

OHIO HOUSING FINANCE AGENCY
Ohio Heroes Program
March 3, 2008

Ohio Heroes Program:

Will provide affordable, fixed-rate financing to low- and moderate-income households in which at least one member is an active military personnel or military veteran, firefighter/emergency medical technician-paramedic, healthcare worker, police officer or teacher at an interest rate 0.25% below the OHFA's First-Time Homebuyer Program.

General Program Guidelines

Available Funding	\$25 million on a first-come, first-served basis
Program Start Date	March 3, 2008
Participating Jurisdictions	Statewide
Program Usage	Mortgages for borrowers who meet the qualifications for both OHFA's First-Time Homebuyer Program and the Ohio Heroes program.
First Mortgage	Fixed-rate 30 year first mortgage All products available under OHFA's First-Time Homebuyer Program, including Fannie Mae's My Community Mortgage Product with special OHFA exceptions; FHA 203(b), 234(c), 203(k) and Streamline 203(k); VA and RHS guaranteed loans.
Loan Rate/ Term	25 bps below OHFA's First-Time Homebuyer Program rate. Loan Term of 30 years
Second Mortgage	Borrowers who qualify for a first mortgage under the Ohio Heroes program are eligible for up to four percent assistance in the form of a second mortgage. The second mortgage will be set at a rate of two percent above the rate of the Ohio Heroes first mortgage.

Down Payment Assistance Grant (DAG)	Borrowers who qualify for a DAG under the Ohio Heroes program are eligible for up to two percent of the sales price for assistance in the form of a grant. The DAG will be set at a rate of 0.25 percent below the assisted rate for OHFA's First-Time Homebuyer Program.
Homebuyer Education	Per OHFA guidelines for First-Time Homebuyer Program
LTV/CLTV	LTV limited to 100% CLTV to 104% using OHFA's second mortgage program
Cash Back To Buyer	Cash back to the buyer is not permitted if using assisted funds or a second mortgage. Borrowers may be reimbursed for out of pocket costs paid for appraisal, credit report or up-front hazard insurance payment with appropriate documentation.
Underwriting Ratios	Follows FHA or FannieMae guidelines, in accordance with OHFA's First-Time Homebuyer Program.
Credit Score	Per OHFA guidelines for First-Time Homebuyer Program
Mortgage Insurance	Refer to individual mortgage insurance guidelines for coverage requirements.
Eligibility and Other Terms	
Program Limitations	Per OHFA guidelines for the First-Time Homebuyer Program
Program Qualifying	Active Military and Veterans – Qualified Active Duty Service personnel include Armed Services or Reserve Forces. Qualified veterans include military members honorably discharged from any branch of the U.S. Armed Forces.

Firemen/Emergency Medical Technician-Paramedic – Sworn member of a fire department whose regular duties include fire suppression or prevention, emergency medical response, hazardous materials response or response to terrorism.

Healthcare Workers – are certified, accredited, or licensed health care workers who are employed as a medical resident or fellow, a nurse, nursing assistant, pharmacist, pharmacy technician, physician’s assistant, medical technician, technologist or therapist.

Police Officers– commissioned as a police officer by a federal, state, county or municipal or township government; or a public or private college or university; must be sworn to uphold, and make arrests for violations of federal, state, county, municipal or township law. Employer must certify commission status with the general power of arrest.

Teachers – employed full-time by an accredited or state recognized public school, private school, or federal, state, county, municipal educational agency as a state-certified classroom teacher or administrator in grades K-12.

Family Income	Per OHFA Guidelines for First-Time Homebuyer Program
Purchase Price Limits	Per OHFA Guidelines for First-Time Homebuyer Program
Eligible Mortgagors	<p>At least one family member must be a qualifying Active military or Veteran, Fireman/Emergency Medical Technician-Paramedic, Healthcare Worker, Police Officer or Teacher as defined above, <u>and</u> family income must be at or below 115% of the area median income for the county in which the property is located or 140% area median income in target areas.</p> <p>The property must be their owner-occupied, principal residence all in accordance with OHFA Guidelines for the First Time Homebuyer Program.</p>
Eligible Properties	<p>Single-family, owner-occupied, residential dwellings, including single family detached housing, PUDs, condominiums, townhouses. Two- to four-unit properties are permitted.</p> <p>Manufactured homes are not currently eligible properties under the Fannie Mae MCM program.</p>

Target Areas	Per OHFA guidelines for First-Time Homebuyer Program
Federal Recapture	Per OHFA guidelines for First-Time Homebuyer Program
Assumption	Assumable in accordance with FHA/FannieMae guidelines
Temporary Buydown	Purchase transactions – permitted in accordance with FHA/Fannie Mae guidelines
Co-Signers/Co-Mortgagors	Per OHFA/FHA/Fannie Mae guidelines
Acreage	Maximum of two acres
Fees	\$79 Tax Service Fee \$150 Transfer Fee 0.25 percent Adverse Marketing Fee
Escrows	Per OHFA’s First-Time Homebuyer Program
Lender Compensation	Per OHFA’s First-Time Homebuyer Program