

# DC HFA Program



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# The Key to Homeownership in the City!

- Relationship between **District of Columbia Housing Finance Agency (DC HFA)** and **Lakeview**
- The DC HFA Program was created by the DC HFA to help **make home ownership affordable and attainable in Washington, D.C.**
- Qualifies as a provider of down payment assistance under Fannie Mae, Freddie Mac, and FHA guidelines.



# Benefits

## Fewer Restrictions & Easier to Use

- No Underwriter Certification
- Assistance is available for both first-time and repeat homebuyers
- No minimum required investment
- Conventional High Balance loans are permitted
- No additional condominium reviews are required
  - Condominiums must meet agency/investor guidelines



# Program Highlights

- Purchase transactions only
- Owner-occupied, single-family properties, including:
  - Condos
  - PUDs
  - Townhomes
- Government and Conventional first loan options available
- Homebuyer Education (in person or online) is required **prior to close per investor/agency guidelines.**
- Proceeds of the optional assistance can be used for **100%** of the borrower's down payment.



# Income Limits

- **Program Income Limit:** Refer to the [DC HFA](#) website for the current limit
  - Additional limits may apply depending on the product selected.
  - Use [Fannie Mae's income lookup tool](#) to find AMI information.
- All verified qualifying income must be applied against the applicable program income limit.



# First Mortgage Loans - Conventional

- Fannie Mae's **HFA Preferred** loans and Freddie Mac **HFA Advantage** loans only
  - Standard Freddie Mac and Fannie Mae loan products are not permitted.
  - High Balance loans must utilize DU and Fannie Mae's HFA Preferred.
- **LTV/CLTV:** Up to maximum **97/105%**
  - High Balance loans are limited to **95/105%**
- All Borrowers must have a **FICO score** of no less than **640**
- Co-signors and non-occupant co-borrowers are not permitted
- **DTI:** Not to exceed **50%** subject to a DU or LPA approval
- **Underwriting: Approve/Eligible** from DU or **Accept/Eligible** from LPA; manual underwriting and/or non-traditional credit are not permitted
- **Employment and income documentation follow DU/LPA findings**, with a few exceptions:
  - Tax transcripts are required when utilizing 1040 income, working for family, or using WVOE as stand-alone income verification.

*Please refer to the product matrix for complete program guidelines.  
([www.LakeviewCorrespondent.com](http://www.LakeviewCorrespondent.com) | Product Matrices)*



# First Mortgage Loans - Conventional (Continued)

- Lower Charter or Custom Mortgage Insurance coverage is available for loans with **AMI ≤ 80%**

| LTV        | Coverage |
|------------|----------|
| 95.01%-97% | 18%      |
| 90.01-95%  | 16%      |
| 85.01-90%  | 12%      |
| 80.01-85%  | 6%       |

- See the product matrix for more information.

***In the case of conflicting guidelines, lenders must follow the more restrictive guidelines of DC HFA, Fannie Mae or Freddie Mac (as applicable), Mortgage Insurer, Lender, or Lakeview.***





# First Mortgage Loans – FHA

- 203b or limited 203k available
- **96.5 LTV/CLTV – per FHA guidelines**
- All borrowers must have a **FICO** score of no less than **640**
- Co-signors and non-occupant co-borrowers are not permitted
- **DTI:**
  - **≤ 45%** subject to a DU or LPA approval
  - **> 45%** minimum **680** FICO required, not to exceed **50%** subject to a DU or LPA approval
- **Underwriting: Approve/Eligible** from DU or **Accept** from LPA
  - Manual downgrades are permitted only if additional information was not considered in the Approve/Eligible or Accept/Eligible decision, subject to:
    - **660 minimum FICO** score for all borrowers
    - **43% maximum DTI**

***In the case of conflicting guidelines, lenders must follow the more restrictive guidelines of DC HFA, FHA, Lender or Lakeview.***



# Second Mortgage Assistance Programs – DC Open Doors

- Can be paired with Government and Conventional first mortgages
- **3%** assistance for **Conventional** loans and **3.5%** assistance for **FHA** loans
- Open to first-time and repeat homebuyers
- Open to all neighborhoods and wards
- Open to both residents and non-residents of DC
- No maximum sales price limit
- Can be paired with a Mortgage Credit Certificate (MCC)
- Down Payment Assistance second mortgage loan:
  - Proceeds may be used to fund up to **100%** of the borrowers' cash to close
  - **0%** interest non amortizing
  - Due upon sale, refinance, or if you no longer occupy the property as a primary residence
  - Not eligible for subordination



# Second Mortgage Assistance Programs- DC4Me

- Reduced interest rate on the First Mortgage
- Available with or without **3%** down payment assistance loan
- Must be a first-time homebuyer
- At least one borrower must be a full-time district government employee
  - See the [DC HFA](#) website for the eligible employer list.
- Refer to DC Housing for maximum sales price
- Conventional first mortgage only
- Down Payment Assistance second mortgage loan:
  - Proceeds may be used to fund up to **100%** of the borrowers' cash to close.
  - **0%** interest non-amortizing.
  - Due upon sale, refinance, or if you no longer occupy the property as a primary residence.
  - Not eligible for subordination



# Second Loan Representation in DU and LPA

- Within **DU**, second loans are entered as a liability and in the **Community Lending** section. Remember to fill out the correct repayment type for the Community Second as well. **Payments deferred 5 or more years and fully forgiven.**
- Enter the second loan information into the section entitled **Other New Mortgage Loans on the Property You are Buying or Refinancing**
  - Answer **Yes** to the question: **Is the Other New Mortgage an Affordable Second?**
  - Answer **Yes** to the question: **Is the Affordable Second Payment Deferred?**



# Online Resources

- For more information or questions about the **Second Mortgage** options, refer to the [DC HFA Website](#).
- For more information or questions about the **First Mortgage** or **delivery process** access the Lakeview Correspondent Closed Loan/Delegated portal at: [www.lakeviewcorrespondent.com](http://www.lakeviewcorrespondent.com)
  - **Note:** Access to the site may be limited by your organization. Follow your internal process for obtaining information on program details.



# Lakeview Correspondent Website

Here you will find:

1. Announcements
2. Product Matrices
3. Tools & Resources: Reference Guides, Forms, Calculators, Delivery Checklists, and Turn Times.
4. Training: a live Training Calendar, Product training, and Portal/System training.

The screenshot shows the Lakeview Correspondent Website homepage. At the top right, there is a contact number: "Questions? Call 855-253-8439 today". Below this is a dark blue navigation bar with links: "Partner With Us", "Product Offerings", "Affordable Lending", and "Apply Today". On the right side of this bar are two buttons: "Delegated LoanDock Portal" and "Non-Delegated UW Portal". The main header features the Lakeview logo on the left and a navigation menu on the right with items: "Why Lakeview", "Announcements", "Product Matrices", "Tools & Resources", and "Training". Red circles with numbers 1, 2, 3, and 4 are placed over the "Announcements", "Product Matrices", "Tools & Resources", and "Training" links respectively, with red arrows pointing from the circles to the corresponding menu items. The main content area has a large heading: "Welcome to your *one-stop shop*". Below this is a sub-heading: "Our correspondent lending channel offers a comprehensive portfolio of products to meet today's market needs." and a blue button labeled "Product Offerings". The background of the main content area is an aerial view of a residential development with a lake.



# Questions?

| Topic                          | Who to contact  |
|--------------------------------|---|
| General Product or Process     | Contact your internal product development or training team.   |
| Pricing and Program Guidelines | Pricing and guidelines are available in most product and pricing engines. Contact your internal lock desk on how to access pricing.   |
| Loan-level Issues              | Consult your Lakeview Business Development Director, Client Manager, or the Lakeview Underwriting Scenario Desk at 855-253-8439, Option 2 or <a href="mailto:underwritingquestions@bayview.com">underwritingquestions@bayview.com</a> |



# Thank you!

