

Lending Partner Training



**Idaho Housing
and Finance**
Association

idahohousing.com



First Loan-Tax Exempt FHA/RD

First Loan-Tax Exempt VA

First Loan-Tax Exempt FHA/RD

First Loan-Tax Exempt VA

- Must be a First Time Homebuyer – except in Targeted Counties
- Owner Occupied
- Single Family dwelling –Manufactured allowed -No multiple units
- May be paired with Second Mortgage and Forgivable Loan
 - for a total of 10% down payment, closing cost assistance
- LTV 96.5% / CLTV 105%
- Income limits
 - Follow First Loan- Tax Exempt/MCC Income Limits
 - **Household Income**
 - Non-Occupying Co-Borrowers Not Allowed

Annual Gross Household income is the total of all sources of income from anyone:

- On title
- All spouses, whether borrowing or non-borrowing
- All other adult individuals 18 years or older who will both occupy the residence and be liable (primarily or secondarily) on the deed, mortgage, or note

This income calculation methodology is applied to each loan to accurately and completely measure the household's total gross income for the prospective 12 months (in the future) from the application date.

Would typically exclude this income UNLESS the other individual both lives in the residence and is liable (primarily or secondarily) on the deed, mortgage or note

Income to be included in household income calculation:

- Base
- Overtime, Bonus & Commission
- Social Security Income
- Alimony and/or Child Support
 - Pensions, Annuities, Disability, or Death Benefits or Long-Term Care Insurance
- Recurring Cash Allowances & Gifts
- Business Income
- Interest / Dividend Income

Other Income: *tips, unemployment income, seasonal employment, National Guard, supplemental income*

Payments in lieu of earning: *unemployment, disability compensation, worker's compensation, severance pay, Welfare Assistance*

Some Income Exclusions may apply

Including but not limited to the following:

- *Payments received for care of foster children or adults*
- *Lump-sum additions to family assets,
such as inheritance, insurance payments*
- *Amounts received by household that are specifically reimbursements for expenses*

Household Income vs Qualifying Income

Household – Projected 12 months

Qualifying – Past

To determine Annual Gross Household Income for full-time employment from the time of application forward

- Hourly wages by 2080
- Weekly wages by 52
- Bi-weekly wages by 26
- Semi-monthly wages by 24
- Monthly wages by 12

To determine Annual Gross Household Income for less than full time employment, multiply:

- Hourly wages by the number of hours the person is expected to work per week X 52

If a range of hours is given, you must use the highest number of hours. If this puts the household over income, you may need to contact the employer and clarify. If the hours are irregular, average the number of regular hours at current regular pay rate and average the overtime hour's times current overtime rate.

Lenders must determine the household earnings for the “current period”. The “current period” begins with the pay period prior to the date of the loan application and ends at loan approval.

If a VOE reflects a raise within the first 12 months of loan. The raise must be considered in calculations.

Part-Time Employment –

Average of hours worked in “current period” by regular rate of pay.

If a VOE reflects differently you must take the higher of the two.

Overtime -

To calculate overtime for compliance purposes, first consider the amount earned during the "current period" and annualize it.

If the Borrower claims that the overtime earned in the "current period" is excessive or unusual, the Mortgage Lender may average the number of hours of overtime worked during the previous two years. Multiply the average monthly hours by the current rate of overtime pay and use that figure for overtime earnings.

Bonus: The gross amount of a recurring bonus before any payroll deductions is to be included in the income calculation when the following applies:

- a) The bonus is included in the computation of income by the employer; or
- b) There is a history of bonuses.

If the information is available, the amount of the bonus income to be included for compliance is the bonus paid or payable for the calendar year in which the loan is closed.

Commissions: Income derived from commissions should be based on the "current period" unless evidence is provided which justifies averaging the commissions.

Self-employment: The procedure for calculating Annual Gross Household Income for self-employed applicants is the same as under FHA, VA or Fannie Mae underwriting guidelines. As in standard underwriting, depreciation and depletion are to be added back to determine annual income. Tax returns, a current financial statement, and a self-employed cash flow analysis are required for all self-employment applicants. Two years signed corporate or partnership tax returns are required in addition to personal returns.

Required Documentation

First-time homebuyer is verified by collecting three years of federal tax returns or obtaining IRS transcript covering the last three years.

Required Documentation:

- IHFA Affidavit and Lender/Broker Certification (Borrower Affidavit)
- Recapture Notice
- Recapture Summary
- Recapture Reimbursement
- Sellers Affidavit
- Tax Exempt Rider

Required to be attached to the Deed of Trust

All required documents* are available on the homepage of the IHFA Lender Connection website

****Note – You must use the most recent versions of required documents revised or reaffirmed date of 12/22***

All must be fully executed prior to or at closing.

These documents must be included in the Loan File for IHFA review.

IDAHO HOUSING AND FINANCE ASSOCIATION
AFFIDAVIT AND LENDER/BROKER CERTIFICATION

- MORTGAGE REVENUE BORROWERS APPLICATION** (Section 143, Internal Revenue Code)
- TAX CREDIT APPLICATION** (Section 25, Internal Revenue Code)

STATE OF IDAHO)

COUNTY OF _____)

County Property is Located In

I, the undersigned, being first duly sworn, state, under penalty of perjury, that each and every one of the following statements is true and correct.

Completely fill this section out

I, the undersigned, being first duly sworn, state, under penalty of perjury, that each and every one of the following statements is true and correct.

I certify that:

My Legal name(s) is:

My current address and phone are:

Social Security # _____

Social Security # _____

Street

City

State

Zip

Phone (work)

(home)

1. The residence being purchased is a single-family dwelling located in the State of Idaho at the following address:

and will be occupied within thirty (30) days after the date of the Mortgage Loan closing and must remain as my

Acquisition Cost



Total Acquisition cost will be \$ and will not exceed the acquisition cost limitation applicable to the residence appearing below:

(check one)

Acquisition Cost The cost of acquiring a principal residence as a complete residential unit. All amounts paid, either in cash or in kind, by the purchaser (or a related party for the benefit of the purchaser) to the seller (or a related party for the benefit of the seller) as consideration for the residence, but not including usual and reasonable settlement costs. If a residence is incomplete, the reasonable cost of completing the residence should be included; however, it shall not include the value of services performed by the borrower or members of the borrower's family in completing the residence.

Enter **Home Sales Price Limit** for the county the subject property is located in, found on the *IHFA Income and Sales Price Limits Chart*. Make sure to check the appropriate box.

- New, Never Occupied Residence: \$ _____ (Lender/Broker to insert applicable program limit)
- Existing, Previously Occupied Residence: \$ _____ (Lender/Broker to insert applicable program limit)

Enter **Total Acquisition Cost** in first blank field unless the subject property is still under construction on the day this document is fully executed.

8. The total amount of payments made to date and to be made in the future by me, or a person related to me (as defined in Section 143 of the Internal Revenue Code of 1986 as amended), or for the benefit of me, for purchase of the residence is \$ _____; OR if the Residence has not been completely constructed as of the date of my execution of this Affidavit, a reasonable estimate of the cost of completing the Residence is \$ _____.

If subject property is still under construction on the day this document is fully executed, then the **Estimated Total Acquisition Cost** should be entered in the second blank field.

Closing date



10. **PRIOR NON-HOME OWNERSHIP REQUIREMENT:** (Targeted Counties Exempt) I understand that I am not eligible for a Mortgage Loan, under this program, if I individually or together with another person had an ownership interest in a principal residence within three (3) years from _____ (projected date of closing). For this purpose, a principal residence includes a single family residence or condominium owned by me (including any mobile or manufactured home which is permanently affixed to real property but excluding any mobile or manufactured home located on rented land with a lease term of one (1) year or less) during the three (3) year period prior to the date of execution of the Deed of Trust, in addition, mobile homes located on real property owned by the borrower will be considered prior home ownership. Interests which constitute present ownership include but are not limited to (a) a fee simple interest, (b) a joint tenancy, (c) a tenancy in common, (d) a tenancy by the entirety, (e) the interest of a tenant shareholder in a cooperative, (f) a life estate, (g) a land contract (i.e., a contract pursuant to which possessions and the benefits and burdens of ownership are transferred although legal title is not transferred until some later time), and (h) an interest held in trust for the Mortgagor (whether or not created by the Mortgagor) that will constitute a present ownership interest if held directly by the Mortgagor. I have not had a present ownership interest in a principal residence with the three years prior to the closing date.

Make sure the correct line item is checked,
do not leave a section incomplete

11. Check and complete the following sections that correctly apply to you, the undersigned borrower(s):

I am required to file Federal tax returns and do hereby submit true and complete copies of my signed Federal income tax returns as filed for the preceding three (3) years or such other verification as is acceptable to IHFA for the years _____, _____, _____.

I was not required by law to file a Federal Income tax return for the years _____, _____ for the following reason(s):

The closing of my Mortgage Loan is occurring between January 1 and April 15, and I have not yet filed my Federal income tax return for the prior year. When I file my Federal tax return for the prior year, I will not be entitled to, nor claim, deductions for real estate taxes or interest on indebtedness with respect to property constituting my principal residence for that year.

I am exempt from the three (3) year non-ownership requirement because the Residence is located in a Targeted County of the State of Idaho. I acknowledge that I have received a list of Targeted Counties prior to execution of this Affidavit.

Additional Household Income
(Annual) not listed used for
qualifying

Monthly X 12 1003
Income

12. INCOME REQUIREMENTS

My gross annual household income does not exceed the maximum program for a household of _____ persons in _____ County.

My total household income to be stated on the Loan Application: 1. _____

My additional household income not included on line 1 is: 2. _____

Borrower must include all income received by the mortgagor(s), the spouse of the mortgagor, and any other person who is expected to live in the residence being financed and/or is secondarily liable on the Mortgage Loan.

My total annual income (ADD lines 1 and 2) 3. _____

I understand that I am not eligible for an IHFA loan or tax credit (MCC) if my total annual income as stated on Line 3 exceeds \$_____. (Lender/Broker to insert applicable program limit)

Income Limit for respective County

Make sure to use Household Income
not Qualifying Income

Do not forget check on of these boxes

I/WE CERTIFY THAT THE INFORMATION LISTED ABOVE IS GIVEN FOR THE PURPOSES OF OBTAINING AN IDAHO HOUSING AND FINANCE ASSOCIATION LOAN AND IS TRUE AND COMPLETE. I/WE REALIZE THAT THE LENDER/BROKER AND THE ASSOCIATION WILL RELY UPON THIS INFORMATION IN APPROVING THIS MORTGAGE LOAN. (THIS LOAN MUST CLOSE WITHIN 60 DAYS OF EXECUTION OF THIS AFFIDAVIT OR THE INCOME MUST BE REVERIFIED).

I/We have have not within the last year applied for an IHFA loan, nor do I currently have an IHFA loan in process at any other lending institution.

Signature of Borrower(s):
Name of Borrower:

DATE

Subscribed and sworn before me this day of 20

Notary Public
County of , State of Idaho
My Commission Expires:

This is a commonly missed section of the document. This must be completed for Compliance Approval.

LENDER/BROKER CERTIFICATION

Lender/Broker hereby reaffirms and restates all its representations, covenants and warranties referenced and contained in that most recent Mortgage Credit Certificate Program Lender Participation Agreement or Mortgage Loan Purchase Contract between Lender/Broker and IHFA, as amended, that may apply to the issuance of a Mortgage Credit (Tax Credit) Certificate or the sale and purchase of this Mortgage Loan under the Mortgage Revenue Bond Program, including without limitation that all required insurance and surveys have been obtained, that the residence and the Borrower meet all purchase price and other program limits and that all applicable mortgage insurance or guaranty provisions and state and federal laws have been complied with. The Lender/Broker certifies that upon reasonable investigation, the Borrower meets applicable Program eligibility requirements and neither the Lender/Broker, Borrower, nor the Seller of the Residence have made any negligent or fraudulent, material misstatements in the above affidavit or otherwise in connection with the Borrower(s) application for a Mortgage Loan or a Mortgage Credit Certificate. Based upon its review of the application and related documents, the Lender/Broker further certifies that this Mortgage Loan is in all respects a prudent investment (except as to interest rate).

Date: _____

Lender/Broker: _____

By: _____

Title: _____

Signature of
Lender/Broker




Post Close Compliance Review

All First Loan Tax Exempt Loans are subject to a Post Close Compliance Review prior to IHFA Purchase.

The following items will be reviewed for program guideline adherence

- First Time Homebuyer Status
- Targeted County vs Non-Targeted County
- Household Income
 - Income worksheet to be included in Loan File for Review*
 - Include: (for all liable occupants)*
 - current pay stub or applicable income verification such as a*
 - Benefit Statement to verify Social Security Income*
- Adherence to Purchase Price Limits (as well as Acquisition costs)
- Properly completed documents, i.e. Tax Exempt Rider, Recapture documents
(revision or reaffirmed date of 12/22)

 Idaho Housing and Finance Association			Income Limits for First Loan Tax-Exempt and MCC Only				
County	Owned a home in past 3 years? (First Loan and MCC Only)	Home Sales Price Limits for First Loan Tax-Exempt & MCC (Effective 4-21-22)	1- or 2- Person Household (Effective 4-21-22)	3+ Person Household (Effective 4-21-22)	Income Limits for 50% AMI (Effective 6-5-22)	Income Limits for 80% AMI (Effective: Fannie 6-24-22, Freddie 6-5-22)	Income Limits for All Other Loan Products (Effective 5-23-22)
Ada	NOT Allowed	\$428,000	\$98,548	\$113,330	\$43,500	\$69,600	\$150,000
Adams	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Bannock	NOT Allowed	\$349,000	\$79,639	\$91,584	\$36,650	\$58,640	\$150,000
Bear Lake	Allowed	\$427,000	\$92,640	\$108,080	\$37,250	\$59,600	\$150,000
Benewah	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Bingham	Allowed	\$427,000	\$92,640	\$108,080	\$35,950	\$57,520	\$150,000
Blaine	NOT Allowed	\$538,000	\$95,160	\$111,020	\$39,650	\$63,440	\$150,000
Boise	Allowed	\$523,000	\$101,040	\$117,880	\$43,500	\$69,600	\$150,000
Bonner	Allowed	\$434,000	\$92,640	\$108,080	\$36,300	\$58,080	\$150,000
Bonneville	NOT Allowed	\$349,000	\$80,740	\$92,805	\$41,350	\$66,160	\$150,000
Boundary	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Butte	NOT Allowed	\$349,000	\$79,800	\$93,056	\$41,350	\$66,160	\$150,000
Camas	NOT Allowed	\$538,000	\$79,800	\$93,056	\$35,800	\$57,280	\$150,000
Canyon	Allowed	\$523,000	\$101,040	\$117,880	\$43,500	\$69,600	\$150,000
Caribou	NOT Allowed	\$349,000	\$79,679	\$91,630	\$36,350	\$58,160	\$150,000
Cassia	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Clark	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Clearwater	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Custer	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Elmore	NOT Allowed	\$349,000	\$79,800	\$93,056	\$35,800	\$57,280	\$150,000
Franklin	NOT Allowed	\$349,000	\$82,900	\$95,335	\$38,450	\$61,520	\$150,000
Fremont	NOT Allowed	\$349,000	\$79,899	\$91,883	\$35,800	\$57,280	\$150,000
Gem	Allowed	\$523,000	\$101,040	\$117,880	\$43,500	\$69,600	\$150,000
Gooding	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Idaho	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Jefferson	Allowed	\$427,000	\$96,840	\$112,980	\$41,350	\$66,160	\$150,000
Jerome	Allowed	\$427,000	\$92,640	\$108,080	\$37,250	\$59,600	\$150,000
Kootenai	Allowed	\$490,000	\$92,640	\$108,080	\$41,100	\$65,760	\$150,000
Latah	NOT Allowed	\$349,000	\$78,900	\$90,735	\$39,450	\$63,120	\$150,000
Lemhi	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Lewis	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Lincoln	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Madison	NOT Allowed	\$349,000	\$79,800	\$93,056	\$35,800	\$57,280	\$150,000
Minidoka	NOT Allowed	\$349,000	\$79,800	\$93,056	\$35,800	\$57,280	\$150,000
Nez Perce	NOT Allowed	\$349,000	\$80,000	\$92,000	\$46,400	\$74,240	\$150,000
Oneida	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Owyhee	Allowed	\$523,000	\$101,040	\$117,880	\$43,500	\$69,600	\$150,000
Payette	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Power	NOT Allowed	\$349,000	\$79,939	\$92,929	\$36,650	\$58,640	\$150,000
Shoshone	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000
Teton	Allowed	\$985,000	\$102,480	\$119,560	\$50,000	\$80,000	\$150,000
Twin Falls	NOT Allowed	\$349,000	\$79,659	\$91,607	\$37,250	\$59,600	\$150,000
Valley	NOT Allowed	\$349,000	\$78,579	\$90,365	\$42,800	\$68,480	\$150,000
Washington	Allowed	\$427,000	\$92,640	\$108,080	\$35,800	\$57,280	\$150,000

Acquisition Cost

2. That the acquisition cost of the residence is \$ _____ . This represents the gross amount to be paid for the residence from all sources and is equal to the total cost of acquiring a completed residential unit including:

“Seller” or additional relationship if applicable

There are no side arrangements between the purchaser and myself for the payment of additional sums by secondary financing, in kind payments, or otherwise.

3. I have no relationship to the purchaser other than _____ and to the best of my knowledge the financing provided in no way will serve to refinance the residence.

I fully understand that each of the above statements and the information of the Residential Loan Application is material to the obtaining of a Qualified Mortgage Loan or Mortgage Credit Certificates (tax credit) and declare that the above statements are true and correct.

Seller _____

Seller _____

Sellers name typed below Signature Line