

ihcda 

Homebuyer

down payment assistance programs

PROGRAMS

- ▶ First Step
- ▶ Next Home
- ▶ Step Down
- ▶ Coming Soon: Next Step

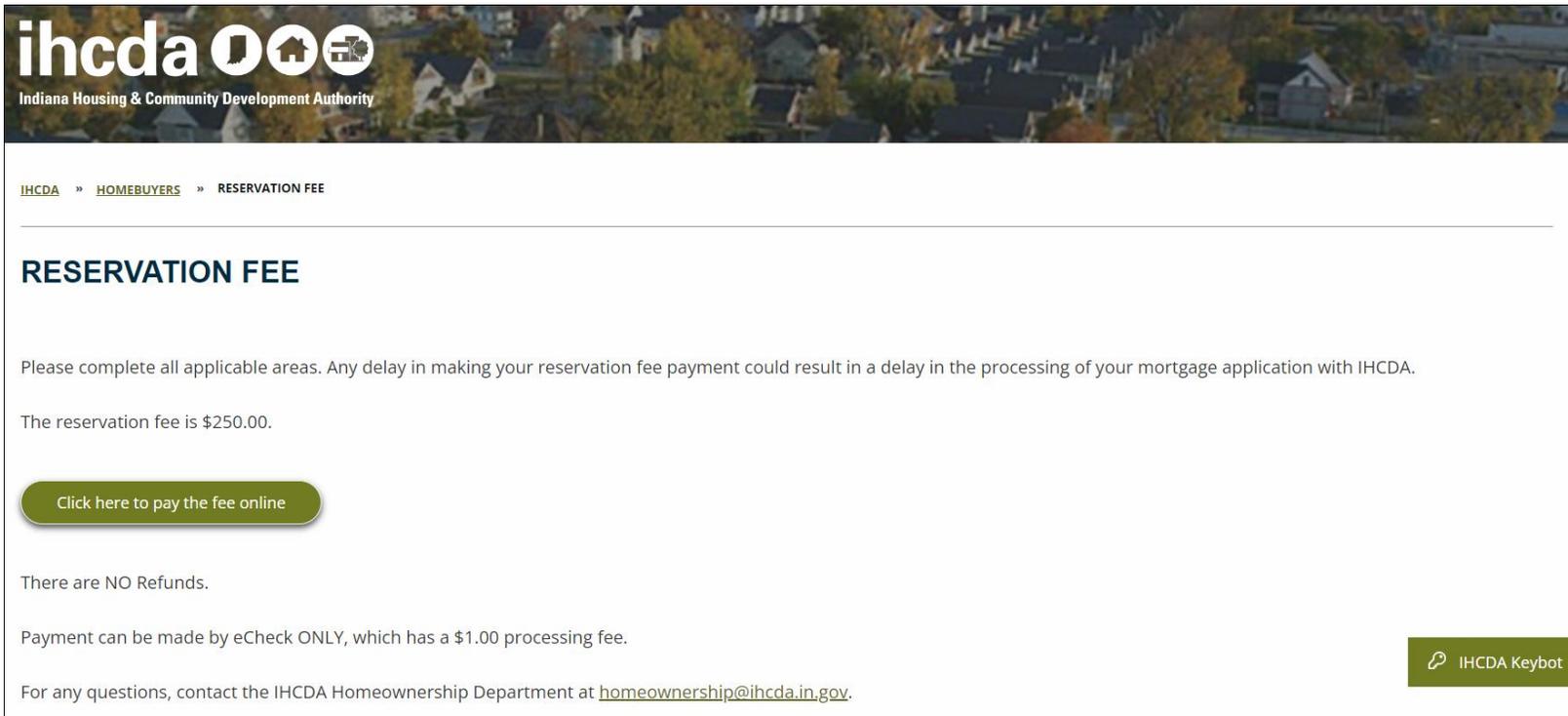


IHCDA Reservation Fee

- ▶ All IHCDA programs require a \$250 reservation fee.
- ▶ This fee is non-refundable but is transferrable if selecting a new property is required.
- ▶ This fee can be paid by the borrower directly or paid by the lender. The fee can be shown on the LE/CD as POC or paid back to lender.
- ▶ Link to pay Reservation Fee:
<https://www.in.gov/ihcda/homebuyers/reservation-fee/>



IHCDA Reservation Fee



The screenshot shows the IHCDA website's reservation fee page. At the top left is the IHCDA logo with the text "Indiana Housing & Community Development Authority". Below the logo is a navigation breadcrumb: "IHCDA » HOMEBUYERS » RESERVATION FEE". The main heading is "RESERVATION FEE". The text on the page states: "Please complete all applicable areas. Any delay in making your reservation fee payment could result in a delay in the processing of your mortgage application with IHCDA." and "The reservation fee is \$250.00." There is a green button that says "Click here to pay the fee online". Below that, it says "There are NO Refunds." and "Payment can be made by eCheck ONLY, which has a \$1.00 processing fee." At the bottom left, it says "For any questions, contact the IHCDA Homeownership Department at homeownership@ihcda.in.gov." At the bottom right, there is a green button with a speech bubble icon and the text "IHCDA Keybot".



Rate Locks

- ▶ IHCDA locks are 60 days.
- ▶ Files must be cleared by the Master Servicer (US Bank) and purchased by IHCDA within the 60-day lock period.
- ▶ Lock extensions are .125% for 15-day increments.
- ▶ Extension and late submission fees can be paid by any party. Borrower paid fees may be disclosed and charged on the CD.
- ▶ The participating lender compensation is 1.75% of the mortgage amount, which is payable upon the sale of the loan to the Master Servicer.



First Step

6% Down Payment Assistance FHA or Conventional

- 🏠 Offers 6% non-forgivable DPA.
 - 🏠 Not to exceed appraised value.
- 🏠 DPA is a silent second mortgage.
 - 🏠 0% interest & no payments.
 - 🏠 Due on term of 1st mortgage, sell, or refinance.
- 🏠 Must be first time homebuyer.
 - 🏠 Unless purchasing in a targeted county or qualifying census tract.
 - 🏠 Requirement waived for qualified Veterans (DD214).
- 🏠 Income and Acquisition limits apply.
- 🏠 IHCDA requires no additional inspections.
- 🏠 Subject to 9-year IRS Recapture Tax.

\$250 Reservation Fee

Allowable lender fees: 1% origination fee + \$1,600 lender fees charged to buyer.



Step Down

Interest rate only purchase option
FHA or Conventional

- 🏠 Offers a lower interest rate than the market street rate.
- 🏠 Must be first time homebuyer.
 - 🏠 Unless purchasing in a targeted county or qualifying census tract.
 - 🏠 Requirement waived for qualified Veterans (DD214).
- 🏠 Income and Acquisition limits apply.
- 🏠 IHCDA requires no additional inspections.
- 🏠 Subject to 9-year IRS Recapture Tax.
- 🏠 Borrower provides their own down payment.
- 🏠 Can't be combined with any other IHCDA programs.



\$250 Reservation Fee

Allowable lender fees: 1% origination fee +\$1,600 lender fees charged to buyer.



Next Home

2.5% or 3.5% Down Payment Assistance FHA or Conventional

- 🏠 Offers 2.5% or 3.5% DPA
 - 🏠 Appraisal gap allowed.
- 🏠 DPA is a silent second mortgage.
 - 🏠 0% interest & no payments.
 - 🏠 Forgiven 3 years after note date.
- 🏠 No first-time homebuyer requirement.
- 🏠 Income and Acquisition limits apply.
- 🏠 IHCDA requires no additional inspections.

\$250 Reservation Fee
No max lender fees limit.



Next Step

Refinance a current IHCD A DPA

- 🏠 One-time refinancing opportunity for current DPA or First Step DPA loans.
- 🏠 0% interest and \$0 payment for second mortgage term of the loan.
- 🏠 DPA will be paid back in full when you refinance, sell, or refinance.

\$250 Rese
\$1,600 mo



Program Requirements

Loan Estimate (LE) and Closing Disclosure (CD):

- 🏠 Required for all IHCD A programs.
- 🏠 Documents are prepared and disclosed by the lender.
- 🏠 Must be signed and dated by all applicants.
- 🏠 E-signed LE and CD is acceptable with the upload of the e-delivery receipt confirmation.
- 🏠 All loan information fields at the top of the LE and CD must be complete.



Program Requirements

Loan Estimate (LE) and Closing Disclosure (CD):

LE “Other Considerations” appropriate selections:

-  Assumption “will not allow assumption of this loan on the original terms”
-  Servicing “to transfer servicing of your loan”.

CD “Loan Disclosures” appropriate selections:

-  Assumption “will not allow assumption of this loan on the original terms”
-  Demand Feature “does not have a demand feature”
-  Negative Amortization “do not have a negative amortization feature”
-  Partial Payments “does not accept any partial payments”
-  Escrow Account “will not have an escrow account”



Program Requirements

Homebuyer Education:

Required for all Conventional loans

Freddie Mac: Credit Smart

Fannie Mae: HomeView

🏠 Certificate required for all occupying applicants. Applicants can share the same certificate (both names must appear on cert).

🏠 Certificate required at application.

Debt to Income Ratios & FICO:

🏠 DTI 45% or less = min FICO 640

🏠 DTI 45-50% = min FICO 680

🏠 Manufactured Homes: DTI max 45% = FICO 660

Credit score requirements vary based on financing and property type. Please check US Bank's All-Regs for the most up-to-date guidelines.



Tax Compliance Underwriting

What underwriting criteria does IHEDA use?

1. First-time homebuyer requirement (when applicable)
2. Program acquisition limits, when applicable
3. Subject property:
 -  One parcel maximum.
 -  Conform to livability requirements
ex. excess acreage, multi-units, auxiliary units
4. Qualifying income:
 -  All income that meets the GSE guidelines.
 -  Meet income limits for county & household size.
 -  The breakdown of eligible income can be found in the Program Guides, Section 2 “Mortgagor Eligibility”.



File Flow

Once your loan has been reserved and locked, you're on your way!

#1 Application

Lender uploads the required application docs:

- IHCD Homeownership Affidavit
- Signed LE
- Initial 1003
- Prelim AUS Findings
- Tri-Merge Credit Report
- Appraisal
- Homebuyer Education Cert (Conventional loans only)

#2 Funding

After you receive loan approval, the next step is ordering the DPA funds.

Request DPA wire 24-48hrs prior to loan closing.

Lender will complete all required fields in the DPA screen for the wire order.

Wires are processed at 12pm EDT daily. Lenders receive wire confirmation via email.

#3 Closing

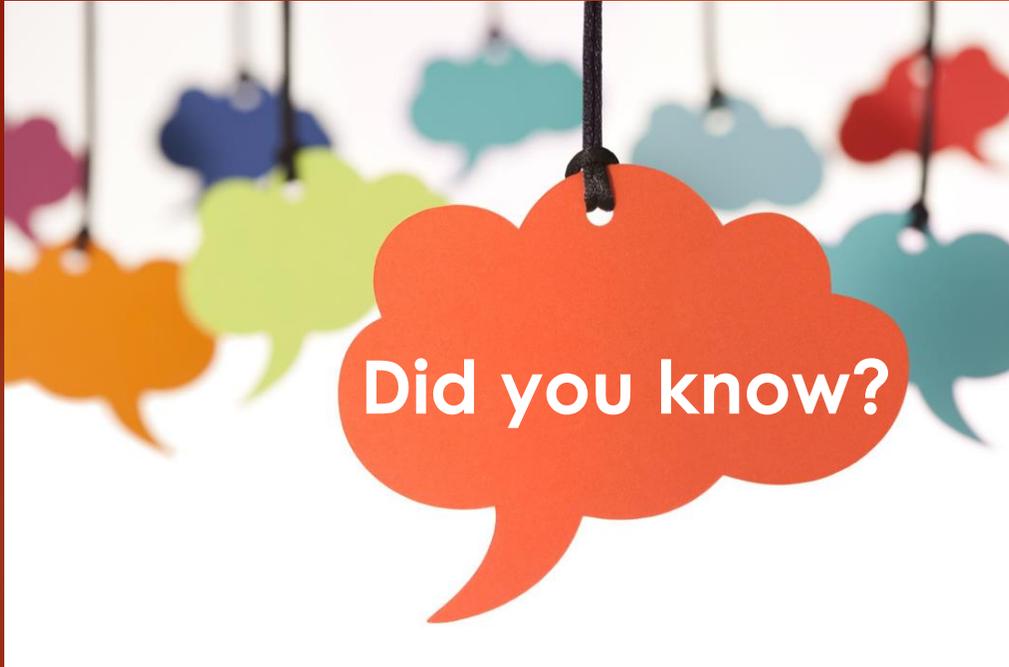
After you receive wire confirmation, you can then access the IHCD closing package.

After signing, lender uploads signed documents:

- IHCD generated closing package
- Final 1st CD
- Final DPA CD
- Final 1003
- Final AUS Findings
- Final Credit Report (to match AUS final submission)
- 1st mortgage Note

Our turn time for application & closing package review is 24-48 hrs.





Did you know?

You can pair IHCDA's First Step and Next Home DPA products with other grants, and down payment assistance funds?

*As long as IHCDA is in second lien position, we will partner with any other agency offering funds to assist the borrower!

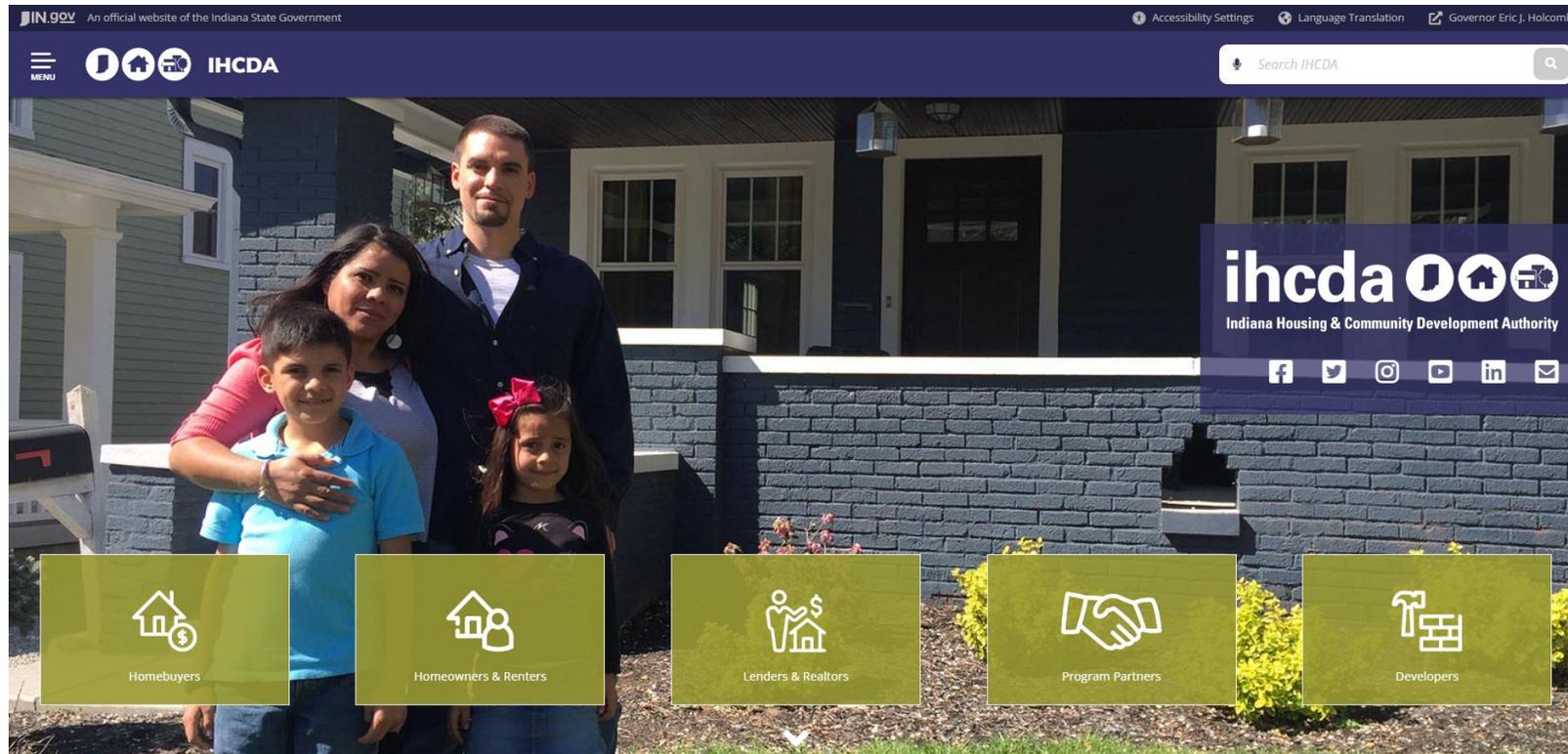
The borrower can receive gifts from family. Excess funds will be given back to borrower at closing.

Borrower can receive cash back at closing for earnest funds, and POC'd items.

*Excess funds back at closing? We allow principal reductions on the CD.



IHCDA Resources



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



IHCDA Resources

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

Lender/Realtors tab

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



IHCDA Resources

Targeted Areas & Census Tracts

IHCDA • LENDERS AND REALTORS • TARGETED AREA

TARGETED AREAS

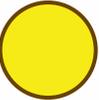
Qualified Census Tract - A qualified census tract (yellow counties) where 70% or more of the families have an income which is 80% or less of the statewide median family income.

Chronic Economic Distress - This is an area of chronic economic distress (blue counties) that are designated by the State and approved by the federal government are "targeted" for additional public/private investment.

- [Find your Census Tract](#)
- [Census Tracts for Targeted Areas](#)

Grey = non targeted county
 Yellow = check census tract to confirm if targeted tract
 Blue = entire county is targeted





Grey = no targeted census tracts.

Blue = county is completely targeted.

Yellow = check the address.
Some are targeted, some are not.






CENSUS TRACTS FOR TARGETED AREAS
Last updated July 27, 2023

County	Census Tracts					
Allen	0005.00	0006.00	0007.01	0012.00	0013.00	
	0016.00	0017.00	0020.00	0021.00	0023.00	
	0026.00	0028.00	0029.00	0030.00	0031.00	
	0035.00	0036.00	0040.00	0043.00	0044.00	
	0106.04	0112.01	0113.02	0113.03	9800.01	
Clark	0502.00	0503.06	0505.04			
Delaware	0003.00	0004.00	0005.00	0006.00	0009.02	
	0009.03	0010.00	0012.00	0016.00	0017.00	
Elkhart	0020.00	0028.00				
	0015.01	0019.01	0021.02	0023.00	0026.00	
Floyd	0027.00					
	0702.00	0704.00	0705.00	0707.00	0708.01	
Grant	0709.02					
	0001.00	0002.00	0004.00	0007.00	0008.00	
Henry	0009.00					
	9763.00	9765.00				
Howard	0002.00	0004.00	0009.00	0012.00		
Jay	9630.00	9633.00				
Lake	0102.01	0102.03	0102.05	0103.02	0103.04	
	0104.00	0105.00	0106.00	0109.00	0110.00	
	0111.00	0112.00	0113.00	0114.00	0115.00	
	0116.00	0117.00	0118.00	0119.00	0120.00	
	0121.00	0122.00	0123.00	0124.00	0126.00	
	0127.00	0128.00	0203.00	0204.00	0205.00	
	0206.00	0207.00	0208.00	0214.00	0218.00	
	0301.00	0302.00	0303.00	0304.00	0305.00	
	0306.00	0308.00	0310.00	0411.00	0412.00	
	0415.00	0417.00				
	LaPorte	0401.00	0403.00	0409.00	0413.00	0414.00
		0423.00	0430.00			
	Madison	0003.00	0004.00	0005.00	0008.00	0009.00
		0010.00	0119.00	0120.00		
	Marion	3103.05	3103.06	3201.08	3209.02	3209.03
3225.00		3226.00	3301.06	3306.00	3307.00	
3308.03		3308.04	3308.05	3308.06	3309.00	
3401.08		3402.01	3402.02	3403.00	3404.00	
3405.00		3406.00	3407.00	3409.02	3411.00	
3412.00		3416.00	3417.00	3419.03	3422.00	
3423.00		3424.00	3425.00	3426.00	3501.00	
3503.00		3504.00	3505.00	3506.00	3507.00	
3508.00		3510.00	3512.00	3515.00	3517.00	
3519.00		3521.00	3523.00	3524.00	3526.00	
3527.00		3533.00	3535.00	3536.00	3545.00	

IHCDA Resources

Income & Acquisition Limits



White= no targeted census tracts.



Blue = county is completely targeted.



Purple = check the address.
Some are targeted, some are not.

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
Dubois	\$86,800	\$99,820	\$452,970
Elkhart+	\$86,800	\$99,820	\$452,970
	\$104,160	\$121,520	\$553,630



IHCDA System “DMS”

IHCDA ONLINE

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

Summary Mortgage DPA Property Borrowers Status Comments Transactions Documents

Info

Borrower: Reservation #: Property:

Documents Required by Stage

	Stage	Type	Required	File	Date
	Reserved	IHCDA Fee Invoice	<input type="checkbox"/>		
+	Application Upload	2nd Mortgage LE	<input checked="" type="checkbox"/>		
+	Application Upload	Appraisal	<input checked="" type="checkbox"/>		
+	Application Upload	Home view or CreditSmart Ed Cert	<input checked="" type="checkbox"/>		
+	Application Upload	Homeownership Affidavit - IHCDA	<input checked="" type="checkbox"/>		
+	Application Upload	Misc Document-Application Upload Stage	<input type="checkbox"/>		
+	Application Upload	Misc Document-Application Upload Stage	<input type="checkbox"/>		
+	Closing Upload	1003 - Uniform Residential Loan Application	<input checked="" type="checkbox"/>		
+	Closing Upload	2nd Mortgage CD	<input checked="" type="checkbox"/>		
+	Closing Upload	Closing Disclosure	<input checked="" type="checkbox"/>		
+	Closing Upload	IHCDA - 2nd Mortgage	<input checked="" type="checkbox"/>		
+	Closing Upload	IHCDA - Borrowers Informational Certificate	<input checked="" type="checkbox"/>		
+	Closing Upload	IHCDA - DPA Letter	<input checked="" type="checkbox"/>		
+	Closing Upload	IHCDA - Mortgage Rider	<input checked="" type="checkbox"/>		
+	Closing Upload	IHCDA - Promissory Note - 2nd Mortgage	<input checked="" type="checkbox"/>		
+	Closing Upload	Note	<input checked="" type="checkbox"/>		
+	Closing Upload	Tax Transcripts - 3 Years	<input checked="" type="checkbox"/>		
+	Closing Upload	Misc Document - Closing Upload Stage	<input type="checkbox"/>		

There are two locations to upload documents.

All application and closed loan packages should be uploaded under the Documents tab. The documents tab will show you the required documents for a complete submission.

*Please note... if all required docs are not uploaded, the file will sit in the queue until all documents are uploaded. It will not notify the Underwriting team the file is ready for review until all the required docs are there.



IHCDA System “DMS”

IHCDA ONLINE

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

Summary Mortgage DPA Property Borrowers **Status** Comments Transactions Documents

Info

Borrower: _____ Reservation #: _____ Property: _____

Stages

Stage Code	Stage	Status	Stage Date	Opened By
01	Reserved	Approved	7/24/2023	
02	Waiting On Payment	Approved	7/25/2023	
03	Application Upload	Approved	8/15/2023	
04	Application Review	Approved	8/18/2023	
05	Committed	Approved	8/18/2023	
06	Closing Upload	Approved	9/15/2023	
07	Closing Pkg Review	Incomplete	9/15/2023	

Conditions

	Close	Status	Condition	Stage	Opened By	Date Set	Date Received	Date Reviewed	Closed By
	<input checked="" type="checkbox"/>	Closed	Documents	Application Review	Stovall, Robin	8/16/2023	8/18/2023	8/18/2023	Stovall, Robin
	<input type="checkbox"/>	Open	Documents	Closing Pkg Review	Stovall, Robin	9/15/2023			
	<input type="checkbox"/>	Open	1003 to be signed and dated	Closing Pkg Review	Stovall, Robin	9/15/2023			

If there are conditions listed above that have a status of 'Open', you will need to upload a document to satisfy that condition. Click the 'Add Conditions Document' button and then select the document you wish to upload. When you do this, you will also need to choose which conditions the document satisfies.

Close Selected Conditions **Add Conditions Document** Send Notifications Add Condition Stages

All documents uploaded to clear open conditions should be uploaded under the **Status** tab. Click the “Add Conditions Document” button at the bottom of the screen. This will open the conditions where you can select which condition you’re uploading for.

Uploading your conditions here (instead of the Documents tab) will notify your Underwriter that conditions are ready for review.



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- 🏠 IHCDA Lender/Realtor Forum Event Updates
- 🏠 County Income/Acquisition Limits
- 🏠 Latest happenings in the Agency
- 🏠 IHCDA supporting our lender and realtor partner functions
- 🏠 Spotlights on our lender and realtor partners





Meet the Homeownership Team!

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Questions?





Indiana Housing & Community Development Authority



Thank You
for your
partnership!

