

# Down Payment & Closing Cost Assistance Matrix

Program	DPA Grant		CCA Grant		Plus Second Mortgage	
	Bond First Mtg				Non-bond First Mtg	
First-time Homebuyer	Required for non-targeted areas <sup>1</sup>				Not required	
Homebuyer Education	Required for all first-time homebuyers					
Maximum Household Income <sup>2</sup>	Lower income limits			Standard income limits <sup>1</sup>		Expanded income limits
Household Income Calculation	All income of all household members				Borrower(s) eligible qualifying income	
Maximum Sales Price	Standard sales price limits <sup>1</sup>				No sales price; follow the applicable GSE / insurer / guarantor for max loan amount	
Loan Purpose	Purchase					
Loan Programs Disclosure /Borrower Affidavit (Ex E)	Pages 1 – 4 required				Pages 1 – 2 required	
Seller Affidavit (Ex F)	Required				Not required	
Lender’s Loan Submission Cover Letter (Ex O)	Required				Not required	
Recapture	Yes, the first mortgage is subject to recapture				No	
Maximum LTV	Follow 1 <sup>st</sup> mortgage requirements for maximum LTV of 1 <sup>st</sup> mortgage. The DPA Grant is not a lien, but the maximum is: <ul style="list-style-type: none"> <li>▪ 2% with Conventional Bond,</li> <li>▪ 2.5% with FHA Bond</li> </ul>		Follow 1 <sup>st</sup> mortgage requirements for maximum LTV of 1 <sup>st</sup> mortgage. The CCA Grant is not a lien but the maximum is: <ul style="list-style-type: none"> <li>▪ 2% with RHS Bond or VA Bond</li> </ul>		Conventional Bond & Conventional 1 <sup>st</sup> , max LTV for 2 <sup>nd</sup> : <ul style="list-style-type: none"> <li>▪ 3% (Credit scores 640 to 679)<sup>3</sup></li> <li>▪ 4.5% (Credit scores &gt;= 680)</li> </ul> FHA Bond & FHA 1 <sup>st</sup> , max LTV for 2 <sup>nd</sup> : <ul style="list-style-type: none"> <li>▪ 3.5% (Credit scores 620 to 679)<sup>3</sup></li> <li>▪ 5% (Credit scores &gt;= 680)</li> </ul>	
Eligible Virginia Housing First Mortgage <sup>7</sup>	<ul style="list-style-type: none"> <li>▪ Conventional Bond</li> <li>▪ FHA Bond</li> </ul>		<ul style="list-style-type: none"> <li>▪ VA Bond</li> <li>▪ RHS Bond</li> </ul>		<ul style="list-style-type: none"> <li>▪ Conventional Bond</li> <li>▪ FHA Bond</li> </ul>	

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Program	DPA Grant	CCA Grant	Plus Second Mortgage	
	Bond First Mtg			Non-bond First Mtg
<b>Ineligible Virginia Housing First Mortgage</b>	<ul style="list-style-type: none"> <li>Any first mortgage originated with the Plus Second Mortgage</li> <li>Conventional</li> <li>FHA</li> <li>VA</li> <li>VA Bond</li> <li>RHS</li> <li>RHS Bond</li> <li>Any refinance</li> <li>Any non-Virginia Housing 1<sup>st</sup> mortgage</li> </ul>	<ul style="list-style-type: none"> <li>Conventional</li> <li>Conventional Bond</li> <li>FHA</li> <li>FHA Bond</li> <li>VA</li> <li>RHS</li> <li>Any refinance</li> <li>Any non-Virginia Housing 1<sup>st</sup> mortgage</li> </ul>	<ul style="list-style-type: none"> <li>Any first mortgage originated with the DPA Grant</li> <li>VA</li> <li>VA Bond</li> <li>RHS</li> <li>RHS Bond</li> <li>Any refinance</li> <li>Any non-Virginia Housing 1<sup>st</sup> mortgage</li> </ul>	
<b>Other Non-Virginia Housing DPA / Sub Financing</b>	<ul style="list-style-type: none"> <li>Allowed</li> <li>Follow 1<sup>st</sup> mortgage requirements for max CLTV</li> <li>Follow the applicable GSE / insurer / guarantor requirements for subordinate financing</li> </ul>			
<b>Minimum Credit Score<sup>3</sup></b>	<ul style="list-style-type: none"> <li>Conventional Bond 1<sup>st</sup>: 640</li> <li>FHA Bond 1<sup>st</sup>: 620</li> </ul>	620 per 1 <sup>st</sup> mortgage requirements	<ul style="list-style-type: none"> <li>Conventional Bond 1<sup>st</sup>: 640 for 3% LTV / 680 borrowers for &gt; 3% LTV</li> <li>FHA Bond 1<sup>st</sup>: 620 for 3.5% LTV / 680 for <u>all</u> borrowers for &gt; 3.5% LTV</li> </ul>	<ul style="list-style-type: none"> <li>Conventional 1<sup>st</sup>: 640 for 3% LTV / 680 borrowers for &gt; 3% LTV</li> <li>FHA 1<sup>st</sup>: 620 for 3.5% LTV / 680 for <u>all</u> borrowers for &gt; 3.5% LTV</li> </ul>
<b>Maximum DTI</b>	Follow 1 <sup>st</sup> mortgage requirements (50% with AUS approval)			
<b>Tax Transcripts</b> <small>(W2 Transcripts, 1099 Transcripts, etc.)</small>	<ul style="list-style-type: none"> <li>Conventional Bond 1<sup>st</sup>: Tax Transcripts required (in addition to executed 4506-C)<sup>6</sup> <ul style="list-style-type: none"> <li>Type of transcript is dependent on qualifying income</li> <li>Number of years required varies based on number of years' documentation required by AUS</li> </ul> </li> <li>FHA Bond 1<sup>st</sup>: Not required</li> </ul>	<ul style="list-style-type: none"> <li>VA Bond 1<sup>st</sup>: Not required</li> <li>RHS Bond 1<sup>st</sup>: Not required; RHS may have its own different tax transcript requirements; See RHS Handbook</li> </ul>	<ul style="list-style-type: none"> <li>Conventional Bond 1<sup>st</sup>: Tax Transcripts required (in addition to executed 4506-C)<sup>6</sup> <ul style="list-style-type: none"> <li>Type of transcript is dependent on qualifying income</li> <li>Number of years required varies based on number of years' documentation required by AUS</li> </ul> </li> <li>FHA Bond 1<sup>st</sup>: Not required</li> </ul>	<ul style="list-style-type: none"> <li>Conventional 1<sup>st</sup>: Tax Transcripts required (in addition to executed 4506-C)<sup>6</sup> <ul style="list-style-type: none"> <li>Type of transcript is dependent on qualifying income</li> <li>Number of years required varies based on number of years' documentation required by AUS</li> </ul> </li> <li>FHA1<sup>st</sup>: Not required</li> </ul>
<b>Maximum Net Worth</b>	Can't exceed 50% of the sales price			
<b>AUS</b>	<ul style="list-style-type: none"> <li>DU<sup>4,5</sup></li> <li>LPA<sup>4,5</sup></li> </ul>	<ul style="list-style-type: none"> <li>VA Bond 1<sup>st</sup>: DU<sup>4</sup> or LPA<sup>4,5</sup></li> <li>RHS Bond 1<sup>st</sup>: GUS<sup>4</sup></li> </ul>	<ul style="list-style-type: none"> <li>DU<sup>4,5</sup>, or</li> <li>LPA<sup>4,5</sup></li> </ul>	
<b>Prior Foreclosure / Deed-in-Lieu / Short Sale</b>	Follow 1 <sup>st</sup> mortgage requirements			

# Down Payment & Closing Cost Assistance Matrix

Program	DPA Grant	CCA Grant	Plus Second Mortgage	
	Bond First Mtg			Non-bond First Mtg
<b>Manual Underwrite</b>	<ul style="list-style-type: none"> <li>Conventional Bond 1<sup>st</sup>: Not allowed; AUS Approve / Accept / Eligible Only<sup>5</sup></li> <li>FHA Bond 1<sup>st</sup>: Allowed; must meet FHA manual underwrite requirements<sup>8</sup></li> </ul>	<ul style="list-style-type: none"> <li>VA Bond 1<sup>st</sup>: Allowed; must meet VA manual underwrite requirements<sup>8</sup></li> <li>RHS Bond 1<sup>st</sup>: Allowed; must meet RHS manual underwrite requirements<sup>8</sup></li> </ul>	<ul style="list-style-type: none"> <li>Conventional &amp; Conventional Bond 1<sup>st</sup>: Not allowed; AUS Approve / Accept / Eligible Only<sup>5</sup></li> <li>FHA &amp; FHA Bond 1<sup>st</sup>: Allowed; must meet FHA manual underwrite requirements<sup>8</sup></li> </ul>	
<b>Acreage Limitation</b>	<ul style="list-style-type: none"> <li>Maximum 2 acres, or</li> <li>Exceptions considered for &gt; 2 up to 5 acres</li> </ul>			No maximum acreage
<b>Manufactured Housing</b>	<ul style="list-style-type: none"> <li>Conventional Bond 1<sup>st</sup>: MH Advantage &amp; CHOICEHome allowed; standard manufactured housing is not allowed unless submitted to Virginia Housing for exception consideration (max 95% LTV / CLTV)</li> <li>FHA Bond 1<sup>st</sup>: Allowed, follow Origination Guide &amp; FHA requirements</li> </ul>	<ul style="list-style-type: none"> <li>VA Bond 1<sup>st</sup>: Follow Origination Guide &amp; VA requirements</li> <li>RHS Bond 1<sup>st</sup>: Follow Origination Guide &amp; RHS requirements</li> </ul>	<ul style="list-style-type: none"> <li>Conventional &amp; Conventional Bond 1<sup>st</sup>: MH Advantage &amp; CHOICEHome allowed; standard manufactured housing is not allowed unless submitted to Virginia Housing for exception consideration (max 95% LTV / CLTV)</li> <li>FHA &amp; FHA Bond 1<sup>st</sup>: Allowed, follow Origination Guide &amp; FHA requirements</li> </ul>	

<sup>1</sup> First-time homebuyer requirement applies to all borrowers & is evidenced by the fully executed Exhibit E, URLA, & credit report. If unable to confirm the borrower(s) is a first-time homebuyer from the Exhibit E, the URLA, or credit report, additional documentation may be required, such as:  
a) three years' federal tax returns / tax transcripts, b) rent verification(s), c) lender data integrity report (examples: Drive Report, FraudGuard, Loansafe). If the property is in a targeted area the first-time homebuyer requirement does not apply, and there may be higher income and sales price limits may apply, but the higher targeted area income limits do not apply if using the DPA or CCA Grant.

<sup>2</sup> Conventional 1<sup>st</sup> mortgage: When all borrower qualifying income exceeds [Fannie Mae / Freddie Mac](#) 80% AMI Limits an LLPA applies if Charter MI (or reduced MI) is used. The Charter (or reduced) MI LLPA amount varies depending on credit score & LTV. Refer to the webpages of [Fannie Mae / Freddie Mac](#). Loan must also be within applicable Virginia Housing Income Limit.

<sup>3</sup> See Program Guidelines for requirements when all borrowers do not have a credit score &/or one borrower with a credit score & one without a credit score. Note that Conventional always requires at least 1 borrower have a credit score.

<sup>4</sup> DPA & CCA Grant must be run in AUS as a GRANT; Plus Second must be run in AUS as Subordinate Financing.

<sup>5</sup> Conventional 1<sup>st</sup> mortgage:  
(a) If using Fannie Mae's DU: Community Lending Program must be "HFA Preferred."  
(b) If using Freddie Mac's LPA: Offering Identifier must be "HFA Advantage."

<sup>6</sup> Tax Transcripts for Conventional 1<sup>st</sup> mortgage:  
(a) If using Fannie Mae's DU: When all the borrower's income is validated by the DU validation service, tax transcripts are not required. However, if there are any data discrepancies then additional documentation or information may be required. Originating Lenders are expected to perform due diligence on every loan.  
(b) If using Freddie Mac's LPA: If all the borrower's income receives an income rep & warranty result of "Eligible" on the last Feedback Certificate, tax transcripts are not required. However, if there are any data discrepancies then additional documentation or information may be required. Originating Lenders are expected to perform due diligence on every loan.

<sup>7</sup> Virginia Housing also offers a Conventional No MI 97% program that is not included in this matrix. See the Conventional No MI Program Guidelines for details.

<sup>8</sup> The applicable insurer & guarantor may have more restrictive requirements for manually underwritten loans than when the loan is AUS approved, which may include, but are not limited to, specific HTI &/or DTI requirements & a minimum reserve requirement. The Originating Lender must ensure all of the more restrictive requirements for a manually underwritten loan are met per the applicable FHA / VA / RHS Handbook.

