

DPA

DOWN PAYMENT ASSISTANCE

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

TRAINING

10.2022

INTRO



The Arkansas Development Finance Authority (ADFA) has created ADFA Down Payment Assistance (DPA) to help low to moderate income Arkansans in the form of a repayable second mortgage loan; and who have little of their paychecks left after paying for rent, utilities, transportation, insurance, and groceries.

ADFA RESOURCES / MATERIALS

WEBSITE

WWW.ADFA.ARKANSAS.GOV



ABOUT US

PROGRAMS



FORMS

CONTACT US

SINGLE FAMILY

Sign Up To Receive Daily Announcements

Sign Up To Receive Daily Rates

Sign up for Daily Rate E-mails & Announcements

ADFA MCC Savings Calculator

Doing Business with ServiSolutions

LENDER PROGRAM GUIDELINES

NEW ADDI LENDER MATERIALS

TRAINING MATERIALS

MARKETING MATERIALS (FLYERS)

FINANCE

ARKANSAS DEVELOPMENT
FINANCE AUTHORITY
SINGLE-FAMILY



HOMEOWNERSHIP

PROGRAM GUIDELINES

FIRST MORTGAGE:
ADFA MOVE-UP
SUBORDINATE MORTGAGES:
DOWN PAYMENT ASSISTANCE (DPA)
ARKANSAS DREAM DOWN-PAYMENT INITIATIVE (ADDI)
FEDERAL TAX CREDIT:
MORTGAGE CREDIT CERTIFICATE (MCC)

1 COMMERCE WAY, SUITE 602
LITTLE ROCK, AR 72202
(501) 682-5900
[HTTPS://HOMELOANS.ARKANSAS.GOV](https://homeLoans.arkansas.gov)

LIKE US ON FACEBOOK: AR HOME FINANCING



REVISED 09.12.2022

ADFA RESOURCES / MATERIALS

TRAINING CHANNEL

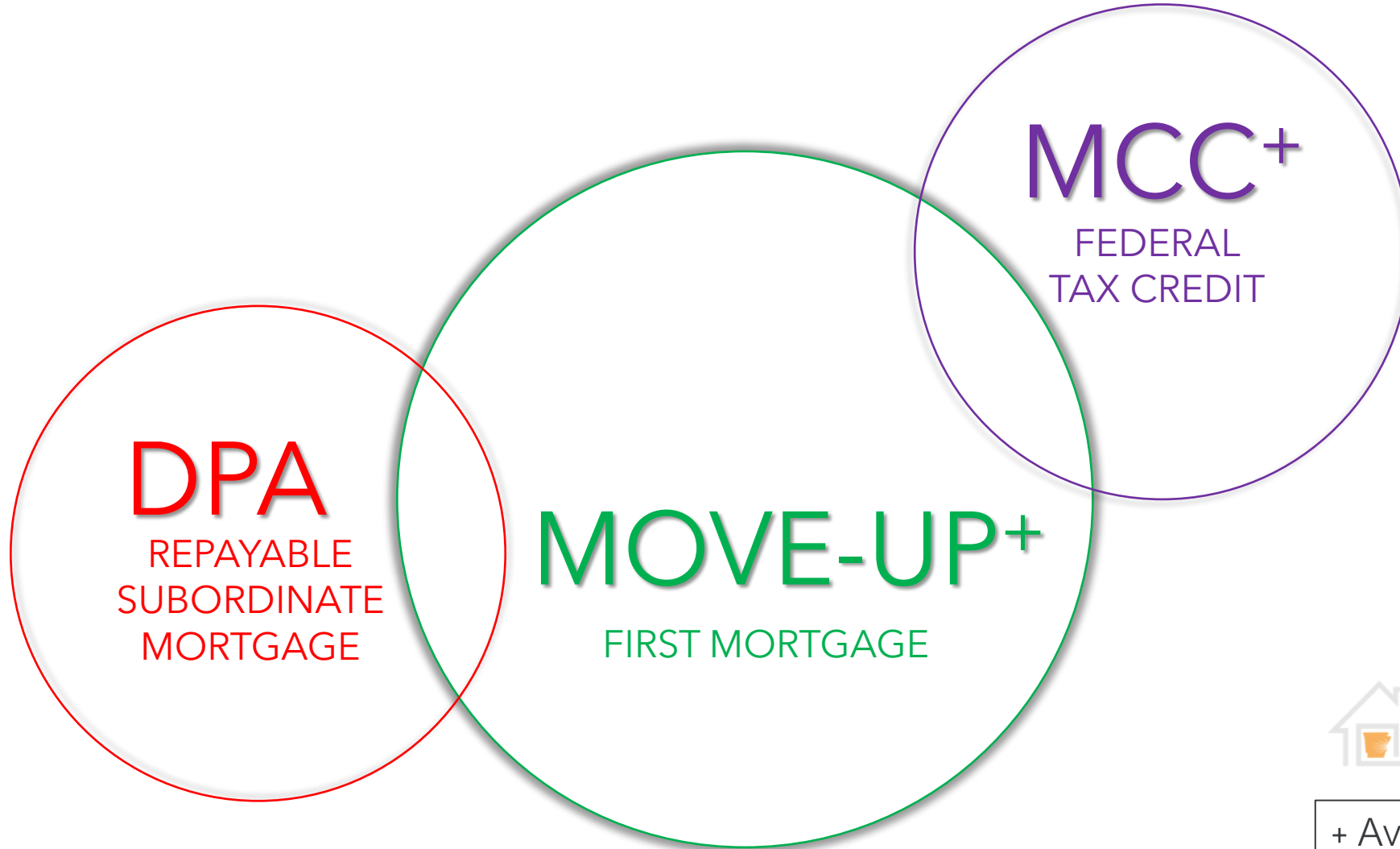
www.GoToStage.com/Channel/ADFA

GoToStage Search for videos

ADFA TRAINING

- ADFA Realtor Training (32:59, 3 MONTHS AGO)
- ADFA Training for Sales, Proces... (1:44:40, 3 MONTHS AGO)
- ADFA Lender Portal Administrat... (22:15, 4 MONTHS AGO)
- New ADFA Reservation System ... (42:32, 5 MONTHS AGO)

ADFA PROGRAMS



+ Available: Stand Alone

MOVE-UP PROGRAM GUIDELINES

FIRST MORTGAGE LOAN

- Borrower(s) must qualify for a First Mortgage Loan by obtaining an AUS: **Approval / Accept / Eligible**
- No Manual Underwriting allowed
- No First Time Homebuyer requirement: Must be Primary Residence only.
- First Lien (Purchase Only) - 30 Year Fixed Mortgage Program. Follow First Mortgage agency guidelines:
 - FHA, VA, RD, and Freddie Mac HFA Advantage Conventional
- First Mortgage Maximum **Qualifying Income** of **\$137,000**
- Non-Occupant Co-Borrowers allowed on:
 - FHA Loans
 - **NEW** Freddie Mac HFA Advantage Conventional



MOVE-UP PROGRAM GUIDELINES



FIRST MORTGAGE LOAN

	VA	RD	FHA	HFA ADVANTAGE
Traditional Minimum Median Credit Score	640			
Maximum DTI	45.000%			
AUS	DU	GUS	DU/LPA	LPA ONLY
Borrower Eligibility	No First Time Homebuyer Requirement No Minimum Arkansas Residency- Requirement, but Must Purchase Property in Arkansas			
Property Eligibility	Single Detached, Townhomes & Condominiums			
	Duplex not allowed with VA & RD		Duplex allowed with FHA & HFA Advantage	
	Manufactured Homes allowed on FHA, VA, RD.			Manufactured Homes not allowed on HFA Advantage

MOVE-UP PROGRAM GUIDELINES



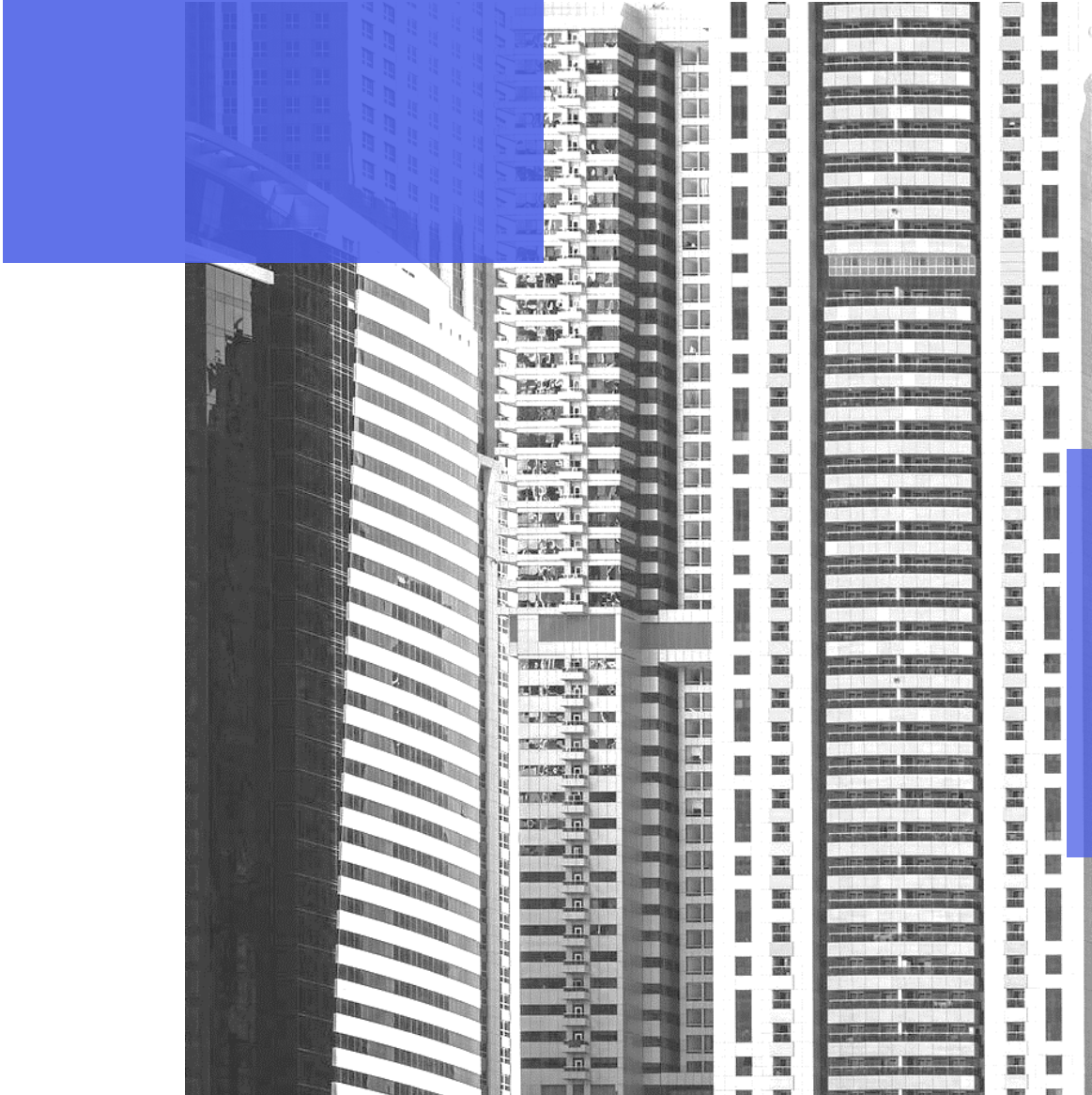
FIRST MORTGAGE LOAN

- ❑ Move-Up Fees:
 - 1.75% SRP
 - 1% Origination Fee + Standard Origination Fee
(Underwriting Fee, Processing Fee, etc.)

- ❑ ADFA is exempt from ATR-QM

- ❑ Pre-Closing for Move-Up
 - There is not a Pre-Closing Compliance Review
- ❑ Closing & Funding
 - Originating Lender will fund 1st and 2nd mortgages and will close both loans under their name.
 - Post-Closing Review required. Follow Move-Up Post-Closing Checklist

- ❑ Purchase Price Limits & Overlays:
 - **Must follow First Mortgage Agency Guidelines.**



DPA **TRAINING**

PROGRAM GUIDELINES

PRE-CLOSING

TIMELINE

POST-CLOSING

DPA PRE-CLOSING

REPAYABLE SUBORDINATE MORTGAGE LOAN

- ❑ Make a Move-Up, 1st Mortgage Loan, and DPA Loan reservation must be done **15-10 Days Prior Closing**
(reservation = locking the rate)
- ❑ Request an **Awards Letter** by sending an email to ADFA:
 - Award.Letters@Arkansas.gov
 - ✓ Subject Line:
ADFA Reservation Number, Borrower's Last Name
i.e., 100001234, Gutierrez
 - ✓ *Must Request at least 48-24 business hours prior closing date*, or when Final DPA Amount is "known".
 - ✓ *Must Review Loan Reservation*, and if needed **Modify Loan Reservation**, prior to be requesting an **Awards Letter**, such as Mortgage Loan Amount, Borrower's Names, DPA Amount, etc.
- ❑ **ADFA doesn't required a Pre-Closing review, Compliance Loan Package, prior closing on a DPA Loan Reservation**
- ❑ Print Closing Documents
- ❑ MERS: Lenders must assign a separated MERS MIN to DPA loans than the first mortgage loans.



DPA TIMELINE & POST- CLOSING

**APP
APPLICATION**

**PRE-C
PRE-CLOSING**

CLOSING

**POST-C
POST-CLOSING**

**MERS
TRANSFER**

Does the Borrower(s) meet **DPA Program Requirements?**

Request Awards Letter:

✓ *Make sure all numbers look right*

Print Closing Documents

Don't forget to Endorse the DPA Note to ADFA. Once Endorsed, scan a copy of it to ADFA.

✓ *Original copy goes to ServiSolutions.*

UPLOAD closing package based on DPA Post-Closing Checklist to ADFA. *All documents!*

MERS TRANSFER once a purchase date has been assigned by ServiSolutions!

COMBO TOS/TOB

Servicer: ADFA - ID **1016382**

Sub-Servicer: ServiSolutions - ID

1002536



THANK YOU

TRAINING CHANNEL:

www.GoToStage.com/Channel/ADFA

LENDER QUESTIONS

Lender.Questions@Arkansas.gov