

Welcome and Thank You for Attending!

Lower Costs and Maximize Savings for Your Home Buyers



Mortgage Industry Roles

MaineHousing

- ✓ Buys mortgages from lenders



Lender

- ✓ Application through closing



Mortgage Insurer

- ✓ Financial guarantor



Mortgage Insurance

Mortgage insurers do not make loans; they insure them.

- **Required when borrowers make less than a 20% down payment.**
- **Protects the lender from losses if a homeowner defaults on their mortgage.**



MaineHousing can be combined with:

Government Mortgage Insurers

- Federal Housing Administration (FHA)
- Department of Veteran Affairs (VA)
- USDA Rural Development (RD)

Private Insurer

- Arch (PMI)

When combining programs, remember to follow the more restrictive guidelines as mandated by the Lender, Mortgage Insurer or MaineHousing.



MaineHousing's First Home Eligibility

🏠 **Must be a first-time homebuyer**

Two exceptions:

- Persons who have owned an unattached mobile home on leased land.
- Qualified active duty, veterans and retired military who are non first-time homebuyers.

🏠 **Meet income guidelines – vary by county or HMFA and household size.**

🏠 **Meet home cost limits – vary by county or HMFA and number of units.**



First Home Eligibility

- ☑ **New and existing single family homes (includes modular homes and condos)**
- ☑ **Existing 2-4 unit properties (borrower must live in one of the units)**
- ☑ **Single & double-wide mobile homes up to 20 years old**



Program Options

- **Advantage** – **\$3,500** in down payment and closing cost assistance
- **Salute ME** – **0.25% rate discount** for qualified active duty, veterans, and retired military personnel
- **Salute Home Again** – waives first-time homebuyer requirement



Program Options (cont.)

- **Purchase Plus Improvement** - Up to \$35,000 in additional loan financing for house improvements. One loan/one closing.
- **Mobile Home Self-Insured** - Financing single and double wide mobile homes on owned or leased land.





FHA's Office of Single Family Housing

Maine State Housing Authority Affordable Housing Conference

Federal Housing Administration Mortgage Programs

Portland, ME
September 22, 2017

Presented by:

Julie Shaffer

Director, Philadelphia Homeownership Center

U.S. Department of Housing and Urban Development (HUD)



Affordable Features of FHA Loans

- Down payment requirement: Only 3.5 percent
- Government down payment assistance or a gift from family or one's employer can cover 3.5 percent
- Streamline Refinance opportunity
- Permit Non-Occupying Co-borrower
- Competitive interest rate availability
- Assumable
- Effective permanent loss mitigation requirements that lenders help borrowers to avoid foreclosure





VA Home Loans – Maine State Housing Authority

You are here

We are here
to help you
achieve
your goals



Cleveland VA Regional Loan Center
www.benefits.va.gov/homeloans



U.S. Department
of Veterans Affairs



Primary Benefits of a VA Home Loan

- **100% financing up to the Federal Housing Finance Agency (FHFA) annual conforming loan limits, as adjusted by county**
- **VA requires no bottom line credit score, and underwriting standards more favorable**
- **No monthly mortgage insurance premiums**
- **VA funding fee can be added to 100% financing**
- **Veterans who receive VA disability compensation do not have to pay funding fee**
- **Seller can assist with standard closing costs**
- **Energy efficient improvements can be added to 100% financing on any VA loan product**



Rural Development

Single Family Housing Guaranteed Loan Program in Maine

<https://www.rd.usda.gov/programs-services/single-family-housing-guaranteed-loan-program/me>



Benefits of a USDA Rural Development Loan Guarantee

- 🏠 **0% down payment**
- 🏠 **Seller can assist with closing costs**
- 🏠 **Income limits are adjusted by county and family size**
- 🏠 **Upfront premium may be financed**
- 🏠 **1-unit properties located in a USDA-eligible area in rural areas, including new manufactured housing are eligible**
- 🏠 **FHA, VA, Fannie Mae, Freddie Mac or VA approved condos are acceptable**





<https://mi.archcapgroup.com/>



Arch Mortgage Insurance Benefits

- 🏠 **5% down payment**
- 🏠 **Grants and gifts are allowed, including MaineHousing's Advantage option**
- 🏠 **Seller can assist with closing costs**
- 🏠 **No upfront mortgage insurance premium**
- 🏠 **1-unit properties and approved condominiums in Bangor, Lewiston, Auburn, Portland or South Portland are eligible** (does not include Manufactured Housing or 2-4 unit properties)
- 🏠 **Arch MI RateStarSM allows for quick and easy rate quotes.**



Questions?

