



## Broker Process Document for Down Payment Advantage FHA Program

### Exhibit A

Please review the full DPA FHA Guide sheets to learn about Eligibility and Specifics on this unique DPA Second Lien Program. Details below will assist with the process in TPO Connect.

#### Loan Set-up on 1st:

- ❖ Start by entering the loan in TPO Connect like a Standard FHA Loan. You must select Wholesale and Lender Disclosed as your first two options when starting the loan in TPO Connect.
  - For the down payment, use 3.5% of the lesser of the sales price or appraised value (plus any additional funds borrower may include). At this you do not need to populate any additional fields related to the Down Payment. They will populate later in the process.
  - Launch to OB and select FHA and HFA/Bond

**First Lien Search Criteria**

Loan Type:  Conforming  NonConforming  FHA  VA  Alt-A/Exp. Crit.  USDA

Loan Term(s):  30 Yr  25 Yr  20 Yr  15 Yr  10 Yr  7 Yr  5 Yr  40 Yr  4 Yr  2 Yr  
Max: 3  
 Non-Standard Term  Months

Amortization Type(s):  Fixed  ARM  Balloon

ARM Fixed Term(s):  1 Mo  3 Mo  6 Mo  1 Yr  2 Yr  3 Yr  5 Yr  7 Yr  10 Yr Max: 3

Product Type(s):  All  Standard  Affordable  HARP  Hero/Champion  
 HFA/Bond  HUD Specialty  Reno/Rehab  Student Ln CO Refi  USDA Streamline  
 Expanded Guidelines

- Select either DPA- FHA 30yr/Amort 2nd or the DPA- FHA 30yr/Forgivable 2<sup>nd</sup>
- You must push this program back to Encompass even if the loan is not locked in order for the rules to populate correctly for the remainder of the loan set up.
- Complete the initial set up of the loan as you usually would.
- Upon completion you can request your LE from the Disclosure Team. The Disclosure Team will complete the rest of the loan set up.
- There will be an additional \$395 Program fee on the 2015.

## GMFS Internal Team will do the Loan Set-up on the 2<sup>nd</sup> :

- Disclosure Team will set up a second lien in Encompass and disclose on both the first and the second.
- Upon completion you will see the information reflected in section 4b of the URLA\*.
- Any change request to your first loan can be managed through the standard change request process. Any changes to your second loan (DPA), you must contact your CRR or disclosure desk.

## Additional Information

- Reminder this program must be disclosed by GMFS. If you have not previously been set up to request GMFS to disclose please contact your DD for process.
- Cannot do Fees In or Lender Paid under this program.
- The Mortgagee Clause on the HOI Policy is should read the following on both the first and the second:

Essex Mortgage ISAOA ATIMA  
P.O. Box 29411  
Phoenix, AZ 85038-9411

## DU Findings – Two Methods—you have the option of running the finding through GMFS Portal or your own DU.

**Option 1 - Using the GMFS Portal** - For Clients who would like to run findings prior to GMFS disclosing and creating the piggyback loan they will need to do the following:

- Go into the Loan and Property Information section under URLA. Go to section 4B and click on the “Add” button

The screenshot displays the URLA / Loan and Property Information section. At the top, loan details are visible: Loan # 23042269, Total Loan Am. \$341,880.00, Loan Type FHA, Loan Purpose Purchase, Interest Rate 3.500%, and Loan To Value... 80.00% / 80.00%. The main content area is titled '4b. Other New Mortgage Loans on the Property You are Buying or Refinancing'. It features a checkbox for 'Does not apply' and a large grey area with a yellow 'Add' button and the text 'Click on Add to create New Mortgage Loan'. At the bottom, there are fields for 'Total Additional Loans Amount' and 'Total Applied to Downpayment'.

- Next enter who the account owner is, the account type, lien position, loan amount and amount applied to the down payment

TBD DPA Test  
1234 Ocean Pines 522, Pineville, LA, 70769  
DO 9 All TPO Customer - PRCO

Loan #: 23042269  
Total Loan Am.: \$341,880.00  
Loan Type: FHA  
Loan Purpose: Purchase  
Interest Rate: 3.500%  
Loan To Value: 90.00% / 80.00%

Initial Registration  
Wh Test

LOAN SUMMARY  
URLA  
Additional Information  
Lender Loan Information  
Borrower Information  
Employment and Income  
Assets and Liabilities  
Real Estate  
Loan and Property Information  
Information for Government Mon...

PRODUCT PRICING & LOCK  
LOAN ESTIMATE FEE MANAGEMENT  
DOCUMENTS  
CONDITIONS  
DISCLOSURE TRACKING

### URLA / Loan and Property Information

Select Borrower Pair  
TBD DPA Test

Does not apply

Clearing fields without clicking the remove button will result in a blank record and may cause an AUS error.

Account Owner  
Borrower

Creditor Name

Street Address

City State Zip Code

Account Type  
HELOC

Monthly Principal and Interest

Loan Amount/HELOC Credit Limit  
\$6,650

Amount Applied to Down Payment  
\$6,650

Payment Deferred for First Five Years

Linked Piggyback Indicator

Lien Position  
2

Maximum Principal and Interest Within 5 years

HELOC Initial Draw

Source of Funds  
Select an Option

Affordable Loan

- Remove

2) If you want to run through your LO and DO/DU prior to submitting the loan to GMFS it is suggested you manually input your URLA part 4 -- and enter the information under 4b.

**1003 URLA Part 4**

VA  Other

**Loan Purpose**  
 Purchase  
 Cash-Out Refi  
 No Cash-Out Refi  
 Construction  
 Construction - Perm  
 Other

**Construction Loans**  
 Construction to Perm Disclosed Separately  
 Single-Closing  
 Two-Closing

**Lot/Land Status**  
 Initial Acquisition  
 Refinance

Construction Method Type: Site Built

**1. Mixed-Use Property**  
 If you will occupy the property, will you set aside space within the property to operate your own business?

**2. Manufactured Home**  
 Manufactured Housing

**4b. Other New Mortgage Loans on the Property You are Buying or Refinancing**  Does not apply

[View All Additional Loans](#)

Creditor Name	Lien Position	Loan Amount/ HELOC Credit Limit	HELOC Initial Draw	Applied to Down Payment	Monthly Payment

Total Additional Loans Amount

Total Applied to Down Payment

**4c. Rental Income on the Property You want to Purchase - For Purchase Only**  Does not apply

This is a sample of how it needs to be set up in your LOS. Each system may differ slightly.

Quick Entry - VOAL

Name	Account Type	Lien Position	Loan Amount/HEL	Monthly Principal
National Homebuyer Fun	Mortgage	2	20,000.00	

**Account Information**

Account Type: Mortgage

Lien Position: 2

Monthly Principal And Interest:

Maximum Principal And Interest Within 5 Years:

Loan Amount/HELOC Credit Limit: 20,000.00

HELOC Initial Draw:

Amount Applied To Down Payment: 20,000.00

Source of Funds: Non Profit Instrumentality Of Government (FRE)

Payment Deferred For First Five Years:

Affordable Loan:

Linked Piggyback Indicator:

[Learn more...](#) Close

Indicate the Source of Funds as a Non-Profit group