



Single Family Housing Program Overview

The Single Family Program is a mortgage loan program available to first-time homebuyers purchasing a home within the state of Nebraska (with certain exceptions). *A first-time homebuyer is defined as someone who has not had an ownership interest in a principal residence within the past three years.* To participate in the NIFA Single Family Program homebuyers must be at or below maximum income limits and purchase price limits.

NIFA partners with a network of participating lenders throughout the state to carry out the program. You can find a list of NIFA participating lenders on our website www.nifa.org.

Homebuyer benefits include:

- 30-year fixed interest rate loans
- No prepayment penalty
- Loans are generally assumable (subject to certain conditions)
- Down payment & closing cost assistance
- Affordable monthly payments
- Government and conventional loan product option

Homebuyer Programs:

Military Home:

- ▶ Active military who are first-time homebuyers
- ▶ Qualified veterans do not need to be first-time homebuyers; subject to being honorably discharged
- ▶ This program is available with any government loan product

Homebuyer Assistance (HBA):

- ▶ Provides down payment and closing cost assistance
- ▶ Maximum HBA second loan is 5% of the purchase price
- ▶ HBA second loan term is 10 years
- ▶ \$1,000 minimum buyer investment
- ▶ All buyers must meet NIFA's first-time homebuyer definition (see exceptions on the following page)

First Home Focused:

- ▶ Homebuyers purchasing homes in a federally designated target area
- ▶ NIFA's first-time homebuyer definition does not apply
- ▶ Higher income and purchase price limits
- ▶ Check our website for a map of the target areas

First Home Plus:

- ▶ Homebuyers purchasing homes in a non-target area
- ▶ All buyers must meet NIFA's first-time homebuyer definition (see exceptions on the following page)

(see side two for more requirements)



Homebuyer Eligibility Requirements

First-time Homebuyer

A first-time homebuyer is defined as someone who has not had an ownership interest in a principal residence within the past three years.

- Certain exceptions are permitted:
 - ▶ Loss of previous residence due to legal action (divorce), natural disaster or forced job relocation
 - ▶ Qualified veterans are not required to be a first-time homebuyer
 - ▶ Buyers purchasing a home in a target area are not required to be a first-time homebuyer

Income & Credit Requirements

- Includes gross annual income from all sources, for persons 18 years or older expected to live in the home
 - ▶ Maximum income limits vary by household size and county
 - ▶ Check your pre-eligibility on our website (www.nifa.org)
- All buyers responsible for loan payments must have a minimum credit score of 660 for FHA loans or 640 for all other loans.
- Buyers with no credit score may be eligible
- Maximum debt-to-income ratio is 45%

Home Eligibility Requirements

- The purchase price of the home cannot exceed the following limits:
 - ▶ Non Targeted Areas - New/Existing Homes: \$225,000
 - ▶ Targeted Areas - New/Existing Homes: \$250,000
 - ▶ Higher limits available for 2-4 unit properties
- Single-family homes, qualified condominium units and 2-4 units are eligible
- No more than 15 percent of the total area of the home can be used in a trade or business
- Homebuyer must occupy property as principal residence within 60 days of closing

Loan Reservations

- Loan reservations are valid for 60 days.
- Extended loan reservations can be reserved for up to 150 days (available for new construction only).
- An extended loan reservation fee is required and is refundable as long as closing occurs within 150 days.

Homebuyer Education Requirement

- All homebuyers responsible for loan payments must complete a NIFA approved education class prior to closing
- Face to face education is highly encouraged
- Online classes are acceptable