

Participating NCHFA
Mortgage Company



NORTH CAROLINA

HOUSING

FINANCE

AGENCY

Locks, Reservations, Changes for Secondary Marketing

Process, Procedure, and Policies

July 2021

Locking NC Home Advantage Loans, Reserving Mortgage Credit Certificates

- Home Advantage Loans & MCCs are locked through NCHFA's On-Line Lender Services System (OLS).
- Access to the system is granted by **YOUR** System Administrator.
- Access should **NOT** be granted until the associate has completed the required NCHFA product training; in-person or LO webinar required for loan officers.
- The System Administrator issues a USER ID and forwards the associate's information to NCHFA (mbrivera@nchfa.com).
- The OLS is accessed through NCHFA's website: www.nchfa.com
- Directly: <https://www.nchfa.org/OLS/login.aspx>

Online Lender Services

Welcome to North Carolina Housing Finance Agency's online lender services (OLS). Inside you will find tools and resources to assist you in doing business with NCHFA. If you are not registered, please check with your corporate office for registration information. Visit our public site at www.nchfa.com



Log In

Username:

Password:

Remember me next time.

[Forgot your Password?](#)

When to Lock a NC Home Advantage Mortgage

Lock a NC Home Advantage Mortgage™ or NC 1st Home Advantage Down Payment \$8,000 when you are CONFIDENT that the loan can be **uploaded to and purchased by** ServiSolutions within 60 days of the lock-in date.

Best Practices

- Lock when you have completed your internal underwriting process
- Lock after the Appraisal has been received/reviewed
- Lock after all internal processing has been completed
- Lock when you are ready to submit to NCHFA for final review
- Lock when the property is complete (new construction)
- Lock when you can be sure Post-Closing will have 30 days to deliver file

Process to Lock a NC Home Advantage Mortgage

- Home Advantage loans are **locked** when the Borrower(s)' information is entered in the OLS and a Confirmation notice is issued. (It is not necessary to reserve funds, funds are always available for the NC Home Advantage Mortgages.)
- Interest Rates for the NC Home Advantage Mortgage are market rates and subject to change as the market changes.
- NC Home Advantage Interest rates are found on the NCHFA website at: <http://www.nchfa.com/home-buyers/interest-rates>
- The Interest Rate is determined at time of lock-in and is commensurate with the % DPA requested.
- Rates are available Monday through Friday, 9:00 am to 6:00 pm. No overnight or weekend protection.

Flash Quiz

Question: Who gives you Access to NCHFA's OLS system to lock loans?

Access to NCHFA's OLS is given by the LENDER's System Administrator

Question: Lenders must RESERVE funds with NCHFA before locking the loan.

FALSE

NC Home Advantage loans are LOCKED not reserved!

Fannie Mae/Freddie Mac AMI Rules

- **Standard MI:** Final 1003 income that exceeds 80% of AMI will be subject to standard MI coverage (97% LTV = 35% MI coverage)
- **Interest Rate Impact:** Final 1003 income that exceeds 80% of AMI may have rates slightly higher than rates below 80% AMI
- **CHARTER LEVEL MI for Borrowers \leq 80% AMI**
- **FREDDIE MAC** only available up to 80% AMI
- **Fannie Mae or Freddie Mac** available up to 80% AMI, over 80% AMI, Fannie Mae only.
- NCHFA rates are offered based on the information **YOU** enter. Only qualified products are shown as lock options.

Freddie Mac Home Possible Income Limit Tool

<https://sf.freddiemac.com/working-with-us/affordable-lending/home-possible-eligibility-map>

3508 Bush St, Raleigh, NC, 2761 X

Home Possible Income Limits by Census Tract

See if this property qualifies for [Down Payment Assistance](#)

County: Wake
FIPS Code 37183052701
Home Possible Income Limit: \$75,280
100% Median Income: \$94,100
80% Area Median Income: \$75,280
50% Area Median Income: \$47,050
High Needs Rural Tract: No

Income Limit
≤ 80%
≤ 50%

[Zoom to](#)

Fannie Mae – AMI Lookup Tool

- Go to: <https://ami-lookuptool.fanniemae.com/amilookuptool/>
- Enter subject property address

Fannie Mae | Area Median Income Lookup Tool

3508 Bush Street, Raleigh, NC, USA

HomeReady Income Limit: \$75,280

Area Median Income: \$94,100

100% Area Median Income (DTS): \$ 94,100

80% Area Median Income (LI): \$ 75,280 ← HomeReady Income Limit

50% Area Median Income (VLI): \$ 47,050

County: Wake, NC
FIPS 37183052701

DTS - Duty to Serve
LI - Low Income
VLI - Very Low Income

High Needs Rural Rural County Area

Each Lender must determine borrower and loan eligibility in accordance with the Selling Guide and its Lender Contract. Nothing in this service is intended to vary or modify any of Lender's obligations under its Lender Contract.

NCHFA rates
 available
 Monday – Friday
 9:00 am to 6:00 pm.
 No weekend or
 overnight
 protection.

Loan Type	Without Down Payment Assistance (DPA) <i>Interest Rate (APR)</i>	With NC 1 st Home Advantage Down Payment Assistance (\$8,000 DPA) <i>Interest Rate (APR)</i>	With 3% Down Payment Assistance (DPA) <i>Interest Rate (APR)</i>	With 5% Down Payment Assistance (DPA) <i>Interest Rate (APR)</i>	Lock- in Period
CONV-Fannie Mae 80% AMI and Under	2.625 (3.1345)	3.000 (3.3445)	3.125 (3.761)	N/A	60
CONV-Fannie Mae Over 80% AMI	3.000 (3.4388)	3.000 (3.3445)	3.500 (4.1385)	N/A	60
FHA	2.500 (3.4782)	3.000 (3.7564)	2.875 (4.189)	3.750 (4.9188)	60
CONV-Freddie Mac 80% AMI and Under	2.625 (3.135)	3.000 (3.3445)	3.125 (3.761)	N/A	60
USDA	2.500 (3.3478)	3.000 (3.5673)	2.875 (3.7894)	3.750 (4.6236)	60
VA	2.500 (2.8973)	3.000 (3.5754)	2.875 (4.0997)	3.750 (4.7165)	60

{ * Origination fees are not required on NC Housing loans. The actual APR charged by your lender will vary and is based on a number of factors, including the actual loan amount, mortgage insurance premiums, loan type, fees, and other costs specific to that lender and your loan criteria. Only a [participating lender](#) can quote actual APRs. Examples above are for APR illustration

Go to:

www.nchfa.com/home-buyers/interest-rates

Locking a NC Home Advantage Mortgage

- Access OLS? → enter User ID and Password for access.
- Select “New NC Home Ad Reservation”, for all types

You will need:

Loan Officer’s Name (L.O.s who close 5 Home Ad loans may receive referrals directly from the NCHFA website)

Office Location

Contact Person

Borrowers’ Income Information (Qualifying 1003 and Family Income)

Family (Household) Size

FTHB status

Property Address

Sales Price

Property Condition – new or existing

Next Up:

*Lock Screen Steps and Process for NC Home
Advantage Loans (97%, 3%, 5% and \$8,000 DPA)*

New NC Home Advantage Mortgage Reservation Lock

Review the instructions below. Click [Continue >>] to move to the next page.

Page 1 of 8 - NC Home Advantage Mortgage Instructions

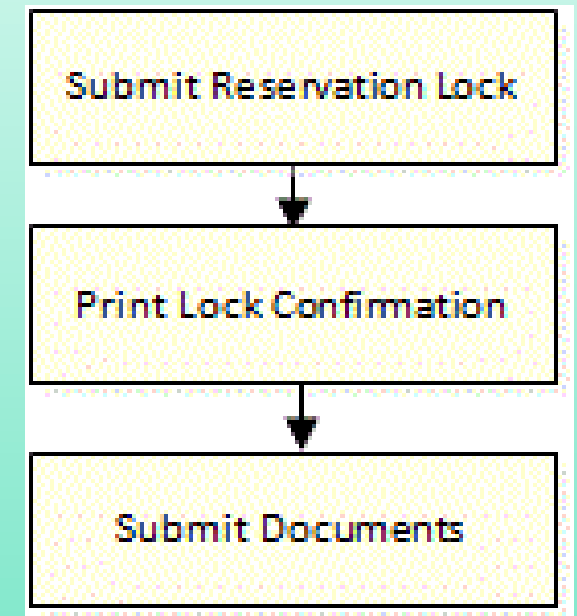
Cancel

Continue >>

Welcome! In order to submit a new NC Home Advantage Mortgage reservation lock and send us loan documents for review, enter your borrower and subject property data by following the instructions on each of the next five screens. When you are finished entering the required data, you will receive an NC Home Advantage loan number and a rate lock confirmation showing the loan type, interest rate, and lock period. You can print and retain this lock reservation confirmation for your records.

The NC Home Advantage Mortgage program is open to all eligible homebuyers of a primary residence (move-up buyers and first-time homebuyers).

Thank you for supporting affordable home ownership in North Carolina!



Continue >>



New NC Home Advantage Mortgage Reservation Lock

Complete the form and click [Continue >>] to move to the next page. Fields marked with an ***** are required.

Page 2 of 8 - Lender Information

<< Back Cancel Continue >>

Lender:

Originating Branch:

Please select a loan officer for this Originating branch.:

Select: * [Add New Loan Officer](#)

Loan Officers who close 5 Home Ad loans within a rolling 12 months are listed individually and receive referrals directly from the website.

Processor/Underwriter/Ops Person Contact - (Someone other than Loan Officer):

First Name: * Last Name: *

Email: *

Phone: * Ext.

Typically a processor, underwriter or loan officer assistant would be listed here. Someone who will monitor communication from NCHFA.

Reservation Entered By: NCHFA

Continue >>



New NC Home Advantage Mortgage Reservation Lock

Complete the form and click [Continue >>] to move to the next page. Fields marked with an ***** are required.

Page 3 of 8 - Borrower SSN Information

<< Back

Cancel

Continue >>

Borrower SSN Information

Please enter the SSN of the borrower for whom you wish to enter the HomeAd. This step is to validate if this borrower has a previous loan with NCHFA.

Borrower SSN:*

100-00-1010

Continue >>

If the social security number has ever been entered in our system before, a warning screen will appear. You may proceed with entering the lock information but will not get a confirmation of lock until staff at NCHFA reviews for acceptance. Only one (1) NCHFA loan is permitted at a time.

OLS Screen Shots - Page 4



New NC Home Advantage Mortgage Reservation Lock

Complete the form and click [Continue >>] to move to the next page. Fields marked with an * are required.

Page 4 of 8 - Property Information

<< Back Cancel Continue >>

Property Information

Address* 3508 Bush Street
Address 2 (optional):
City* Raleigh
State* NC
Zip* 27609
County* Wake
[Re-enter Address](#)

Dwelling Type* Single Family Detached
New/Existing* Existing (Previously Occupied)
Sales Price (\$) 290000
Appraised Value (\$) 290000

Please click on "Get Census Tract" to get Census Tract information:

Census Tract* 052701 [Get Census Tract](#) [FFIEC Census Tract Search Page](#)

You entered the address information above. After USPS address standardization, this address is verified as a valid address and appears as follows:

3508 Bush St
Raleigh, NC 27609-7509 Wake County
Census Tract: 052701
✔ Address verified
✔ Address standardized

Select an Address to use

- Use the standardized, verified address (recommended).
 Use the address exactly as I entered it.

Or

[Change your entry](#)

Real Estate Agent Information:

Selling Agent License #: 3456
Listing Agent License #: 7891

* Entering this information will enable the Agent to be ranked on NCHFA's website and receive referrals directly from the site.

Continue >>

New information here: Real Estate Agents are also ranked and listed on our website for referrals.

Critical information for the \$8,000 DPA. Sales price must be within limits. If the property is in a targeted census tract, FTTHB is not required.

Flash Quiz

Question: Loan Officers who close 5 or more NC Home Ad loans in a rolling 12 months are banished from using NCHFA programs.

FALSE

NO WAY! We Love them and they are listed on our website as Preferred Loan Officers and get referrals directly from the site!

Question: Borrowers are allowed to have multiple NCHFA loans or MCCs at the same time.

FALSE

Only one outstanding NCHFA product at a time, unless it is a permissible combo like Home Ad/MCC/CPLP.

Screen Shots – Page 5



New NC Home Advantage Mortgage Reservation Lock

Complete the form and click [Continue >>] to move to the next page. Fields marked with an * are required.

Page 5 of 8 - Borrower Information

<< Back

Cancel

Continue >>

Borrower

Last Name*	First Name*	MI	Suffix	SSN *	Date of Birth*
<input type="text" value="EnterLastNameHere"/>	<input type="text" value="FirstNameGoesHere"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="999-98-8777"/>	<input type="text" value="7-1-2000"/>
Gender*	Race (please select all that apply)*			Ethnicity*	Marital Status*
<input type="text" value="Female"/>	<input checked="" type="checkbox"/> White	<input checked="" type="checkbox"/> Black	<input checked="" type="checkbox"/> Asian	<input type="text" value="Hispanic"/>	<input type="text" value="Married"/>
	<input checked="" type="checkbox"/> Native Hawaiian	<input checked="" type="checkbox"/> American Indian			
Has occupant had an ownership interest in his/her primary residence in the last 3 years*	Is the applicant a non-active duty veteran?*				
<input type="text" value="No"/>	<input type="text" value="No"/>				

Veteran's may be eligible for FTHB exception for the \$8k

Non-Borrowing Owner/Titleholder

Borrower Type*					
<input type="text"/>					
Last Name*	First Name*	MI	Suffix	SSN *	Date of Birth*
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Gender*	Race (please select all that apply)*			Ethnicity*	Marital Status*
<input type="text"/>	<input type="checkbox"/> White	<input type="checkbox"/> Black	<input type="checkbox"/> Asian	<input type="text"/>	<input type="text"/>
	<input type="checkbox"/> Native Hawaiian	<input type="checkbox"/> American Indian			
Has occupant had an ownership interest in his/her primary residence in the last 3 years*	Is the applicant a non-active duty veteran?*				
<input type="text"/>	<input type="text"/>				

If reserving the \$8k, add NON-Borrowing Spouse/Titleholder Occupant here.

Screen Shots – Page 5

Page 5 of 8 - Borrower Information

Borrower

Last Name*	First Name*	MI	Suffix	SSN *	Date of Birth*
<input type="text" value="LastNameHere"/>	<input type="text" value="FirstNameHere"/>	<input type="text"/>	<input type="text" value=""/>	<input type="text" value="445-64-4656"/>	<input type="text" value="1-1-1999"/>
Gender *	Race (please select all that apply) *			Ethnicity*	Marital Status*
<input type="text" value="Female"/>	<input type="checkbox"/> White <input type="checkbox"/> Black <input type="checkbox"/> Asian <input type="checkbox"/> Native Hawaiian <input type="checkbox"/> American Indian			<input type="text" value="Hispanic"/>	<input type="text" value="Married"/>
Has occupant had an ownership interest in his/her primary residence in the last 3 years*				Is the applicant a non-active duty veteran?*	
<input type="text" value="No"/>				<input type="text" value="Unknown"/>	

Co-Borrower

Borrower Type*					
<input type="text" value="Co-Borrower"/>					
Last Name*	First Name*	MI	Suffix	SSN *	Date of Birth*
<input type="text" value="Co-BoLastName"/>	<input type="text" value="Co-BoFirstName"/>	<input type="text"/>	<input type="text" value=""/>	<input type="text" value="333-55-7777"/>	<input type="text" value="1-1-1999"/>
Gender *	Race (please select all that apply) *			Ethnicity*	Marital Status*
<input type="text" value="Male"/>	<input type="checkbox"/> White <input type="checkbox"/> Black <input type="checkbox"/> Asian <input type="checkbox"/> Native Hawaiian <input type="checkbox"/> American Indian			<input type="text" value="NonHispanic"/>	<input type="text" value="Single"/>
Has occupant had an ownership interest in his/her primary residence in the last 3 years*				Is the applicant a non-active duty veteran?*	
<input type="text" value="No"/>				<input type="text" value="No"/>	

Non-Borrowing Owner/Titleholder

Borrower Type*					
<input type="text" value="Non-Borrowing Owner/Titleholder"/>					
Last Name*	First Name*	MI	Suffix	SSN *	Date of Birth*
<input type="text" value="Non-B-LastName"/>	<input type="text" value="Non-B-FirstName"/>	<input type="text"/>	<input type="text" value=""/>	<input type="text" value="111-22-3333"/>	<input type="text" value="11-1993"/>
Gender *	Race (please select all that apply) *			Ethnicity*	Marital Status*
<input type="text" value="Female"/>	<input type="checkbox"/> White <input type="checkbox"/> Black <input type="checkbox"/> Asian <input type="checkbox"/> Native Hawaiian <input type="checkbox"/> American Indian			<input type="text" value="Unknown"/>	<input type="text" value="Separated"/>
Has occupant had an ownership interest in his/her primary residence in the last 3 years*				Is the applicant a non-active duty veteran?*	
<input type="text" value="No"/>				<input type="text" value="Yes"/>	

Adult Non-Owner/Non-Titleholder

Borrower Type*					
<input type="text" value="Adult Non-Owner/Non-Titleholder"/>					
Last Name*	First Name*	MI	Suffix		
<input type="text" value="Adult-LastName"/>	<input type="text" value="Adult-FirstName"/>	<input type="text"/>	<input type="text" value=""/>		
Has occupant had an ownership interest in his/her primary residence in the last 3 years*				Is the applicant a non-active duty veteran?*	
<input type="text" value="No"/>				<input type="text" value="Yes"/>	

Screen Shots - Page 6

DEV Environment: Please do NOT enter production data



New NC Home Advantage Mortgage Reservation Lock

Complete the form and click [Continue >>] to move to the next page. Fields marked with an * are required.

Page 6 of 8 - Loan Information

<< Back

Cancel

Continue >>

Loan Information

Must match the Note amount.

First Mortgage Amt (\$) *

Loan Type *

Credit Score *

Qualifying DTI (%) *

AUS Approved *
(All loans require an AUS Approve/Eligible)

Number of Occupants in Household *

Monthly Qualifying Income (\$) * * 12 = Gross annual qualifying income

Total ANNUAL Compliance Income (\$) * Gross Income for ALL Owners/Titleholders of the subject property must be included in this box.

Continue >>

AMI 80% rules are based on 1003 **QUALIFYING** income.

FAMILY Income applies to the \$8,000 DPA and counts all borrowers & owner occupants.

Qualifying Income and **Family (compliance)** Income are NOT usually the same.

Screen Shots - Page 7



New NC Home Advantage Mortgage Reservation Lock

Complete the form and click [Continue >>] to move to the next page. Fields marked with an * are required.

Page 7 of 8 - Loan Product Information

<< Back

Cancel

Continue >>

Loan Program Information

- Term/Rate/Lock Period:*
- 3.625% CONV-Freddie Mac 80% AMI and Under with \$8,000 DPA - 60 Day Lock - *Use LPA system*
 - 3.625% CONV-Fannie Mae 80% AMI and Under with \$8,000 DPA - 60 Day Lock - *Use DU/DO system*
 - 3.625% CONV-Freddie Mac 80% AMI and Under with 3% DPA - 60 Day Lock - *Use LPA system*
 - 3.625% CONV-Fannie Mae 80% AMI and Under with 3% DPA - 60 Day Lock - *Use DU/DO system*
 - 3.00% CONV-Fannie Mae 80% AMI and Under - 60 Day Lock - *Use DU/DO system*
 - 3.00% CONV-Freddie Mac 80% AMI and Under - 60 Day Lock - *Use LPA system*

If your Borrower is \$8,000 eligible, this rate option will appear. The system will offer ONLY the correct rate associated with the AMI, and reminds you which AUS to use.

Loan must close and be purchased by Servicer no later than 60 days from the date you lock this loan. Late delivery will result in automatic extension fees incurred by lender.

NCHFA Second Mortgage Amt(\$):*

Continue >>

Screen Shots - Page 8



New NC Home Advantage Mortgage Reservation Lock

Confirm the reservation Lock, then click the [Submit] button to submit the reservation.

NC Home Advantage Mortgage Reservation Lock Summary

Reservation Lock Date: 06/29/2020
Lock-In Expiration Date: 08/28/2020
Lock Period: 60 days

1st Loan Amount **Type** **Term of 1st** **Note Rate on 1st**
\$290,000 Freddie80AndUnder 30 year 3.625% Fixed

Subordinate Loan Amount **Term of Subordinate** **Note Rate on Subordinate**
\$8,000 15 year 0.000%

Borrower(s): **Name** **SSN** **Borrower Type**
EnterLastNameHere, FirstNameGoesHere 999-98-8777 Borrower
LastName, NameFirst 123-45-6789 Non-Borrowing Owner/Titleholder

No. in Household: 9

Property: 3508 Bush St
Raleigh, NC 27609-7509
Wake County
Census Tract:052701

REO: No

AUS Approved: Yes; LPA

Lender: NCHFA Test

Location: 3508 Bush St.
Raleigh , NC 27609

Contact: FirstHameHere LastNameHere
email@email.com
(919) 877-5700

Entered By: NCHFA

NC Home Advantage Mortgage Rate Lock Ready to Submit!

Notice: Your reservation lock is now ready to submit. By submitting this lock, you acknowledge that your loan and rate will expire in 60 days.

Loans that expire or are withdrawn will prevent borrower(s) from re-applying for 60 days.

Reminder: This loan must close and be purchased by the Master Servicer no later than 60 days from the date you submit and lock. Loan will be subject to extension fees if not purchased by Master Servicer 60 days from today.


Please review the information at left and click [Submit & Lock!] if the information is correct.

To go back and edit data, click [<< Back].

To cancel the reservation, click [Cancel]. If you cancel, your information will not be saved.

When you hit the Submit & Lock button, you're done!
REMEMBER: You cannot relock the same borrower on the same property unless the loan has been withdrawn/cancelled for 60 days.

Reservation Summary



New NC Home Advantage Reservation Lock

The screen confirms your NC Home Advantage Mortgage Reservation submission.

[View/Print Confirmation \(pdf\)](#) [Return to Homeownership System](#) [Continue to Document Submittal >>](#)

NC Home Advantage Mortgage Reservation Lock Summary

Loan Number 177448

Reservation Lock Date: 06/29/2020
Lock-In Expiration Date: 08/28/2020
Lock Period: 60 days

1st Loan Amount \$290,000	Type Freddie80AndUnder	Term of 1st 30 year	Note Rate on 1st 3.625% Fixed
Subordinate Loan Amount \$8,000		Term of Subordinate 15 year	Note Rate on Subordinate 0.000%

Borrower(s):	Name EnterLastNameHere, FirstNameGoesHere LastName, NameFirst	SSN xxx-xx- 999-98-8777 123-45-6789	Borrower Type Borrower Non-Borrowing Owner/Titleholder
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No. in Household: 9

Property: 3508 Bush St
Raleigh, NC 27609-7509
Wake County
Census Tract:052701

REO: No

AUS Approved: Yes; LPA

Lender: NCHFA Test

Location: 3508 Bush St.
Raleigh, NC 27609

Contact: FirstHameHere LastNameHere
email@email.com
(919) 877-5700

Entered By: NCHFA

Lock Confirmation & Summary – Print if needed for your records. If you are ready, you can continue immediately to Document Submittal

Your NC Home Advantage Mortgage reservation is locked.

Step 1 is complete. Your reservation lock completes part one of the loan submission process. You may print your lock confirmation by clicking the **[View/Print Confirmation]** button above.

Step 2 of the reservation process requires uploading documents necessary for NCHFA's review and approval. After all required underwriting documents are uploaded, NCHFA will review the file within 48 hours. You will either receive a Commitment letter if approved, or the underwriter will email a list of pended conditions for further review.

If you are ready to upload required underwriting documents for submission to NCHFA, click [Continue to Document Submittal] above. You will be able to print the confirmation or continue with the upload of documents at any future time; however, we strongly encourage you to submit your documents for NCHFA's review as soon as possible. A button will become enabled after all required documents are uploaded.

DPA Forms

For all loans with down payment assistance, below are fillable copies of the Promissory Note and Deed of Trust required for the deferred/forgiven subordinate mortgage under the NC Home Advantage program. Please provide these forms to your closing department or closing attorneys as appropriate.

Additional Blank Forms

All program related forms can be found by clicking the "Forms and Resources" tab on the OLS Main Menu or on our website at www.NCHFA.com/Homeownership-Partners/Lenders/Forms-and-Resources.

[406 - NC Home Advantage Mortgage Down Payment Assistance Deed of Trust](#)
[406 - NC Home Advantage Mortgage Down Payment Assistance Promissory Note](#)
[Substitute Loan Estimate \(LE\) Form for NCHFA Subordinates](#)

Closing Forms Required

The forms listed below must be provided at closing on ALL loans closed under the NC Home Advantage Mortgage program. These forms must be provided to borrower(s) as part of the closing package and returned within 10 days of closing. Links to the forms are listed below and are also available from www.servsol.com.

All closed loans must be submitted for purchase to ServiSolutions within 10 days of closing. Closing documents must be uploaded via the OLS system.

[Quality Control Certification and Authorization](#)
[Borrower Closing Affidavit \(Form-101\)](#)
[Lender Closing Affidavit \(Form-102\)](#)

Lock to Purchase - 60 days

- Home Advantage loans have a 60 day Lock period
- By the end of Day 60 your loan must be purchased by ServiSolutions to avoid extension fees
- Maximum of a 30 day extension is allowed at .25%
- Once the loan is delivered to ServiSolutions via the OLS, ServiSolutions will automatically extend in 7 day increments
- **If the loan has NOT been delivered by Day 60, YOU must extend VIA the OLS. Rate extension becomes available on Day 55. The loan does not have to be closed to be extended.**

Mark to Market

Loans not extended are **NOT** considered withdrawn.

The Borrower's rate remains the same, the lender could have a **mark-to-market** fee deducted when the loan is purchased by ServiSolutions.

Rates never expire!



Withdraw & Relock

- Loans that are withdrawn may **not** re-lock at current market for **60 days from the withdrawal date**.
- If you don't withdraw the loan, you can't re-lock it in 60 days.
- **Expired** loans may incur a **mark-to-market fee deduction from the SRP paid** when the loan is purchased by ServiSolutions.
- Borrowers who **change subject properties** may re-lock at the current market immediately.
- Locks are not transferrable to new borrowers or different properties.
- Locks withdrawn/cancelled in error **CANNOT** be Reinstated.

****You CANNOT combine the NC 1st Home Advantage \$8,000 with the MCC****

Flash Quiz

Question: 60 Day lock to purchase means you can give your borrower 60 days to close their loan.

FALSE

Within the 60 day lock the loan must be fully processed, underwritten, closed, through post-closing, uploaded to ServiSolutions And PURCHASED by ServiSolutions, to avoid extension fees or other penalties.

Loan Type or DPA Changes

- When a lender requests a loan type change (i.e., FHA to Conventional), any interest rate change will be calculated on the **date of original lock-in**, provided an interest rate and requested program change type were available on that day.
- When changing from a government product (FHA, VA, USDA) to a Conventional Loan or NC 1st Home Advantage DPA \$8,000, (or vice-versa) the rate based on the original lock date may not be available and the current market rate may prevail.

Changes to Locked Loans: Minor Information

- Minor Changes to the Borrower's information, i.e. adding an initial, correcting spelling, etc., can be made at NCHFA when the loan is submitted for approval.
- **Minor** Changes to Income, debt ratio, Sales Price, Loan Amount, can be made at NCHFA when the loan is submitted for approval.
- Corrections to Property Information, adding borrowers, major corrections to Borrower information, such as a change in rate based on income change, must be requested via ratelocks@nchfa.com on the OLS system.

Changes to Locked Loans: Conventional ONLY

Hypothetical Scenarios:

- 1003 Income **INCREASES** after lock-in and now EXCEEDS 80% AMI
 - ✓ Request RATE CHANGE through Rate Locks (NCHFA will re-verify rates)
 - ✓ Update 1003 with new rate
 - ✓ Re-Run AUS for final approval

- 1003 Income **DECREASES** after lock-in and is now \leq 80% AMI
 - ✓ Request RATE CHANGE through Rate Locks (NCHFA will re-verify rates)
 - ✓ Update 1003 with new rate
 - ✓ Re-Run AUS for final approval

Fannie Mae – AMI Lookup Tool

- Go to: https://www.fanniemae.com/content/fact_sheet/homeready-income-eligibility-tool-tips.pdf
- Enter subject property address

Fannie Mae | Area Median Income Lookup Tool

3508 Bush Street, Raleigh, NC, USA

HomeReady Income Limit: \$74,480

Map | Satellite

Area Median Income: \$93,100

100% Area Median Income (DTS):	\$ 93,100
80% Area Median Income (LI):	\$ 74,480 ← HomeReady Income Limit
50% Area Median Income (VLI):	\$ 46,550

County: Wake, NC
FIPS 37183052701

Fannie Mae & NCHFA Interest Rate Options

- During the lock process, OLS will present interest rate options based on the data inputs, and will be driven by the 1003 Income (qualifying annual income) entered into system taken from Lender's 1003.
- If income changes after lock and during NCHFA underwriting approval, NCHFA rate may be impacted.



New NC Home Advantage Mortgage Reservation Lock

Complete the form and click [Continue >>] to move to the next page. Fields marked with an * are required.

Page 7 of 8 - Loan Product Information

<< Back Cancel Continue >>

Loan Program Information

Term/Rate/Lock Period:*

- 4.25% Conventional Fannie Mae 80 And Under with NCHFA \$8,000 2nd - 60 Day Lock - **Use DU/DO system**
- 4.25% CONV-FreddieMac with NCHFA \$8,000 2nd and \$2,500 closing cost assistance - 60 Day Lock - **Use LPA system**
- 4.75% Conventional Fannie Mae 80 And Under with 3% NCHFA 2nd - 60 Day Lock - **Use DU/DO system**
- 4.75% CONV-FreddieMac with 3% NCHFA 2nd and \$2,500 closing cost assistance - 60 Day Lock - **Use LPA system**
- 3.875% CONV-FreddieMac and \$2,500 closing cost assistance - 60 Day Lock - **Use LPA system**
- 4.00% Conventional Fannie Mae 80 And Under - 60 Day Lock - **Use DU/DO system**

Loan must close and be purchased by Servicer no later than 60 days from the date you lock this loan. Late delivery will result in automatic extension fees incurred by lender.

NCHFA Second Mortgage Amt(\$):*

Continue >>

Post-Closing Process: ServiSolutions

- In addition to the 0.25% bps 30-day extension fee from NCHFA, ServiSolutions may assess their own penalties for packages not received or not complete in a timely manner.
- For complete information about ServiSolutions closing procedures please see www.servsol.com and their AllRegs section for details
- Print ServiSolution's Closing Package Checklist and follow it exactly

How to Make an MCC Reservation

- Access the NCHFA website and OLS log-in page
- Select “New MCC Reservation”
- If you have already locked in a NC Home Advantage Mortgage™, the system will automatically link the MCC to your existing NC Home Ad loan. Conversely, if you reserve the MCC first, the Home Ad will link if one is added.
- Borrower and property information will pre-fill from the existing loan.

****You CANNOT combine the NC 1st Home Advantage \$8,000 with the MCC****

When to reserve the NC Home Advantage Tax Credit (MCC)

Reserve the MCC when you are confident that the loan will close and you will deliver the post-closing affidavits and required ACH payment of \$475 within the 60-day lock time frame.

Best Practices:

- Reserve when Underwriting is complete
- Reserve when you are ready to submit the MCC to NCHFA for review
- Reserve when the appraisal has been received/reviewed
- Reserve when the property is complete (new construction)

Next Up:

*Lock Screen Steps and Process for MCC
(\$2,000 Annual Federal Tax Credit program)*

New MCC Reservation

Review the instructions below. Click [Continue >>] to move to the next page.

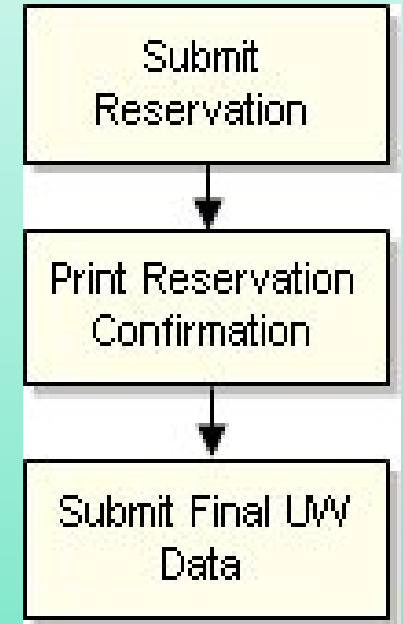
Page 1 of 7 - MCC Instructions

Cancel

Continue >>

Welcome! This series of simple steps allows you to create an MCC reservation. There are seven brief steps in the initial reservation submission process. When you complete the initial process, you will get an MCC reservation number and a reservation confirmation showing the loan type, interest rate, and reservation period. You can print and retain this reservation confirmation for your records.

At this time you can continue on to the second part of the MCC online submission process, which consists of entry and submission of the final underwriting (UW) data. Entry and submission of the final UW data can happen immediately after the initial reservation or at a later date when the information becomes available.



Continue >>



New MCC Reservation

Complete the form and click [Continue >>] to move to the next page. Fields marked with an ***** are required.

Page 2 of 7 - Lender Information

<< Back

Cancel

Continue >>

Lender:

Originating Branch:

Please select a loan officer for this Originating branch.:

Select:*

nwwauqo, kes



[Add New Loan Officer](#)

Processor/Underwriter/Ops Person Contact - (Someone other than Loan Officer):

First Name:*

i

Last Name:*

Cav

Email:*

i@nchfa.com

Phone:*

9198775683

Ext.

Reservation Entered By: NCHFA

Continue >>

New MCC Reservation

Complete the form and click [Continue >>] to move to the next page. Fields marked with an * are required.

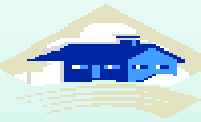
Borrower SSN Information

Please enter the SSN of the borrower for whom you wish to enter the MCC. This step is to validate if this borrower has a previous loan with NCHFA.

Borrower SSN:*

If the Social Security # is already in our system, you will receive a warning that the Reservation is under review for acceptance. If it is to link with an existing Home Ad, it will do so here.

Continue >>



New MCC Reservation

Complete the form and click [Continue >>] to move to the next page. Fields marked with an ***** are required.

Borrower

Last Name* **First Name*** **MI** **Suffix** **SSN *** **Date of Birth***

Gender * **Race (please select all that apply) *** White Black Asian Native Hawaiian Indian American **Ethnicity*** **Marital Status***

Previous Ownership in last 3 years?* **Is the applicant a non-active duty veteran?***

Some Veterans may get a one time FTHB exemption

Non-Borrower Adult Occupant

Delete

Last Name* **First Name*** **MI** **Suffix**

Previous Ownership in last 3 years?* **Is the applicant a non-active duty veteran?***

Critical Information: ALL Adult Title Holder Occupants must be listed and their income disclosed in Family income. ALL other Adult & Minor Occupants must be listed, All non-occupying titleholders must be listed. Spouses ALWAYS count in Family Income.

Add Co-Borrower

Add Non-Borrower Adult Occupant

Continue >>



New MCC Reservation

Complete the form and click [Continue >>] to move to the next page. Fields marked with an * are required.

Page 5 of 7 - Property Information

<< Back

Cancel

Continue >>

Property Information

Street Address 1:*

Street Address 2:

City:* State: **NC** Zip:*

County:*

Dwelling Type:*

New/Existing:*

REO:*

NCHFA REO:*

Original Loan Number:*

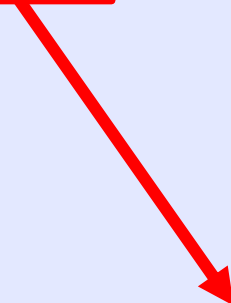
Sales Price(\$):*

Acquisition Cost(\$):*

If known, is this property in a **federally** designated targeted area?*

Census Tract:

Borrowers purchasing in Targeted Census Tracts do not have to be First Time Home Buyers.



Continue >>



New MCC Reservation

Complete the form and click [Continue >>] to move to the next page. Fields marked with an ***** are required.

Loan Information

First Mortgage Amt(\$):*

Loan Type:*

Term:*

Note Rate(%):*

Rate Type:*

Lock Period (Days):*

Number in Household:*

Initial Application Date:*

Est. Annual Household Income(\$):*

Closing Date:

New MCC Reservation

Confirm the reservation, then click the [Submit] button to submit the reservation.

Page 7 of 7 - Final Review

<< Back

Cancel

Submit!

MCC Reservation Summary

Reservation Date: 08/20/2019

Expiration Date: 10/19/2019

Reservation Period: 60 days

Loan Amount	Type	Term	Note Rate
\$200,000	VA	30 year	3.500% Fixed

Borrower(s):	Name	SSN
	Herman, Monster	100-01-1010

No in Household: 4

Property: 3508 Bush St
Raleigh , NC 27609
Wake County

REO: No

Lender:

Location:

Contact: j Cav
j@nchfa.com
(919) 877-5683 Fax:

Entered By: NCHFA

MCC Reservation Ready to Submit!

Your reservation is ready to submit. Please review the information at left and **click [Submit!] if the information is correct.**

To go back and edit data, click [<< Back].

To cancel the reservation, click [Cancel].

Click SUBMIT and You're Done!

NC Home Advantage Tax Credit (MCC) Reservation Rules

- MCCs are Reserved for 60 Days
- MCCs not delivered VIA OLS to NCHFA within 60 days may be granted a 30 day extension.
- MCCs not delivered within 90 days are assessed an extension fee of \$100 per month for each month beyond 90 days.
- The MCC is not issued to the Borrower until all required documentation, the \$475 MCC fee, and any late fees assessed have been received by NCHFA.



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- ➔ [Train with Us](#)
- ➔ [Participating Lenders](#)
- ➔ [Lender Awards](#)
- ➔ [Income Limits](#)
- ➔ [Loan Submission Process](#)
- ➔ [Forms and Resources](#)
- ➔ [Interest Rates](#)
- ➔ [Resources for Clients](#)

Forms and Resources

Program Guides

- [NC Home Advantage Mortgage™ Program Guide](#)
- [NC 1st Home Advantage Program Guide](#)
- [NC Home Advantage Tax Credit \(Mortgage Credit Certificate\) Program Guide](#)

Misc. Forms

- [Document Submission Matrix and Checklist](#)
- [NC Home Advantage Mortgage™ / MCC Tip Sheet](#)
- [Recapture Tax Packet Information](#)
- [Recapture Tax Reimbursement Request Form](#)

NC Home Advantage Mortgage™ Closing Forms

For the NC Home Advantage Mortgage™ down payment assistance, which include the 3 percent, 5 percent and the NC 1st Home Advantage Down Payment options, use the following forms (to be serviced by ServiSolutions):

- [405 DPA Deed of Trust](#)
- [406 DPA Promissory Note](#)

Processing Forms

- [008 Underwriter Certification](#)
- [011 Submission Package Checklist](#)
- [013 Seller Affidavit](#)
- [013 Seller Affidavit for HUD Repo](#)
- [015 Preliminary Notice to Applicants of Potential Recapture](#)

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- [Lock Process and Policy for MCC and NC Home Advantage Mortgage](#)
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- [Calculating Income for the MCC and MRB DPA](#)
- [Freddie Mac/NCHFA HFA Advantage Closing Cost Assistance Presentation](#)

Scroll to bottom of
Forms and Resources
Page.

Key Contacts:

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*Thanks for
Your Time!*