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|  | **City of Great Falls**  **HOME Deferred** | **Amortizing 2nd Low and Moderate Income** | |  | | --- | | **NWGF Debt and**  **Credit Assistance**  **Loan Program** | |
| **Product** | Deferred 2nd Mortgage for Down payment & Closing Costs  Can finance 3.5% for FHA 1st mortgages, requires buyer to have own 3.5% down if NWGF is seller | **Amortizing 2nd** mortgage for Down payment and Closing Costs;  Can finance 3.5% for FHA 1st mortgages; Buyer must have own 3.5% if NWGF is seller | Product for potential future homebuyers who may need **to improve credit or debt** to reach their goal of homeownership. |
| **Term** | 30-year term | 30-year term | Up to 36 months |
| **Income Limits** | At or below 80% of Cascade County AMI | At or Below 125% AMI;  **FHA 1st Mortgages-at or below 115% AMI** | n/a |
| **Loan Amount** | Updated for loan up to $50,000  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  **OIP – up to $50,000 for some of the homes we sell – requires buyer to have own FHA 3.5%** | $1,500  Max $20,000 | Minimum $500  Maximum $10,000 |
| **Interest Rate** | 0% | Rates determined by **household** income  Check website | Rates based on risk and affordability; 8-12%. |
| **Fees** | Loan Underwriting fee,  Title report, recording, closing fee and HQS fee, post purchase course | Loan Underwriting fee  Pre-paid interest  Title report, recording and closing fee, post-purchase education. | Loan fee $150; Fees associated with costs to underwrite/approve the loan. **Money Management Course $99 online.** |
| **Ratios** | Housing Ratio **at least** 28-29% Total Debt Ratio no more than 41%. | Max 32/45  unless there are valid compensating factors | Based upon affordability and the ability to repay the loan. |
| **First Mortgage** | FHA/ VA/ CONV  Owner occupied  Single family residence | FHA/ VA/ CONV/ RD  Owner occupied  Single-family residence | n/a |
| **Borrower Requirements** | 1st-time Homebuyer, single with dependent children, or disabled person in the household  **Available for those in “need”** | Do **not** have to be a first-time homebuyer | Financial coaching and education. |
| **Area**  **Restrictions** | Within the City of Great Falls | Cascade County | Cascade County |
| **Asset Limitations** | Liquid= $15,000  Total= $100,000 | Liquid = $15,000  Total = $100,000 | n/a |
| **Occupancy** | Owner occupied  Becomes due if sell, vacate, or if 1st mortgage is refinanced or paid off | Owner occupied  Becomes due if sell, vacate or if 1st mortgage is refinanced | n/a |
| **Payments** | Deferred | ACH to NeighborWorks | ACH to NeighborWorks |
| **CLTV** | 105% | 105% | n/a |
| **Borrower investment** | Minimum $1000 | Minimum $1000 | n/a |
| **Other** | City of Great Falls approval and  HQS inspection required |  |  |
|  | **Owner-Occupied Rehab Loans**  **(Home Improvement Loan)**  **HIL** | **Foreclosure Prevention Loans** | **New Loan Options are To Come!** |
| **Product** | Normally used for maintenance or home improvement. | A loan designed to be used when a workout is not possible |  |
| **Term** | Up to 15 years but may be adjusted depending on the need. | Up to 15 years depending on need |  |
| **Income Limits** | n/a | n/a |  |
| **Loan Amount** | Based on affordability | Based on affordability |  |
| **Interest Rate** | Rates will be based on risk and affordability between 8-12%. | 6.5% |  |
| **Fees** | $375 Loan fee, $150 closing fee plus a 10% contingency construction fee (min. $100), and any other fees required to properly underwrite the loan (ie: credit report, property valuation, etc.) | $375 |  |
| **Ratios** | Backend ratio 45%; over 45% to be reviewed/approved by management and/or loan committee. | Up to 47%, any over would go to the committee. |  |
| **Area**  **Restrictions** | Cascade County | Cascade County; some flexibility. |  |
| **Asset Limitations** | n/a | n/a |  |
| **Occupancy** | Required | Required |  |
| **CLTV** | 115%; anything over requires loan committee approval | 115% |  |
| **Other** | 2-3 bids needed | Over $7,500 needs committee approval |  |

**Updated 03/15/2023**