Partner Lender Guidelines
First-Time Home Buyer Program

LHOP is unique in its approach of providing financial assistance only through qualified Partner Lenders. Under this arrangement, Partner Lenders work cooperatively with LHOP to train prospective homebuyers, process requests for financial assistance, and obtain inspection reports and other documentation required for loan closing.

This collaborative relationship has been designed to achieve four objectives, namely:

1. **To Deliver Effective Homebuyer Training:**
   To understand both the requirements and process for buying a home, it is essential that prospective buyers hear directly from professionals involved in the process, including the lender. To achieve this objective, each Partner Lender will participate in at least one training course per year. This direct interaction enhances the effectiveness of our training and provides the opportunity for prospective buyers to begin to build relationships with you, the Lender.

2. **To Facilitate Timely Loan Processing:**
   Most communities operate under a dual application process, with the borrower applying separately to the lender for the primary loan and to a local agency for closing cost assistance. Paperwork is unnecessarily duplicated and total processing time is typically double that of a conventional loan.

   To reduce processing time and paperwork, LHOP asks Partner Lenders to serve as LHOP loan originators so that the primary loan and closing cost loan applications can be processed simultaneously. Under this arrangement, the lender’s loan originator is responsible for collecting information from the borrower necessary to make the eligibility decision according to the Homebuyer Loan Policies & Procedures. The lender’s loan processor is responsible for submitting this information for approval.

3. **Quality Affordable Housing:**
   Because LHOP requires a property inspection and checks for items in need of repair, the buyer is better informed about the property and can negotiate in the Sales Agreement for improvements on health, safety and sanitary issues. This provides an assurance to the Lender, LHOP as well as the prospective buyer that the property is a better collateral risk.

4. **Enhanced Loan Performance:**
   We seek to generate quality loans by offering our product only in combination with qualified fixed rate mortgage products that require “A” credit and government insured loans, originated by banks and mortgage companies who have a local market presence, know our requirements, and share our commitment to quality affordable housing.

   Additionally, existing Borrowers are contacted each year and offered post-purchase assistance, such as budget counseling to maintain their regular payments on the loan and/or DIY repair classes to preserve the value of the property.
To be designated as a Partner Lender, please see attachment document explaining Partner Lender benefits as well as additional opportunities to partner with LHOP.

**LHOP Partner Lender Expectations**

To qualify for consideration as a Partner Lender, a lender must:

1. Be a bank, credit union or mortgage company with at least one office located in the appropriate market served, Lancaster County and/or York County. **Loan correspondents or brokers are not eligible.**

2. Originate fixed-rate, “A” credit loan products, including FHA-insured products, with rates and terms consistent with other qualified products available in the market. Loans must generally be closed in the name of the Partner Lender. Only lenders licensed as mortgage brokers may close loans in other names. (In review of loan applications, LHOP will monitor loan pricing to insure competitive rates and terms. No more than 3 points may be charged on the primary mortgage. No penalties for early repayment.)

3. Provide qualified personnel to assist with delivery of at least one homebuyer training course per year.

4. Participate in LHOP loan training and agree to serve as originator and processor for down payment / closing cost assistance loans.

5. Have a default rate of homebuyer loans with LHOP or similar first-time homebuyer programs not exceeding the average rate of other financial or mortgage institutions.

6. Contribute financially toward the program. As a 501(c)(3) non-profit organization, contributions to LHOP are tax deductible to the extent permitted by law.

LHOP reserves the right to approve or disapprove Partner Lender applications for reasons which it believes, in its sole discretion, are in the best interest of LHOP and its clients.

We would welcome the opportunity to meet with you and share with you the work of LHOP in our communities. For further information or to proceed to become a Partner Lender, please call Miriam Soto at (717) 291-9945 ext. 102 or msoto@lhop.org or Laurie Moir at (717) 291-9945 ext. 108 or lmoir@lhop.org. Additional information is also available on our web site www.lhop.org.
LANCASTER HOUSING OPPORTUNITY PARTNERSHIP
PARTNER LENDER APPLICATION

Our company, ________________________________________________ would like consideration to become an LHOP Partner Lender in (check all that apply):

☐ Lancaster County  ☐ York County

Clients may call us at (____) _______________ to learn more about our mortgage products or to chat with a team member.

LHOP does not issue a down payment assistance/closing cost loan to clients below 620 without mitigating factors. What are your minimum credit scores ________ for all your loan products? Please provide a listing of all mortgage products used with LHOP programs.

I, ________________________________________________ have read, understood and agree to meet the expectations outlined in the LHOP Partner Lender ‘Benefits and Lender Expectations’ document.

Please indicate your company’s lending status:

☐ Mortgage Banker  ☐ Direct Mortgage Lender
☐ Broker Lender  ☐ Correspondent Mortgage Lender

I understand that LHOP reserves the right to approve or disapprove Partner Lender applications for reasons which it believes, in its sole discretion, are in the best interest of LHOP and its clients.

Direct Contact: (Person requesting application approval.)

Name/Title ________________________________________________

Address: ________________________________________________

Phone: ________________________________________________

Email: ________________________________________________

Signature: ________________________________  Date: __________________

For LHOP Use

Approved / Disapproved

Comments: ________________________________________________

Signature ________________________________  Date __________________
LENDER CONTACT INFORMATION

Loan Originators who will be handling LHOP Applications:

Please provide addresses ONLY if different from the Direct Contact’s address.

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LENDER CONTACT INFORMATION

Lenders who will be assisting in teaching homeownership classes:
Please provide addresses ONLY if different from the Direct Contact’s address.

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