



Delaware State Housing Authority

Homeownership Loan Programs Training

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The mission of the **Delaware State Housing Authority** is to efficiently provide, and assist others to provide, quality, affordable housing opportunities and appropriate supportive services to low and moderate-income qualified Delawareans





DSHA is committed to following all aspects of the Fair Housing Act in our efforts to promote responsible homeownership and provide competitive and safe financing for same.



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Agenda

- Overview of Programs
- Origination
- Processing
- DPA wire request and closing procedure
- Post Closing



Learning Objectives

At the end of the training, you will be able to:

- Locate the daily interest rates
- Determine the product that your borrower is eligible for
- Apply DHSA's definition of a Homebuyer



Delaware State Housing Authority

Overview of Programs

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Overview of Homeownership Programs

- Welcome Home
- Home Again
- Delaware First-time Homebuyer Tax Credit



****PROGRAM AVAILABILITY IS BASED UPON FUNDING AND ARE SUBJECT TO CHANGE****

Click to continue



Homebuyer Definition

DSHA Loan Programs are available for First-Time and Repeat Homebuyers.

- A First-Time Homebuyer is a person who has not had ownership interest in a principal residence at any time during the last three years prior to the closing date.
- Mobile homes not permanently affixed to the ground are not considered real estate; the owner would be considered a first-time homebuyer.
- Qualified Veterans as defined in 38 USC Section 101, are exempt from the First-Time Homebuyer requirement. A copy of the DD 214 Form is required demonstrating military discharge or release under conditions other than dishonorable.
- Repeat homebuyers are Eligible for DSHA's Homeownership Loan Programs, but **NOT** for Welcome Home and the Delaware First-Time Homebuyer Tax Credit program.





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Origination

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Homeownership Loan Programs

- Our down payment and closing cost assistance loans are exempt from TRID disclosure requirements.
- Down payment and closing costs assistance amount and recording fees must be disclosed on the first mortgage Loan Estimate and Closing Disclosure.
- Homeowner(s) must sign all applicable DSHA forms before and at closing
- Down payment and closing cost assistance loans are deferred at 0% interest with no prepayment penalty and no payment due.
- Home Sweet Home and Delaware Diamonds Loan Programs are forgivable loans
- Subordination not permitted





New Programs

Welcome Home & Home Again

- *Smart Start*
- *First State Home Loan*
- *Limited 203K FHA*
- *Home Sweet Home*
- *Delaware Diamonds*
- *Diamonds in the Rough*





Welcome Home

- Must meet the definition of a ***First-Time Homebuyer***
- Available for Conventional and Government loans
- Available with or without Down Payment and Closing Cost assistance
- No Loan Level Price Adjustments (LLPA's) for Applicant(s) for Conventional loans.
- ***Delaware First-time Homebuyer Tax Credit Program cannot be used with Welcome Home***
- Income and Sales limits apply





Welcome Home Income Limits

As of April 10, 2024

County	1-2 Person Family	3+ Person Family
New Castle	\$114,700	\$131,905
Kent & Sussex	\$106,300	\$122,245

See Program Notice for targeted area income limits





No DE Tax Credit Form will be required at time of loan submission for Welcome Home with the highlighted box checked.

Document available on Lenders Resource Center.

DELAWARE STATE HOUSING AUTHORITY

CERTIFICATE OF MORTGAGOR

CONFIRMING NO APPLICATION/NO QUALIFICATION FOR DE TAX CREDIT

Borrower(s): _____
Date of Application: _____
Address of Residence being Purchased: _____
Lender: _____

PLEASE CHECK THE APPLICABLE BOX AND READ AND/OR COMPLETE THE APPLICABLE BOX AND READ AND/OR COMPLETE THE RELATED SECTION: 1. I/WE AM/ARE NOT APPLYING FOR A DE TAX CREDIT:

The undersigned **CERTIFY** that he/she/they are **NOT** applying for a DE Tax Credit in connection with the application for a mortgage loan to be originated by a Lender approved by the Delaware State Housing Authority. The undersigned further certifies that he/she/they have made such determination in his/her/their sole discretion and acknowledge and agree that he/she/they will not be eligible for a DE Tax Credit even if he/she/they would have been eligible to receive a DE Tax Credit if he/she/they had applied for a DE Tax Credit.

2. I/WE DID APPLY FOR A DE TAX CREDIT BUT DID NOT QUALIFY FOR A DE TAX CREDIT: The undersigned **CERTIFY** that he/she/they did apply for a DE Tax Credit in connection with the application for a mortgage loan to be originated by a Lender approved by the Delaware State Housing Authority. We did not qualify for a DE Tax Credit for the following reason(s) (check all that are applicable):

<input type="checkbox"/>	I/We received funding through DSHA's Welcome Home Program and understand we are not eligible for this Program.
<input type="checkbox"/>	Our Household Income exceeds the applicable Program Income Limit.
<input type="checkbox"/>	The Sales Price of the Property exceeds the applicable Program Sales Price Limit.
<input type="checkbox"/>	I/We do not meet the requirements to be considered a First Time Homebuyer under the Program requirements.
<input type="checkbox"/>	I/We understand the MCC Program is not available for our transaction timeframe.

_____ Date Applicant: _____ «MORTGAGOR_FULL_NAME»





Home Again

- First-time and repeat homebuyers are eligible
- Delaware First-Time Homebuyer Tax Credit Program can be layered (if they meet the definition of first-time homebuyer)
- Income and sales price limits apply





Home Again Income Limits

as of April 10, 2024

Household Income Limits	
New Castle 1–2-person family	\$137,640
New Castle 3+ person family	\$172,050
Kent & Sussex 1–2-person family	\$127,560
Kent & Sussex 3+ person family	\$159,450

Conventional Applicants with incomes at or below 80% AMI may qualify for reduced Mortgage Insurance (MI). Please review your Automated Underwriting System (AUS) findings for MI Percentages.



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First State Home Loan

- Zero interest 2nd loan
- Available for Welcome Home and Home Again
- 3% down payment and closing costs assistance calculated using final loan amount
- Principal will be deferred until the following events: Refinance, sale, transfer of title, property is no longer the borrower(s) primary residence (whichever comes first)





Smart Start Home Loan



- Unassisted First Mortgage Loan
- Available for Welcome Home and Home Again
- Interest rates priced daily for Home Again
- Available for Conventional and Government loans





Welcome Home and Home Again Sales Price Limits

New Castle County \$571,946

Kent & Sussex County \$510,939

Home Sweet Home sales price limit
\$285,000





Home Sweet & Delaware Diamonds Home Loan Programs

	Home Sweet Home	Delaware Diamonds**
Benefiting	Delaware Homebuyers	Eligible Professions. Employer must be located in Delaware
Assistance Amount	\$12,000	\$10,000
Term	0% Interest 2 nd Loan	0% Interest 2 nd Loan
Max Sales Price	\$285,000	County Specific

Forgivable Loan! Each year the homeowner(s) resides in the subject property as their primary residence the loan balance will decrease by 10% up to year 10. Loan will be forgiven after 10 years with verification homeowner(s) has resided in the subject as their primary residence.





Delaware Diamonds

Available for Welcome Home & Home Again

- Applicant must be ***Actively employed for 6 months at current employer*** at time of application
- ***Employer must be located in the State of Delaware***
- Eligible Professions:
 - First Responders ****Includes Volunteers****
 - Public and Private School District Employees
 - Active Military - Active-duty Personnel from the military (Air Force, Army, Coast Guard, Marine Corps, National Guard, Space Force or The Reserves)
 - Veterans with honorable discharge.
 - Delaware State Employees
 - DSHA Employees
 - Employees employed by Christiana Care, Beebe, Bayhealth, Nemours, St. Francis, and The VA Hospital





Limited 203 (k)

- **Welcome Home and Home Again FHA Programs**
- **Smart Start FHA** (no down payment/closing costs assistance)
- **First State Home Loan FHA** (3% DPA is based on the final loan amount after MIP)
- **Home Sweet Home FHA** - \$12,000 Down payment and closing cost
- **Delaware Diamonds FHA**- \$10,000 Down payment and closing costs.
- **Diamonds in the Rough** – 5% Down payment and closing costs.





Limited 203 (k)

- All borrowers must have a 640-credit score.
- Follow Household limit
- The subject property may not have a sales price in excess of:
 - \$571,946 in New Castle County
 - \$510,939 in Kent and Sussex Counties.





DSHA Sales Price Limits

New Castle County	\$571,946**
Kent & Sussex County	\$510,939**

Home Sweet Home Sales Price Limit \$ 285,000





Delaware First-Time Homebuyer Tax Credit

- A Delaware First-Time Homebuyer Tax Credit is a federal income tax credit designed to assist people to better afford individual ownership of housing.
- The Delaware First-Time Homebuyer Tax Credit provides an annual tax credit up to \$2,000 to qualifying homebuyers for the original term of their mortgage, if they live in the property and have a mortgage. The annual credit is calculated by taking the annual mortgage interest paid (shown on their 1098 form at the end of the year) multiplied by the Delaware First-Time Homebuyer Tax Credit rate of 35% which has been established by DSHA.
- The \$2,000 can be included as additional monthly borrower income. The income must be shown in the other income section of the 1003. A maximum monthly amount of \$166.67 per loan file can be used as qualifying income.





- The tax credit is applied to the federal income tax liability of the Delaware First-Time Homebuyer(s) Tax Credit certificate holder. There must be a tax liability to claim the credit. In order to utilize this tax credit the borrower(s) must file tax form 8396 with their Federal Tax return
- Borrower(s) must meet the DSHA First-Time Homebuyers definition and meet household income/sales price maximum limits to qualify.
- First-Time Homebuyer Tax Credit can be done in conjunction with Home Again or can be done as a stand-alone tax credit with the lender's first mortgage. **Additional fees apply**





Delaware First-Time Homebuyer Tax Credit Income Limit

as of April 10, 2024

County	1-2 Person Family	3+ Person Family
New Castle	\$114,700	\$131,905
Kent & Sussex	\$106,300	\$122,246



Click to continue



Accessing DSHA and Lakeview Guidelines

- When we have a program update make sure you are pulling the most recent application documents and Program Notices.
- Program Notices are our compliance guidelines.





Delaware State Housing Authority

Our mission is to efficiently provide, and assist others to provide, quality, affordable housing opportunities and appropriate supportive services to low- and moderate-income Delawareans.

[LEARN MORE ABOUT DSHA →](#)



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Are you in need of emergency housing or shelter? Call 1-833-346-3233



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Contact DSHA

Looking for more information, fill out our form, give us a call drop us a line. Use the button below.

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[United States Department of Housing and Urban Development \(HUD\)](#) ▾

[Hilltop Securities Inc](#) ▾

Homeownership Programs

Access the library of DSHA Homeownership program documents.

[Required Application Documents](#) ▾

[Guidelines and Information](#) ▾

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DSHA Guidelines

Additional Information and Documents

Required Application Documents

Guidelines and Information

[Homeownership Loan Program Notice](#)

[DE First-Time Homebuyer Tax Credit Program Notice](#)

Lakeview Guidelines: [Lakeview Correspondent](#) – [Lakeview Correspondent Program](#)





Accessing Lakeview's guidelines



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Homeownership Programs

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Required Application Documents ▾

Guidelines and Information ▲

- [Program Notice](#)
- [Program Notice – DE First-Time Homebuyer Tax Credit](#)
- [Lakeview Guidelines](#)

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Prospective Participating Lender





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Experience the *Lakeview difference*

We provide single-source access to a full range of traditional mortgage products, affordable lending programs through our Housing Finance Agency partnerships, and Non-Agency alternative lending solutions.





Click the following under Tools

- You will be redirected to Allregs

A screenshot of a website notification. The notification is a white box with a blue header that reads "You are now leaving Lakeview Correspondent". Below the header, there is a paragraph of text: "Lakeview Correspondent provides links to web sites of other organizations in order to provide visitors with certain information. A link does not constitute an endorsement of content, viewpoint, policies, products or services of that web site and accessibility is not guaranteed. Once you link to another web site not maintained by Lakeview Correspondent, you are subject to the terms and conditions of that web site, including but not limited to its privacy policy." Below the text, there is a yellow box containing the text "You will be redirected to" followed by the URL "https://www.allregs.com/tpl/public/allregs_lakeview.aspx". At the bottom of the notification, there is a line of text that says "Click the link above to continue or" followed by a button labeled "CANCEL".





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All Agency products are offered through Lakeview Loan Servicing, LLC. All other products are offered through Community Loan Servicing, LLC.




Loan Servicing

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Company Announcements

C2024-09-GSE, VA, USDA, QA Remi

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[CalHFA Conventional Loan Program \(03/27/24\)](#)

[CalHFA Government Program \(08/16/23\)](#)

[Cook County Conventional Program \(03/27/24\)](#)

[Cook County Government Program \(08/16/23\)](#)

[DC HFA Conventional \(03/27/24\)](#)

[DC HFA Government \(09/12/23\)](#)

[DSHA Conventional Program \(03/27/24\)](#)

[DSHA Government Program \(01/31/24\)](#)

[FL Housing Conventional Program \(03/27/24\)](#)

[FL Housing Government Program \(07/31/23\)](#)



Homeownership Loan Reservations

- Interest rates updated daily by 10:00am on www.kissyourlandlordgoodbye.com
- Sign up to receive daily rate sheets and DSHA announcements via email and text message at www.destatehousing.com/partner/lenders/
- Reservations can be made daily on Mitas Lender Portal from 10:00am to 5:30pm on days DSHA is open for business.
- Modification to the reservation must be done between the hours of 10:00 am and 3:30 pm by a DSHA staff member.





Homeownership Loan Programs Eligible Loan Products

- **FHA** 203(b); 203(b)(2); 234(c); 223(e); 203(ks)
- **VA** - originated and guaranteed in accordance with VA guidelines under 1810 and 181A.
- **USDA** - Rural Housing Service Loans - originated and guaranteed in accordance with USDA guidelines.
- **Freddie Mac Conventional: HFA ADVANTAGE product only**





GNMA Eligible Properties

Owner Occupied Residential Properties

- **FHA** – 1 to 4 units – minimum score of **620** – max LTV 96.5% - max CLTV refer to Hud Handbook 4000.0
- **VA** - 1 to 4 units – minimum score of **620** – max LTV 100% - max CLTV refer to VA Lenders Handbook
- **USDA** – 1 to 4 units – minimum score of **620** – max LTV 100% - max CLTV refer to USDA SFH Guaranteed Loan Program handbook (3555)

Eligible properties:

- 1-to-4-unit properties – including FHA/VA approved condominiums/PUDs – Spot condo approval for FHA is NOT permitted
- Manufactured Homes (FHA ONLY) – All borrowers must have a minimum **660** Fico score. Manufactured home must be a double wide or greater and must have an AUS approve/eligible – **manual underwritten loans are not permitted.** Leaseholds are NOT eligible.

Ineligible properties:

Cooperatives
Group Homes
Mobile Homes
Condotels
Timeshares

Geodesic Domes
Working Farms/Ranches
Unimproved land
Hotel Condominiums





Freddie Mac Eligible Properties

Owner Occupied Residential Properties

- Primary Residence 1 unit only – minimum score of **620** – max LTV 97% - max CLTV 105%
- LP AUS findings only.

Eligible Property Types

1-unit primary residence	Townhomes
PUDS	Condominiums
Leaseholds	Construction Conversion
Resale Restricted Properties	

Ineligible Property Types

Manufactured Homes	Cooperatives
Mobile Homes	2 to 4 Unit properties
Community Land Trusts	
Land trusts where the beneficiary is an individual	





Additional information

- All loans must meet DSHA Household Limits. Household income includes ALL income at time of application for anyone 18 years of age and older that will be residing in the subject property. Income includes child support, alimony, bonus income, SSI, etc. Income limits can be found on the Lenders Resource website, www.destatehousing.com/partner/lenders/
- Minimum credit score is **620**. If 3 scores are available the middle score will be used, if 2 scores are available the lower of the 2 will be used and if only one score available that will be used
- All files must have an Approve/Eligible AUS Findings through DU/LP. Refer to Lakeview guidelines for FHA manual underwritten files.
- Conventional files must be only run through LP only.
- All files must follow DSHA guidelines, Lakeview overlays (link to matrices found on the Lenders Resource Center, www.destatehousing.com/partner/lenders/)





Manual Underwriting

- Manual underwriting is permitted on FHA loans in cases where the loan receives an Approve/Eligible from DU or Ineligible/Accept but requires a manual downgrade due to additional information not considered in the AUS decision that affects the overall insurability or eligibility of the loan.
- Refer/Eligible loans also acceptable
- Maximum DTI of 43%
- Minimum fico of 660
- Manual underwriting is not permitted on USDA, VA or Conventional loans

See Lakeview guidelines for additional Manual Underwriting guidelines





Lender Fees

Loan Fees:

Lakeview:

Funding Fee \$275

Tax Service Fee \$75

Flood Transfer Fee \$10

Compliance Review fee \$150

Hilltop Securities: Delaware First-Time Homebuyer Program fee \$350.
If not using Smart Start, Delaware First-Time Homebuyer fee is 1% of loan amount plus \$350.
Must be paid via Hilltop Pay.

Loan fees are netted out of purchase funds once first mortgage loan is delivered to Lakeview and Delaware First-Time Homebuyer Tax Credit loan has been delivered to Hilltop Securities.



Click to continue



Required Loan Documents

Lender is required to submit the following items to DSHA – refer to Loan Transmittal checklist on the Lenders Resource Center –

www.destatehousing.com/partner/lenders/

1. **Signed and dated 1003** application
2. **Final typed 1003** application - signature not required
3. **Executed Sales Contract** including all addendum's
4. **Pay Stubs** for **ALL household members 18+ years** of age reflecting 30 days year to date income and within 30 days of application
5. **W-2's** most recent two years for **ALL borrowers**
6. **Federal Tax Returns Signed**– most recent year with all schedules for all borrowers
7. **Third Party Verification of Employment required on all loans**
8. **Bank Statements** – most recent for all borrowers and all accounts including all pages
9. **Self Employed Borrowers** – 2 most recent Signed Federal Tax Returns (1040, 1040A and all related schedule)
10. **Welcome Home Mortgagor's Affidavit** (signed at application. Section 15A must be completed)
11. **Homeownership Education Certificate** from DSHA's approved HUD-Approved Housing Counseling Agency **Required if credit score is 659 or below for any borrower. Counselors can be found at** [Housing Counselors - Delaware State Housing Authority \(kissyourlandlordgoodbye.com\)](http://HousingCounselors-DelawareStateHousingAuthority(kissyourlandlordgoodbye.com))
12. **AUS Findings**
13. **Credit Report**
14. **Rate Lock Agreement** - Signed by borrower and lender
15. **No DE Tax Credit Certificate form** **Required for Welcome Home Loan and if not using the Delaware First Time Home Buyer Tax Credit
16. **Home Again and/or DE First Time Homebuyers Tax Credit Mortgagor's Affidavit** **Required for Home Again and DE First Time Homebuyer Tax Credit** Signed at time of application. Section 15A must be completed.

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**DELAWARE STATE HOUSING AUTHORITY
TRANSMITTAL OF REQUIRED LOAN DOCUMENTATION FOR
COMPLIANCE REVIEW CHECKLIST**

LENDER: _____ ANTICIPATED SETTLEMENT DATE: _____

BORROWER NAME: _____ CO-BORROWER NAME: _____

FILE CONTACT: _____ PHONE #: _____

CONTACT EMAIL: _____

**ALL REQUIRED DOCUMENTATION MUST BE UPLOADED THROUGH MITAS
SUBMIT ONLY COMPLETE PACKAGES. INCOMPLETE SUBMISSIONS WILL NOT BE QUEUED FOR COMPLIANCE REVIEW
UNTIL ALL REQUIRED ITEMS ARE RECEIVED.**

**ALL ITEMS REQUESTED TO CLEAR CONDITIONS SHOULD BE UPLOADED AT ONE TIME. PLEASE DO NOT UPLOAD MULTIPLE
DOCUMENTS ON DIFFERENT DATES. CONDITIONS WILL NOT BE REVIEWED UNTIL ALL CONDITIONS ARE RECEIVED.**

INDICATE ALL DOCUMENTS BEING SUBMITTED WITH A CHECK MARK.

STANDARD DOCUMENTS REQUIRED FOR ALL SUBMISSIONS:

- 1. Copy of original signed and dated 1003
- 2. Copy of final typed 1003 (signature not required)
- 3. Executed Sales Contract, including all addendum's
- 4. Most recent paystub for ALL household members 18+ years of age reflecting 30 days year to date income and dated within 30 days of the application date.
- 5. 2 most recent years W2 for ALL borrowers
- 6. Most recent year Federal Tax Return with all schedules for ALL borrowers
- 7. Third Party Written Verification of Employment ****Required for All loans****
- 8. Most recent months bank statement for ALL accounts for ALL borrowers including all pages
- 9. Self-Employed Borrowers: 2 years most recent Federal Tax Returns (1040, 1040A and all related Schedules)
- 10. Welcome Home Mortgagor's Affidavit (signed at time of application. Section 15A must be completed)
- 11. Homeownership Education Certificate from **DSHA** HUD-Approved Housing Counseling Agency ****Required if credit score is 659 or below for any borrower****
- 12. AUS Findings
- 13. Credit Report
- 14. Signed Rate Lock Agreement (Lender & Borrower to Sign)
- 15. No DE Tax Credit Certificate form ****Required for WELCOME HOME LOANS and if not using Delaware First-Time Homebuyer Tax Credit**
- 16. Home Again and/or DE First-Time Homebuyer Tax Credit Mortgagors Affidavit ****Required for Home Again & DE First-Time Homebuyer Tax Credit**** (signed at time of application. Section 15A must be completed)

**DSHA COMMITS TO A TURNAROUND TIME NOT TO EXCEED 3 BUSINESS DAYS FOR INITIAL FILE
REVIEW AND 1 BUSINESS DAY FOR CONDITION REVIEW.**



Income Calculation

DSHA includes ALL household income at time of application in income calculation

Includes overtime, bonus, SSI, Child support/alimony, seasonal/part-time employment, self-employment, interest/dividend income, rental income, gambling/lottery winnings, public assistance, etc. for all household members 18 years of age or older that will reside in the subject property.

Examples of calculation of income

- W-2 wage earner: YTD income divided by pay period end date.
 - Example: \$30,500 YTD income on paystub, period end date 8/15. Divide the YTD income by 7.5 months. DSHA compliance monthly income is \$4,066.67
- Self-employed borrowers: 2 most recent years federal tax returns net income averaged. P&L not required.
 - Example: Year-end net income \$45,000 and \$55,000. $45,000 + 55,000 = \$100,000 / 24 \text{ months} = \$4,166.66$ monthly income.

DSHA does not review income prior to submission to Underwriting [Click to continue](#)





Q & A

- What program is dedicated to first time home buyer ?

Answer on next page

- **True or False:** Home Sweet Home and Delaware Diamonds are forgivable loans.

Answer on next page

- The DE MCC tax credit program is only available to first time homebuyers and is not available on Welcome Home?

Answer on next page





Answer

- A –Welcome Home
- B True
- C True





Q & A

- Where can I find the daily interest rates?

Answer on next page

- DSHA goes off household income not just the borrower's income.

Answer on next page

- Home Sweet Home, Delaware Diamonds, and First State have payments due?

Answer on next page





Answers

- A Lenders Resource website: www.kissyourlandlordgoodbye.com or get them emailed to you.
- B True
- C False





Rate Lock Procedure

When you are ready to lock your loan with DSHA, please login to Mitas Lender Portal. <https://www.mitas.com/dsha/>. You will need to do the following things:

1. Confirm what loan program you will be locking, example, First State Home Loan.
2. After choosing a program you will be asked if you would like an MCC, please answer yes or no.
3. You will have an opportunity to upload your AUS file import – if not you will need to enter all of your file data into the file in Mitas
4. Once completed in Mitas you will hit submit – this will lock your loan.
5. You will be able to print your reservation confirmation form on the print documents tab – found at the top of the screen in blue.



Rate Lock Important information

- Registrations/locks are valid for **60 days**. Closed loans must be funded by the Master Servicer, Lakeview Loan Servicing within the reservation period.
- There is a one time only rate/product switch allowed. When switching loan products, borrowers are subject to “worst case” scenario in pricing. This is based on the original lock date or product switch date. – reach out to DSHA for new pricing.
- A **one-time 15 or 30-day rate extension** may be purchased prior to the expiration of the initial reservation period. The extension fees are .125% for a 15-day extension and .25% for a 30-day extension. These fees will be assessed at the time the extension is granted.
- Loans that are not purchased prior to the expiration of the reservation or extension period will be deemed expired and are subject to additional extension fees once loan is purchased by Lakeview Loan Servicing. All extension fees will be netted out of loan sale proceeds with Lakeview Loan servicing





Credit Scores

- All programs require minimum middle score **620**, except:
 - Double Wide Manufactured Homes; FHA Only. All borrowers must have a minimum **660** FICO score.
 - **Limited 203K** minimum **640** FICO score
- DSHA does not accept non-owner-occupied co-borrowers. We do accept co-signors.





Housing Counseling Education

- Homeownership classes are required for all borrowers with a FICO score of **659 or lower** for the Homeownership Loan Programs
 - Does NOT apply to Delaware First-Time Homebuyer Tax Credit Program if doing as a standalone program.
- A list of DSHA HUD approved Housing Counseling Agencies is available on:
<https://kissyourlandlordgoodbye.com/housing-counselors/>





Q & A

- **True or False:** One lock extension is available, either 15 day or 30 day only.

Answer on next page

- If a borrower has a credit score of ___ or below they must attend DSHA HUD approved housing counseling

Answer on next page

- **True or False:** Freddie Mac's income requirement of 80% AMI or below for discounted MI is based upon the 1003 income only.

Answer on next page





Answers

- A True
- B 659
- C True





Delaware State Housing Authority

Processing

[Click to continue](#)



Learning Objectives

At the end of the training, you will be able to:

- Locate the required DSHA-approved documents
- Submit a file for Compliance review
- Access the master servicer product matrices



DSHA approved documents

The required DSHA documents for submission are found on the Lenders Resource www.destatehousing.com/lenders under Homeownership program documents. Documents for closing will be available on the Mitas Lender Portal once the loan file has been Compliance Approved.

These documents include:

1. **Transmittal of Loan Documents** – Located at lenders website www.destatehousing.com/partner/lenders/
2. **Mortgagors Affidavit** – Application and Reaffirmed at Closing. Located at lenders website www.destatehousing.com/partner/lenders/
3. **Rate Lock Agreement** – Signed by Lender and Borrower www.destatehousing.com/partner/lenders/
4. **Notice of Potential Mortgage Subsidy Recapture Tax** –For Tax Credit Certificate only - Located at lenders website www.destatehousing.com/partner/lenders/
5. **No DE tax Credit Certificate** for – Required for Welcome Home and if not using the Delaware First-Time Homebuyer Tax Credit Located at lenders website www.destatehousing.com/partner/lenders/
6. **Welcome Home Mortgagors Affidavit** www.destatehousing.com/partner/lenders/
7. **Home Again Tax Credit Mortgagors Affidavit** www.destatehousing.com/partner/lenders/
8. **Wire request worksheet** – Mitas Lender Portal
9. **Mortgage** – Mitas Lender Portal
10. **Note** – Mitas Lender Portal
11. **Sellers Affidavit** – Required for Welcome Home and Delaware First-time Homebuyer Program - Mitas Lender Portal
12. **Lenders Affidavit** – Required for Welcome Home and Delaware First-time Homebuyer Program - Mitas Lender Portal
13. **Borrowers Affidavit** – Required for Home Sweet Home and Delaware Diamonds. - Mitas Lender Portal



Uploading a file for compliance review

1. To submit a file for compliance review please go to <https://www.mitas.com/dsha/> and into the file itself. If it is a DSHA first mortgage with or without DPA go into that file number, if it is a DSHA Tax credit stand alone file go into that file number.
2. Once in the file, go to the top tool bar in blue and click on Document Images. There you will have the option of uploading the Compliance Review Package, Submit Pending conditions or the Wire Request (if the file has a DPA with it)
3. If you are **submitting** the Compliance Review Package you must use the Loan Transmittal checklist. **MUST BE A COMPLETE FILE.**
4. Once you upload the compliance review file, you can see your upload if you click the Received button.
5. There is no need to contact us to let us know that you have uploaded it, if you can see the upload then we do as well and we are notified automatically of the upload.
6. File review time is 72 hours from submission of a completed file. Once reviewed you will see the DSHA underwriters name in Mitas on the file.





Mitas File Tracking

- Lenders should go to MITAS to see the status of files delivered to DSHA for Compliance Review for any Compliance Review conditions and to find the DSHA staff assigned to file.
- **Pending Conditions**, you will be able to view your conditions on page one of the loan. When you are ready to submit your pending conditions, please go to the Document Images area and upload the pending conditions, you can do this individually or as one upload.
- **Committed (Approved)** you will find your approval letter in the Print documents area. If your file is a first mortgage with or without the DPA you will find the approval letter in the first mortgage loan. If you have a MCC along with the first mortgage/DPA loan or if it is a stand alone De Tax Credit MCC you must login to the MCC file separately and pull that approval. None of our approvals are signed documents.
- **Suspense** – We could not make an underwriting decision and your file goes back to a 72 hour turn time.
- **Non-Compliant (Declined)** status, then your file is declined. This decline is typically due to over income, over purchase price or does not meet the first-time homebuyer requirement for the program chosen. You can reach out to the underwriter assigned to that file for guidance.
- **Lenders should cancel reservations/locks** of any "dead loans" prior to reservation expiration to avoid non-cancellation penalty fees. Non cancellation fees are \$300 and the compliance review fee for ALL loans is \$150.

[Click to continue](#)





Accessing Overlays and Matrices

Lakeview Loan Servicing is DSHA's master servicer. Although DSHA may have overlays to the products FHA, VA, USDA and Freddie Mac you must also follow the overlays for Lakeview Loan Servicing to ensure that your final loan is a saleable loan to Lakeview.

You can find the DSHA matrices and Program notices on the Lenders Resource website [www.destatehousing.com/partner/lenders/Homeownership program documents](http://www.destatehousing.com/partner/lenders/Homeownership_program_documents).

You can access a link to the **Lakeview matrices** on the Lenders Resource website under Homeownership program documents/accessing Lakeview Product Matrices. You will then need to follow the directions to obtain a login/password from Lakeview for access.





Q & A

- **True or False:** You are able to modify the DSHA mortgage to fit the lenders needs.

Answer on next page

- Compliance file review turn time is ____ hours.

Answer on next page

- **True or False:** The master servicer of all DSHA first mortgage loans is Lakeview Loan Servicing.

Answer on next page





Answers

- A False
- B 72
- C True





Delaware State Housing Authority

DPA Wire Request and Closing Procedure

[Click to continue](#)



Learning Objectives

At the end of the training, you will be able to:

- Upload wire requests to DSHA



Wire Request/Closing

This is **ONLY** for files that are utilizing the DPA funds.

Once a file status is '**Committed**' status

1. The Lender will print the compliance approval letter from Mitas - <https://www.mitas.com/dsha/> - Print Documents field
2. All required closing documents will be available on Mitas Lender Portal once the loan has been compliance approved.
3. The Lender uploads the wire request – found in Mitas Lender Portal **no later than 2 pm the day prior**
4. DSHA will wire funds directly to the closing attorney the morning of closing





Wire Request/Closing - Continued

- There are no minimum funds required on borrower's behalf – unless required by AUS findings
- DSHA down payment is considered “borrower's own” funds – please follow agency (FHA, VA, USDA and Freddie Mac) guidelines
- The borrower can get back all the POC (paid outside closing) items that they have paid into the transaction (must follow agency guidelines FHA, VA, USDA and FHLMC)
- If there are funds left over, they must be applied as a principal reduction to the **First Mortgage**





Q & A

- **True or False:** Wire requests must be uploaded into Mitas no later than 2 pm the day prior to closing.

Answer on next page

- **True or False:** All leftover funds at closing can be sent to DSHA.

Answer on next page

- If the borrower is utilizing the Tax MCC program, the borrower must sign _____ at closing in order to participate in the program.

Answer on next page





Answers

- A True
- B False
- C MCC Closing Affidavit





Delaware State Housing Authority

Post Closing

[Click to continue](#)



Learning Objectives

At the end of the training, you will be able to:

- Submit complete loan package to Lakeview Loan Servicing for purchase
- Contact Lakeview Loan Servicing with questions
- Send the Tax Credit MCC documents to Hilltop Securities



Post Closing: **First Mortgage and DPA's**

- **Lender to submit complete loan package to Lakeview Loan Servicing for purchase, including compliance approval letter**
- **Recorded Mortgage must be returned to DSHA after recording**
- Closed loans must be **delivered and purchased by Lakeview** within the 60-day reservation period (75 or 90 days based on whether a 15- or 30-day extension was purchased)
- All fees and extension costs will be netted out of the delivery costs once the file is successfully delivered to Lakeview.
- Contact information **Lakeview:**

Lakeview Loan Servicing LLC Lender Support

Telephone: 855 253 8439 Option 3

Email: ClientServices@bayviewloanservicing.com

[Quick Reference Guide for Sellers Lakeview Loan Servicing](#)

Lakeview Correspondent website for Post Closing

<https://lakeviewcorrespondent.com>





Post Closing – Tax Credit MCC

- Lender to send the following documents to Hilltop Securities
 - Check for **\$350** (Plus 1% origination if not using a DSHA first mortgage program)
 - **DSHA approval letter**
 - **Mortgagor’s Affidavit**
 - **Notice of Potential Mortgage Subsidy Recapture Tax**
 - **Closing package checklist**
 - **Hilltop will send the Tax Certificate directly to borrower.**

Contact Information

Lender Portal Link:	https://dsha.hilltopsecurities.com
Group Email:	htshousing@hilltopsecurities.com
Mailing Address:	Hilltop Securities Inc. 1201 Elm Street, Suite 3500 Dallas, Texas 75270
Contact:	Phone: (214) 953-4176 Lori Wood, (214) 953-4231 lori.wood@hilltopsecurities.com Kate Weiss, (214) 953-4055 kate.Weiss@hilltopsecurities.com





Q & A

- **True or False:** All documents including the DSHA DPA mortgage must be delivered to Lakeview Loan Servicing.

Answer on next page

- If using the Tax MCC program as a stand alone program the fees are _____ and _____.

Answer on next page

- All locks are for a period of _____ days and there is one rate lock extension available for _____ days for _____ costs or _____ days for _____ costs.

Answer on next page





Answers

- A True
- B \$350 and 1% of the mortgage.
- C 60 days, 15 days for .125%
30 days for .25%





Final Assessment

Please click the link below to take the final assessment. [Quia - DSHA Assessment](#)

You must receive an 80% to pass.

Once training is complete, email your supervisor and have the supervisor email dsha_Homeloans@delaware.gov with your name and email address.





CONTACT INFORMATION

- **Reserved loans:**
Dsha_homeloans@delaware.gov or 302-577-5001
- **Submitted to Underwriting:** Megan Faries
megan.faries@delaware.gov or 302-574-3657
- **Scenarios:** Eileen Palmer or Bill Salamone
eileen.palmer@delaware.gov or 302-574-3650
william.Salamone@delaware.gov or 302-577-5011

