



CELEBRATING
HOOSIER HOMEOWNERSHIP

OUR MISSION



To provide affordable, sustainable homeownership opportunities for Hoosiers

PROGRAMS



- **First Place (FP)**

- 1st time homebuyer:
 - An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property
- Down Payment Assistance (DPA) of 6%
- 6% DPA Forgiven at the end of **9 years**

During the term of 9 years:

- 0% interest
- 0 payments



PROGRAMS

- Next Home (NH)
 - First-time and Repeat homebuyers
 - Down Payment Assistance (DPA) of 2.5 **or** 3.5%
 - Forgiven at the end of **3 years**
 - 0% interest
 - 0 payments
- Mortgage Credit Certificate (MCC)
 - 1st time homebuyer
 - Federal income tax credit (25%) that can assist the
 - Reducing their federal income tax liability
 - Increasing their qualifying income
 - Available to lock only in conjunction with Next Home



MCC EXAMPLE



- Reducing their federal income tax liability
 - The borrower may choose to take the tax credit at the end of the year, when they file their federal taxes
 - Ex: $\$110,000 \times 5.25\% \times 25\% = \$1,443.75$
- Increasing their qualifying income
 - The borrower may choose to revise their W-4 withholdings form to increase their take home pay. The tax credit is divided out over 12-months.
 - Ex: $\$110,000 \times 5.25\% \times 25\% = \$1,443.75$

$$\$1,443.75/12 = \$120.31/\text{month}$$

Full chart with all 92 counties available at: www.in.gov/ihcda/homebuyers

County	1-2 Person Household	3+ Person Household	Acquisition Limit
Adams	\$86,800	\$99,820	\$452,970
Allen+	\$86,800	\$99,820	\$452,970
	\$104,160	\$121,520	\$553,630
Bartholomew	\$91,400	\$105,110	\$452,970
Benton	\$86,800	\$99,820	\$452,970
Blackford	\$86,800	\$99,820	\$452,970
Boone	\$96,700	\$111,205	\$452,970
Brown*	\$116,040	\$135,380	\$553,630
Carroll	\$86,800	\$99,820	\$452,970
Cass	\$86,800	\$99,820	\$452,970
Clark+	\$89,700	\$103,155	\$452,970
	\$107,640	\$125,580	\$553,630
Clay	\$86,800	\$99,820	\$452,970
Clinton*	\$104,160	\$121,520	\$553,630
Crawford*	\$104,160	\$121,520	\$553,630
Daviess*	\$104,160	\$121,520	\$553,630
Dearborn*	\$121,320	\$141,540	\$553,630
Decatur*	\$104,160	\$121,520	\$553,630
DeKalb	\$86,800	\$99,820	\$452,970
Delaware+	\$86,800	\$99,820	\$452,970
	\$104,160	\$121,520	\$553,630

What underwriting criteria does IHEDA use?

1. Qualifying Income – All income that meets the GSE standards, attested on 1003.
2. Program Income Limits
3. Program Acquisition/Purchase Price Limits, when applicable
4. First-time homebuyer guideline, when applicable
5. Purchase Price cannot exceed appraised value(First Place, Next Home w/MCC)
6. Property must be no more than (1) parcel and (1) acre under all programs**
7. **All extra land must be required for the livability of the property

TAX TRANSCRIPTS & GUIDELINES

- **IRS Tax Compliance Laws require applicable program loans to be documented by 3-years of tax transcripts or signed tax returns**
 - Next Home/MCC
 - First Place
- **3 yrs. of IRS Tax Transcripts are required on mortgagor/co-mortgagor and must be submitted with the closing package on applicable IHEDA programs**
- **If a borrower did not file a tax return for all 3 years and/or any of the past years tax returns, they must complete the 'INCOME TAX AFFIDAVIT' section of the IHEDA Borrower Information Certificate**

PROGRAM REQUIREMENTS

- Debt to Income Ratio Requirements
 - **640** with a DTI of **45% or less**
 - **680** with a DTI of **45-50%**
 - **Minimum 660 credit score required with Manufactured Housing**
- *MCC can be applied with Next Home to help lower DTI
- Credit Score and Debt-to-Income requirements set by master servicer

PROGRAM REQUIREMENTS

- **Homebuyer Education requirement:**

Conventional Fannie/Freddie overlay

- Freddie Mac: **Credit Smart** *No substitutes accepted
- Fannie Mae: **HomeView** *No substitutes accepted

*HBE certificate is required to be uploaded during the initial application upload

All **occupying mortgagors** must complete the required course.

Participating Lenders

- IHCD's Down Payment Assistance programs are administered by the help of our Participating Lenders.
- Over 80 Participating Lenders, with hundreds of branches across Indiana
- Connecting with a participating lender is the first step to using IHCD's down-payment assistance programs.



SUBMISSION PROCESS

1) Application Package Upload (Approval to Close)

2) Request DPA Wire

3) Closing Package Upload

- Lender uploads the full closing package, **after the loan has closed**, with all required documents completed and signed for final approval from IHCDA

TURN-AROUND TIMES

- All files (application or closing) – **24 to 48 business hours**
- DPA disbursement – **48-72 business hours**

ORIGINATION FEES AND ALLOWABLE PARTICIPATING LENDER FEES

- **Applies to First Place Only**
- Maximum amount that can be charged on each loan with respect to Origination fees is one percent (**1%**) regardless who is paying it.
- Maximum amount a lender may charge in lender fees is **\$1,495**, without respect to who is paying them.
- **No Cap on fees for Next Home**

REALTOR FEES

- IHCDA does not regulate fees charged by Realtors.



2,678
HOMEBUYERS ASSISTED



\$168,397
AVERAGE MORTGAGE

\$450,965,887
TOTAL MORTGAGES
MADE POSSIBLE



\$9,675
AVERAGE DOWN PAYMENT
ASSISTANCE



\$25,908,381
TOTAL DOWN PAYMENT
ASSISTANCE

2022 HIGHLIGHTS



Indiana Housing & Community Development Authority

HOMEOWNERSHIP WEBSITES

LENDER INFORMATION: LENDERS/REALTORS TAB

<https://www.in.gov/ihcda/lenders-and-realtors/>

- Program Guides
- Lender Information
- Servicer Overlays/Contact Information
- Income/Acquisition limits
- Targeted Areas
- Marketing Materials

- Become a Participating Lender

<https://www.in.gov/ihcda/lenders-and-realtors/become-a-participating-lender/>

IHCDA ONLINE

<https://online.ihcda.in.gov/DMSOnline>

THE HOMEOWNERSHIP TEAM

Questions? Please contact our team!

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Indiana Housing & Community Development Authority