to work in the US meeting the standards of a 5 year clearance date from the day of settlement. Please contact the LHOP York Housing Opportunity Center for specific requirements.
27. Borrower's not having 3 months PITI reserves after closing must attend a York Housing Opportunity Center Post Closing Classes within 6 months and 12 months of closing. This course provides skills and tips so that participants will have the foresight to successfully maintain their homes and finances.
28. Program Requirements are subject to change with reasonable notice.

YHAC Partnership Lenders

ACNB BANK
Allied Mortgage Group / Freedmont Mortgage Funding
Citizens One Home Loans
First Alliance Home Mortgage
Fulton Bank
GMH Mortgage Services
Habitat for Humanity
Heritage Valley FCU

Home Point Financial
HomeSale Mortgage, LLC
M&T Bank
Mortgage America
PHFA
PNC Mortgage
Prime Lending
Residential Mortgage Service

Santander Bank
Union Community Bank
USDA
Wells Fargo
White Rose Credit
Union / First Heritage
York Traditions Bank