

FAQ

Home Means Nevada Rural DPA Program

Q. If there is excess down payment, can it be used toward closing costs?

A. No, the DPA can only be used for down payment. Excess funds should be applied to the principal and/or used to reimburse the borrower's earnest money deposit.

Q. What is considered household income?

A. Income from any persons living in the home who are 18 years of age or older.

Q. Can the DPA programs be combined with other DPA programs?

A. The borrower cannot use more than one DPA program offered by Nevada Rural Housing or Nevada Housing Division, and cannot use the programs if they have previously used the Home At Last program. The borrower may receive additional assistance from the WISH program or Rural Nevada Development Corporation (RNDC) as long as the Nevada Rural Housing DPA loan remains in second position. All eligible borrowers may pair the DPA programs with the Mortgage Credit Certificate (MCC) program, and are encouraged to do so! To learn more visit HALMCC.org.

Q. Is the timeline the same as Home At Last's™ other DPA programs?

A. Yes, the initial lock is for 70-days (the timeline for U.S. Bank to purchase the loan from the originating lender). One 30-day lock extension is issued automatically if the loan is not purchased within 70 days. Lenders must request additional 30-day extensions, if applicable. The cost for each 30-day extension is \$375 and netted from the loan purchase.

Q. What additional forms are required?

A. The programs require two additional forms, which will be generated in eHousing's form section once the loan has been reserved. The first form is the *Dodd-Frank Certification*. The law provides that no person shall be eligible to receive assistance from the State and Local Fiscal Recovery Funds (SLFRF) program, a part of the American Rescue Plan Act (ARPA) if such person, in connection with a mortgage or real estate transaction, has been convicted, within the last 10 years, of any one of the following: (A) felony larceny, theft, fraud, or forgery, (B) money laundering, or (C) tax evasion. The second additional form is the *Worksheet for Documenting Eligible Household Income & Residency*. It is the lender's responsibility to properly calculate household income and verify the borrower meets the 6-month residency requirement.

The originating lender must sign this form and provide to eHousingPlus with post-closing documents.

Q. Do Lenders need to submit the additional forms to Nevada Rural Housing for approval before the loan is closed?

A. No, Nevada Rural Housing will not review any loan forms or documents. Lenders are responsible to ensure compliance with all program guidelines and requirements, including accurate calculations of household income.

Q. Do Lenders need a “Clear to Close” letter from Nevada Rural Housing prior to closing?

A. No, Nevada Rural Housing will not be issuing “Clear to Close” letters. Lenders are responsible to ensure compliance with all program guidelines and requirements, including accurate calculations of household income and submission of required forms to eHousing with the post-closing package.

Q. Are partial exemptions allowed?

A. Yes, just as with NRH’s other homeownership programs.

Q. Do the programs require a separate Loan Estimate (LE) or Closing Disclosure (CD), or can the information be put on the first mortgage LE/CD?

A. Per CFPB rules, the programs are partially exempt. Lenders are required to issue the Partial Exemption Disclosure to borrowers (available in the eHousing reservation portal). Lenders may include program fees on the first mortgage LE/CD.

Q. Can the borrower(s) own other property or have owned a home previously?

A. No, the borrower(s) cannot own other property and the borrower(s) and any non-purchasing spouse must not have owned a home within the previous three years.

Q. Can a borrower use Home Means Nevada Rural DPA more than once?

A. No, this program is for first-time borrowers only or those who haven’t owned a home within the previous three years.

Q. Do I need to reserve the second mortgage for the DPA separately?

A. Yes, once the first mortgage has been reserved, click “Add Additional” in the reservation. The information for the second mortgage will auto-populate. Click “Submit” to complete the reservation for the DPA.

Q. Will the second appear on the same confirmation as the first?

A. Yes, the first and second will appear on the same eHousing Plus confirmation.

Q. Can I pair the programs with Nevada Rural Housing's Mortgage Credit Certificate (MCC) program?

A. Yes, provided the borrower(s) meet the MCC eligibility requirements. The most restrictive income limit applies.

Q. The purchase price limit is \$647,200. Does this apply to all loan types?

A. No, this is the program maximum, however, loan agency guidelines will apply. You'll use the most restrictive purchase price and/or loan limits.

Q. What are the income limits?

A. Household income is limited to 300% of the Federal Poverty Guidelines (FPG). Income limits can be found at BuyRuralNV.org or in the Program Guidelines.

Q. What is the service release premium (SRP) for each program?

A. The SRP is 1.5% for all programs. Lenders may charge an uncapped origination fee (subject to limitations of what is considered normal and customary).

Q. Is the Home At Last program still available?

A. Yes, the original award-winning Home At Last program is still available and provides additional options for borrowers earning up to \$165,000.

Q. Are lenders required to take additional program training?

A. If lenders are already participating in the Home At Last program, there is no additional training required to offer the new DPA programs. If a lender is not participating in the Home At Last program, then program training is required and lenders must follow the instructions to become a participating lender. Email inquiries to HAL@nvrural.org.

Q. Are there any other allowable fees other than the recording fee?

A. Yes, refer to the information at the end of the Partial Exemption Disclosure and refer to CFPB guidelines that must be followed.

Q. Are the second liens assumable?

A. No, they are not.

Q. If doing a conventional loan, do I use 300% of Federal Poverty Guidelines (FPG) or 80% area median income (AMI)?

A. If doing a conventional loan, you can go up to 300% of FPG or 80% of county based AMI, whichever is less. In cases where the borrower(s) have a larger household, it may

be possible to have household income that exceeds 80% AMI, but is still within 300% FPG. In this case, the Fannie Mae Over 80% AMI product is available.

Q. Will the second mortgage appear on a separate reservation confirmation in eHousing?

A. No, the second will appear on the same confirmation as the first.

Q. How is the 6-month residency requirement proven?

A. Borrowers must prove 6-months residency with a Nevada drivers license.

Q. Are non-occupying co-borrowers permitted?

A: Yes

Q: Does non-occupying co-borrower income count toward the income limit?

A: For Home Means Nevada program eligibility, count all household income, excluding non-occupying, co-borrower income. Lenders must also follow loan agency guidelines, as applicable. Please refer to Nevada Rural Housing Administrator's Guidelines.

Q: Who does the first-time homebuyer requirement apply to?

A: The first-time homebuyer requirement (haven't owned in the previous three years) includes a non-purchasing spouse. Note: Co-signers and non-occupant co-borrowers are not required to be first-time buyers.