

HOMEBUYER PROGRAM (BOND LOANS)

File Submission/Delivery Steps and Timeline

1



Lender takes application, provides disclosures and runs automated underwriting system.

2



If the borrower qualifies for SC Housing Program and decides to move forward – Lender reserves 1st and down payment assistance (DPA) lien in Lender Online (LOL), then prints and executes the application package documents.

3



Loan is processed and underwritten by Lender.

4



Once 1st mortgage has been underwritten by Lender, they complete the SF-022 form and upload the eligibility file via LOL.

5



SC Housing receives notification of file upload. Once the file is logged and assigned to an underwriter, it is reviewed and conditioned in the order received (3-5 days).

6



Lender obtains all conditions and submits via LOL (conditions will be reviewed 24-48 hours). Once cleared, SC Housing underwriter issues a Certificate of Eligibility and the required documents that must be sent for execution at closing.

7



Lender sets closing date, prepares closing package, completes closing documents for 1st and DPA lien, pulls the DPA Note and Mortgage from LOL, and sends to Attorney.

8



Closing attorney closes the 1st and DPA lien in the lender's name and disburses both liens. Closing package is sent to Lender.

9

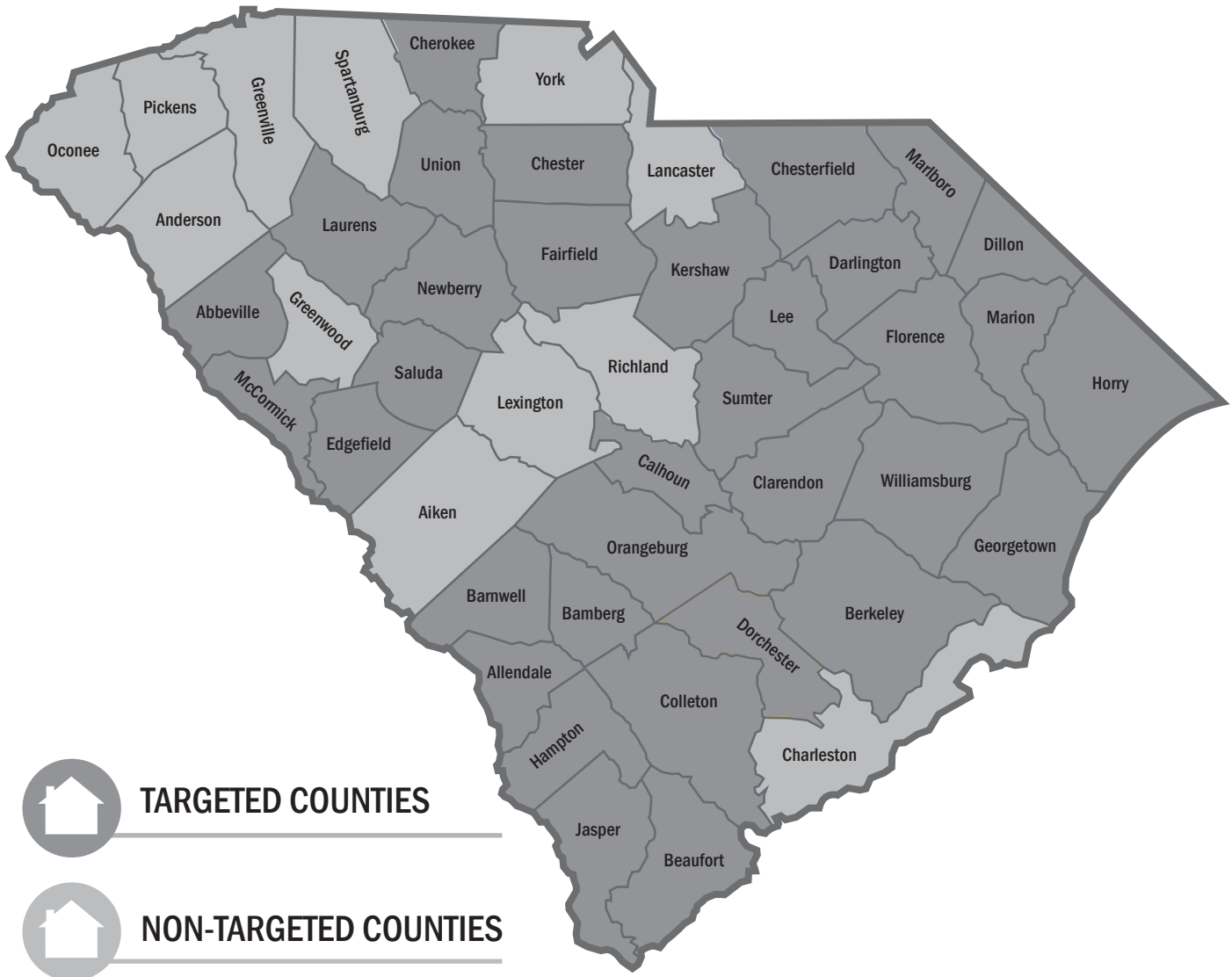
Lender submits the closed loan file using the SF-020 via LOL within 15 days of closing. Files are reviewed and conditioned by SC Housing in the order received (conditions must be submitted within 15 days of review).

Purchase lender must submit the Servicing Package via LOL using the SF-050 within 15 days of loan.



All final recorded documents must be sent to SC Housing via overnight mail within 120 days of closing. Failure to meet this requirement may result in late fees. If you have any questions, please contact Mortgage Production at 803-896-2211 or by email at mortgage.production@schousing.com

Homebuyer (BOND), Conventional and Government Loans





2024/2025 Income and Home Price Limits

The following chart will be used for the SC Housing Homebuyer (Bond) and SC Mortgage Credit Certificate (MCC) Programs

15 YR FORGIVABLE DPA TERM

NON-TARGETED	1 or 2 Persons	3 or more Persons	Home Price Limit
Aiken	86,800	99,820	425,000
Anderson	84,800	97,520	425,000
Charleston	105,100	120,865	425,000
Greenville	88,600	101,890	425,000
Greenwood	84,800	97,520	425,000
Lancaster	85,400	98,210	425,000
Lexington	86,900	99,935	425,000
Oconee	84,800	97,520	425,000
Pickens	88,600	101,890	425,000
Richland	86,900	99,935	425,000
Spartanburg	84,800	97,520	425,000
York	106,000	121,900	425,000

TARGETED	1 or 2 Persons	3 or more Persons	Home Price Limit
Beaufort	127,680	148,960	425,000
Berkeley	126,120	147,140	425,000
Calhoun	104,280	121,660	425,000
Dorchester	126,120	147,140	425,000
Edgefield	104,160	121,520	425,000
Fairfield	104,280	121,660	425,000
Saluda	104,280	121,660	425,000
ANY COUNTY NOT LISTED ABOVE—USE THESE LIMITS	101,760	118,720	425,000

2024/2025 Palmetto Home Advantage Income Limits

10 YR FORGIVABLE DPA TERM

CONVENTIONAL, FHA, VA, USDA	127,200 - STATEWIDE
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INCOME AND HOME PRICE LIMITS CAN CHANGE WITH OR WITHOUT NOTICE
LIMITS WILL REMAIN IN EFFECT UNTIL 2025 LIMITS ARE RELEASED BY HUD
(EFFECTIVE FOR RESERVATIONS ON AND AFTER 04.15.2024)

program guide



SC Housing Homebuyer (BOND) Program Effective December 16, 2024

This guide is intended only to provide a summary of the program requirements. Loans must also meet all applicable insurer (Fannie Mae, Freddie Mac, HUD, USDA/RD, VA) requirements as well as the requirements outlined in the SC Housing Homebuyer Program Manual.

Loan Purpose/Type	Purchase Money Transactions ONLY. Take-out loans (Property must be new construction not previously occupied and less than one-year old) One-time construction loans are NOT ELIGIBLE.					
Homebuyer Eligibility	The First Time Homebuyer Eligibility requirement is dependent upon whether a borrower purchases property in a targeted or a non-targeted county.					
	<ul style="list-style-type: none">Borrowers purchasing property in the following non-targeted counties must not have had an ownership interest in another property within the three years prior to loan closing:					
	Aiken	Anderson	Charleston	Greenville	Greenwood	Lancaster
	Lexington	Oconee	Pickens	Richland	Spartanburg	York
	The First Time Homebuyer requirement in non-targeted counties can only be waived for the following:					
Income and Sales Price Limits	Veterans – Must have served on active duty in the U.S. Armed Forces (other than active duty for training) and received a discharge other than dishonorable and not previously utilized a waiver to receive a bond funded loan. This waiver is a “one-time exemption” and cannot be used again.					
	Borrowers purchasing properties in any other county not listed above are considered targeted and cannot have ownership interest in another property to include a mobile home taxed as real property at the time of loan closing, but may have had an ownership interest in a principal residence within the past three years. Unimproved land is allowed. This requirement applies to all borrowers.					
	<ul style="list-style-type: none">Must be a US Citizens, Permanent Resident Alien with a “Valid Green Card” – (Alien Registration Receipt Card; INC USCIS Form I-551) – VISA of any kind are not eligible					
	SC Housing does not allow cosigners or non-occupying co-borrowers. In addition, SC Housing will not permit non-borrowing spouses or others not obligated to the underlying mortgage loan to take title to the subject property.					
	Compliance Income used for program eligibility is based on total income for anyone that is listed on the loan application and/or holding title to the property at closing . Refer to program manual for more specific details.					
Down Payment Assistance (DPA)	Income and Sales Price limits must meet program and investor requirements. Limits are county-specific and are subject to change without notice. Refer to the SC Housing Homebuyer Sales Price and Income Limits that can be found in Lender Online .					
	Our DPA is a 15-year forgivable zero percent interest-no payment second mortgage. The DPA is \$10,000 which can be used to cover the borrower’s down payment, closing cost and prepaid items only. Borrower’s must meet all program and insurer first mortgage requirements. No portion of the DPA can be used to pay mortgage insurance premiums, appraisal gap or real estate commission. DPA must be paid in full upon sale, refinance, or if property is no longer the borrower’s primary residence prior to maturity. Subordination of the DPA is not permitted.					

	<ul style="list-style-type: none"> • All liens must be closed in the lender's name and assigned to SC Housing at delivery • Lenders are responsible for completing, delivering and documenting all required TRID disclosures to include a final Closing Disclosure, any addendum and seller certification must be signed by all parties • Lenders will be responsible for sending the Good-Bye letters (First and Second DPA) in accordance with RESPA 						
Interest Rate	Fixed interest rate ONLY. SC Housing does not offer Buydowns (temporary and permanent).						
Term	30-year term						
Reservation/ Extensions	<p>Rate locks will be accepted from 10:00 AM – 6:00 PM Monday - Friday; excluding state recognized holidays and days that the US Financial Markets are closed for business. Rates are posted daily at https://lol.schousing.com and are subject to change without notice.</p> <p>Rate Lock Periods</p> <ul style="list-style-type: none"> • 60 days –Existing Construction • 150 days – New Construction (Float Down Option available, consult Program Manual) • Extensions are available – up to 60 days total <table border="1"> <tr> <td>7 day</td><td>.125%</td></tr> <tr> <td>15 day</td><td>.250%</td></tr> <tr> <td>30 day</td><td>.375%</td></tr> </table>	7 day	.125%	15 day	.250%	30 day	.375%
7 day	.125%						
15 day	.250%						
30 day	.375%						
Homebuyer Education	<ul style="list-style-type: none"> • SC Housing requires at least one borrower to complete an online or classroom-based homebuyer education course that meets National Industry Standards for Homeownership and Counseling, or be provided by a HUD-approved counseling agency (Government and Conventional). Framework and Credit Smart meet this requirement for Government loans. Homebuyer education certificates are valid for twelve (12) months. <ul style="list-style-type: none"> ○ For Fannie Mae HFA Preferred loans, the borrower must complete the “Framework” or Fannie Mae “Home View” ○ For Freddie Mac HFA Advantage loans the borrower must complete Freddie Mac’s “Credit Smart” 						
Minimum Borrower Financial Contribution	NONE – other than insurer required down payment or reserves						
Property	<p>Single family, one unit; PUDs, attached, detached; condominiums; true off frame modular homes; Full Appraisal meeting all insurer and AUS requirements and evidence of UCDD upload must be provided - Accessory Dwelling Unit (ADU) or Property Inspection Waiver (PIW) not permitted</p> <ul style="list-style-type: none"> • Properties cannot exceed 5 acres • Properties containing multiple parcels are not eligible <p>Condominiums must be fee simple and meet all applicable insurer and AUS requirements. If required, approval must be provided from insurers automated Project Management system.</p> <p>Repair and Final Inspections – All inspections required must meet applicable insurer requirements. In addition, SC Housing reserves the right to request additional information and/or repairs to include properties appraised “AS IS”. This includes any items deemed appropriate based on the review of the appraisal or those that pose a safety and soundness issue or is a condition of the sales contract. In addition, all properties must include an adequate and functioning heating source and a fully functioning cooking source (stove/oven).</p> <p>CL-100/Soil Treatment</p> <ul style="list-style-type: none"> • CL-100 must be completed, signed and dated within 45 days of closing by the borrower on all existing properties • Soil Treatment Certification is required for all new construction properties • Any damage or recommended repairs noted in report must be addressed with evidence of completion, prior to purchase 						
Credit/DTI Requirements	<ul style="list-style-type: none"> • All borrowers must have at least one credit score. Follow applicable insurer requirements for determining the middle credit score for each borrower. SC Housing will adhere to a 640 middle credit score minimum for all programs. In the event that the insurer requires a higher minimum, SC Housing will follow insurer requirement. • Follow insurer and AUS requirements for repayment of collection accounts • Follow insurer timing requirements for previous bankruptcy and foreclosure. Borrowers who has had a previous SC Housing foreclosure are not permitted to participate in the SC Housing Homebuyer program • Any outstanding judgement/lien or permitted tax liability must be satisfied in full prior to or at closing. If 						

	<p>satisfied at closing – a payoff statement valid through the day of closing must be provided and evidence of payment reflected on the closing disclosure</p> <ul style="list-style-type: none"> • SC Housing will allow an established tax payment plan meeting applicable insurer requirements; provided that the outstanding balance for all years owed does not exceed \$5,000 and a minimum of 3 consecutive months payments have been made • Maximum Debt to income (DTI) ratio for all programs offered under the SC Housing Homebuyer program is the lesser of 45.00% or AUS approval
LTV/CLTV	<ul style="list-style-type: none"> • Unless otherwise stated follow applicable insurer requirements. <ul style="list-style-type: none"> • VA – LTV 100% + VA Funding Fee – NO MAX CLTV
AUS/Underwriting	<p>Credit underwriting authority is delegated to the participating lender. Loans must be underwritten and approved by lender prior to submission to SC Housing in compliance with applicable AUS Guidelines and receive an acceptable recommendation. NO Manual UW permitted to include manual downgrades by lender's UW staff.</p> <ul style="list-style-type: none"> • Conventional (Fannie Mae) AUS – DU receive Approve/Eligible and Lender must select HFA Preferred on the Additional Data Element Screen under Community Lending Section • Conventional (Freddie Mac) AUS – LPA receive Accept risk class recommendation. Lender must select HFA Advantage in LPA. • FHA/VA – DU (Approve Eligible) and LPA (Accept) • USDA – GUS (Accept/Eligible)
Asset/ Employment	<p>Assets - SC Housing will follow insurer and AUS requirements for asset and gift verification. Additional documentation may be requested to validate consistency and amount of child support received. Periodic non-payroll deposits exceeding \$200.00 will require explanation. Gifts must meet all documentation and transfer requirements of the insurer. Gifts are permitted when provided by a relative, domestic partner, or fiancé/fiancée only and may be used to pay debt off for qualifying purposes.</p> <p>Employment - Lender must follow AUS and insurer requirements for verification of both current and previous employment. Any letters of explanation regarding gaps of employment exceeding 30 days must be explained by borrower</p> <p>Borrowers leaving a second job to program qualify must have done so prior to application.</p> <ul style="list-style-type: none"> • Lender must obtain a verbal verification of employment (VVOE) prior to closing within the time frames established by insurer or any time after closing but prior to funding by SC Housing.
Tax Returns/ Transcripts	<p>IRS tax transcripts are required for all borrowers and other person(s) who is expected both to reside in the residence being financed and to be secondarily liable on the mortgage. Lender must provide the most recent 3 years transcripts for properties located in Non-Targeted counties. For properties located in Targeted Counties, lender must provide the most recent year's IRS tax transcripts.</p> <ul style="list-style-type: none"> • Files received after June 15th must have tax transcripts from the previous tax year • All returns for current tax year must be filed by April 15th. <p>(If returns are completed, Signed/Dated Tax returns with proof of filing and evidence IRS transcripts are not yet available).</p> <ul style="list-style-type: none"> • Tax Return Extensions will not be accepted by SC Housing on any program offered <p>If the borrower(s) and any other person(s) who is expected both to live in the residence being financed and to be secondarily liable on the mortgage are not required to file tax returns an "Affidavit of Non-Taxpayer" and/or "Zero Income Affidavit" must be in the file along with evidence that tax returns have not been filed for the applicable number of years.</p>
Mortgage Insurance Requirements	<p>Private mortgage insurance (PMI) required on all loans over 80% LTV.</p> <ul style="list-style-type: none"> • Government - follow AUS and insurer requirements • Conventional – 90.01-97 % - 25% coverage required – Standard MI coverage for LTV 90% or less; <ul style="list-style-type: none"> ◦ Issued by one of the following approved MI Companies – ARCH, ENACT, ESSENT, MGIC or RADIANT
Third Party Contributions	<p>Follow insurer requirements</p>

Federal Recapture

All SC Housing Homebuyer Program 1st and DPA loans are subject to Federal Recapture. SC Housing will reimburse any borrower that is required to pay a recapture tax to the IRS.

County First

In conjunction with the SC Housing Homebuyer Program, we offer the “County First” initiative with a reduced interest rate, that targets previously underserved counties to promote homeownership and is designed to reach both move-up and first-time homebuyers. Borrowers can choose from FHA, Conventional, USDA, or VA financing with forgivable Down Payment Assistance. To qualify for this initiative, borrowers purchasing property in the following targeted counties cannot have an ownership interest in a principal residence at the time of loan closing, this exemption applies to all adult household occupants.

Abbeville	Allendale	Bamberg	Barnwell
Dillion	Calhoun	Chester	Clarendon
Edgefield	Fairfield	Georgetown	Hampton
Jasper	Lee	Marion	Marlboro
Newberry	McCormick	Saluda	Williamsburg

Families with Disabilities

SC Housing is making homeownership affordable throughout South Carolina. Along with our SC Housing Homebuyer Program, the “Families with Disabilities” initiative allows those borrower(s) or household members who have a permanent disability the ability to achieve homeownership. Borrowers can choose from FHA, Conventional, USDA, or VA financing with a reduced interest rate and forgivable Down Payment Assistance.

Borrower(s) or any household member who have a permanent 100% disability/handicap, as determined by, any of the following, are not subject to any first-time homebuyer restrictions and apply to all loan programs.

- Long-term disability income from an employer or insurer
- Supplemental Security Income (SSI) through Social Security
- Social Security Disability Insurance (SSDI)

Borrower(s) cannot have ownership interest in another property ***to include a mobile home taxed as real property at the time of closing.***

Lender shall deliver loans that were originated in accordance with AUS and insurer guidelines as applicable, unless otherwise stated with this program guide. **In the case of conflicting guidelines, lender must follow the more restrictive to meet the credit, income limits, total debt-to-income ratio, loan and property requirements.

Information contained in this program guide is for Lending Partner use only and not intended for use by individual consumers or borrowers.

program guide

SC Housing Homebuyer Program

lender allowable fees and charges

- **First Mortgage**

- Up to 1% origination fee (paid to lender)
- Discount Points may not be charges.
- Reasonable and customary fees provided fees do not exceed the amounts charged for non-SC Housing loans. Fees may be charged lump-sum or individually. Fees must be directly related to actual services rendered for providing the loan, whether or not those fees are paid to a third party or collected by the Participating Lender for providing those services.

Fees deducted at the time of purchase

- **Tax service fee:** SC Housing charges the Participating Lender a one-time real estate tax service fee of \$87. This fee may be charged to the borrower if permitted by the applicable insurer.
- Funding Fee of \$400.
- Extension and late delivery fees, if applicable - May be paid by borrower, lender, builder, seller, realtors, as appropriate

- **Second Mortgage**

- Only mortgage recording fees up to \$35 may be charged for recording of the DPA
- No title insurance required

- **HPML/HOEPA** – Loans that fall under the provisions of Higher Priced Mortgage Loans (HPML) and/or Home Ownership Equity Protection Act (HOEPA) are not eligible.

accrued interim interest and premiums paid to lender

- 100% of the amortized balance of the first mortgage on the day of purchase
- Accrued interim interest up to the day of purchase
- Servicing release premium (1.5% UPB first mortgage loan)

cash back to borrower at closing

Cash back to the borrower(s) at closing cannot exceed the documented amount that borrower has prepaid to include earnest money deposit, appraisal, credit report, inspections. No other DPA funds may be refunded. A principal reduction may be applied towards the first mortgage balance not to exceed one-month PITI payment.

property insurance coverage and deductible

Lender must ensure that all property insurance coverage and deductible limits comply with Insurer requirements and those established by SC Housing or those required by GSE,

Hazard, Wind/Hail, Flood and Walls-In (HO-6)

- Coverage - The minimum acceptable amount of hazard insurance coverage is the lesser;
 - The outstanding principal balance of all outstanding mortgages at closing;
 - Maximum insurable value per appraised value less the land value per the URAR, or an amount sufficient to replace the structure or the combined balance of all outstanding mortgages.
- Max. Deductible - The maximum allowable deductible for all perils (to include wind/hail and flood) is 5% of the face amount of the policy, unless a lower amount is required by the insurer.

delivery requirements

Closed Loan File - SC Housing is the servicer on all SC Housing Homebuyer Program (BOND LOANS). First mortgage and second DPA must be delivered to SC Housing within 15 days of closing via our e-Mortgage Docs portal in Lender Online in accordance with the SF-020

Servicing Package - The lender must submit the Servicing Package to **SC Housing** within 20 days of purchase using the Servicing Package Checklist (Form SF-050)

Final Documentation - The lender must submit all final mortgage loan documentation for the first mortgage and second DPA mortgage purchased by SC Housing. All final mortgage documentation must be delivered to SC Housing within 120 days of loan closing.

sc housing contact information

Lender Help Desk 803.896.2211 mortgage.production@schousing.com
Underwriting Questions/File Submission and Status Updates under.writing@schousing.com

SC Housing ID's

FHA – 4723009993

VA – 679535

USDA – 591585639

MERS - 1008745

SC Housing EIN 59-1585639

program guide



SC Housing Homebuyer (BOND) Program Housing Choice Voucher Program Initiative

Effective December 16, 2024

The **Housing Choice Voucher Homeownership Program** helps participants who are currently in an approved Public Housing Agency Homeownership Voucher Assistance program, preparing applicants to move from rental to homeownership. Many low-income families have the opportunity to use Federal housing assistance that would otherwise be paid to a landlord as rent to purchase and build equity in a home of their own. This program along with the SC Housing Homebuyer Program provides FHA fixed rate financing with **\$10,000** in forgivable down payment assistance. Please see the SC Housing Homebuyer Program Guide and Manual for additional details.

Term	FHA Fixed Rate - 30-year term only						
Reservation Rate Lock/Extensions	<p>Rate locks will be accepted from 10:00 AM – 6:00 PM Monday - Friday; excluding state recognized holidays and days that the US Financial Markets are closed for business. Rates are posted daily at https://lol.schousing.com and are subject to change without notice.</p> <p>Rate Lock Periods</p> <ul style="list-style-type: none">• 60 days –Existing Construction• 150 days – New Construction (Float Down Option available, consult Program Manual)• Extensions are available – up to 60 days total <table><tr><td>7 day</td><td>.125%</td></tr><tr><td>15 day</td><td>.250%</td></tr><tr><td>30 day</td><td>.375%</td></tr></table>	7 day	.125%	15 day	.250%	30 day	.375%
7 day	.125%						
15 day	.250%						
30 day	.375%						
Down Payment Assistance (DPA)	<p>Our DPA is a 15-year forgivable zero percent interest-no payment second mortgage. The DPA is \$10,000 which can be used to cover the borrower's down payment, closing cost and prepaid items only. Borrower's must meet all program and insurer first mortgage requirements. No portion of the DPA can be used to pay mortgage insurance premiums or real estate commission. DPA must be paid in full upon sale, refinance, or if property is no longer the borrower's primary residence prior to maturity. Subordination of the DPA is not permitted.</p> <ul style="list-style-type: none">• All liens must be closed in the lender's name and assigned to SC Housing at delivery• Lenders are responsible for completing, delivering and documenting all required TRID disclosures to include a final Closing Disclosure, any addendum and seller certification must be signed by all parties• Lenders will be responsible for sending the Good-Bye letters (First and Second DPA) in accordance with RESPA						
Homebuyer Education (PHA Responsibility)	<p>Home Buyer Education and Counseling is required on all loans and must be completed by the Head of Household. The education must be administered by a HUD Certified/Approved counseling Agency. The certificate of completion must be included in the loan file submitted to SC Housing for approval.</p>						

	PHA Responsibility Housing Authority Administering (HCV)	<p>In accordance with the HUD Housing Choice Voucher (HCV) Homeownership Program the items listed below are the responsibility of the Public Housing Agency (PHA) that administers the Housing Choice Voucher payments.</p> <p>PHA must provide evidence of approval (Approval Letter) for the Housing Choice Voucher (HCV) Homeownership Program - approval letter must certify that the borrower meets all HUD requirements to participate in the HCV Homeownership program including;</p> <ul style="list-style-type: none"> the amount of monthly assistance provided by the PHA the family satisfies the minimum income requirement the family satisfies the employment requirements the family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option no family member has a present ownership interest in a residence at the time of loan closing <ul style="list-style-type: none"> in non-targeted counties, may not have had ownership in previous 3 years the family has entered into a contract of sale in accordance with HUD requirements evidence (copy of certificate) the family has completed all HUD Approved Homeownership Education and Counseling requirements PHA determines that the property is eligible (see Eligible Properties below) the family satisfies all requirements established by the PHA and described in the PHA's administrative plan provide signed (SF-106) – Borrower Authorization to Release Form allowing exchange of account information on voucher recipients
	Monthly Housing Assistance Payment (HAP)	<p>The PHA's housing assistance payment will be paid directly to SC Housing and may only include principal and interest on the mortgage debt, taxes and insurance, and any mortgage insurance premium. SC Housing performs an annual escrow payment analysis for taxes and insurance and will communicate any changes directly to the PHA.</p>
	Participating PHA's	<p>Public Housing Agencies approved to participate in the Housing Choice Voucher Homeownership Program with SC Housing: SC State Housing Authority, Columbia City Housing Authority, Greenville City Housing Authority, Spartanburg Housing Authority. Lenders are encouraged to have their borrower(s) consult their case worker to see if their county participates in this program.</p> <p>Note: if interested in participating contact SC Housing</p>
	Participating Lenders	<p>If interested in participating in this program, lenders are encouraged to contact SC Housing to be added to the participating lender list. The following Lenders currently participate in the Housing Choice Voucher Homeownership Program:</p> <ul style="list-style-type: none"> Ameris Bank First Citizens Bank Guild Mortgage New Story Lending Lower, LLC DBA Premier Nationwide Lending
	Qualifying Income (HAP Payment)	<p>If the monthly voucher assistance (HAP) is needed for credit qualifying purposes, the monthly amount of assistance given by the PHA must be included in the AUS submission as income. The HAP payment must also be added to Compliance (Household) Income for determining program eligibility.</p>
	Property Inspections (PHA Responsibility)	<p>Two separate property inspections are required in addition to a full appraisal</p> <ul style="list-style-type: none"> HQS inspection - ensure that the property has been inspected by a HUD certified inspector and the property satisfies the HUD HQS inspection standards HQS deficiencies identified by the PHA must be corrected prior to the purchase of the home PHAs are encouraged to conduct the HQS inspection <u>before</u> the family spends money to hire an independent home inspector (below) Separate Home Inspection – ensure that the property has been inspected by an independent home inspector selected by the borrower(s)
<p>Lender shall deliver loans that were originated in accordance with AUS and insurer guidelines as applicable, unless otherwise stated with this program guide. **In the case of conflicting guidelines, lender must follow the more restrictive to meet the credit, income limits, total debt-to-income ratio, loan and property requirements.</p> <p>Information contained in this program guide is for Lending Partner use only and not intended for use by individual consumers or borrowers.</p>		

sc housing contact information

Lender Help Desk 803.896.2211 mortgage.production@schousing.com
Underwriting Questions/File Submission and Status Updates under.writing@schousing.com

SC HOUSING

300-C Outlet Pointe Boulevard, Columbia, South Carolina 29210

SF-022 LENDER Request for Determination of Eligibility

Applicant: _____ Co-Applicant: _____

Property Address: _____ City: _____ State: SC Zip: _____

SCH Loan No.: _____ Loan Amount: _____

DPA Loan No.: _____ 2nd Loan Amount: _____

Lending Partner: _____

Contact: _____

Lender Phone: _____ Email: _____

SCH APPLICATION DOCUMENTS

- ☐ 1. SF-022 Lender Request for Determination of Eligibility -This must be signed and dated by Lender -See below
- ☐ 2. SF-021 Citizenship Status Form -(Resident Alien - must provide copy of front & back of Photo ID, Green Card and Social Security Card) - This form CAN be electronically signed
- ☐ 3. SF-025 Mortgage Affidavit and Borrower Certification - This form CAN be electronically signed
- ☐ 4. SF-026 Seller/Builder Affidavit - This form CAN be electronically signed
- ☐ 5.
- ☐ 6. Home Buyer Education Completion Certificate
- ☐ 7.

LOAN ESTIMATE DISCLOSURE DOCUMENTS

- ☐ 8. 1st Mortgage TRID Loan Estimate(s)- Provide only the LE disclosed within 3 days of application if float, re-disclose within and 3 days of rate lock
- ☐ 9. DPA (2ND MTG.) Loan Estimate Disclosure(s)- Provide only the LE disclosed within 3 days of lender rate lock

1ST MORTGAGE DOCUMENTS

- ☐ 10. Initial 1003 - TBD FOR PROPERTY not allowed-MUST BE SIGNED & DATED BY ALL PARTIES (and for VA LOANS -VA FORM 26-1802)
- ☐ 11. VA LOANS ONLY - VA COE Print Out
- ☐ 12. Alternative DPA/Grant (other than SCH) - Acceptance Letter and/or Approval
- ☐ 13. 92900LT/1008/RD3555/VA 26-6393-MUST reconcile to DU/GUS (Compare to Loan Analysis Page of DU they MUST MATCH)
- ☐ 14. MI Certificate - Conventional Loans Only
- ☐ 15. AUS (DU/LPA/GUS) Findings- Must be Approve/Eligible or Accept unless Manual UW OR REO, if applicable-See guidelines
- ☐ 16. Gift Letters & supporting docs (Must include deposit & sourcing docs)
- ☐ 17. Rental Verification (only if required per DU)
- ☐ 18. Asset Documentation - Provide asset documentation as required by AUS
- ☐ 19. Credit Report- Must include OFAC & SAFE SCAN, CR must be the one used with AUS
- ☐ 20. SF-041 Zero Income Affidavit - (if applicable)
- ☐ 21. Verification of Employment for Borrower(s) AND all non-borrowing wage earning occupant(s) age 18 and over - (covering 12 months) If borrower is paid anything other than straight time or base salary, a FULL WRITTEN VOE must be provided with break down of all income received and pay schedule
- ☐ 22. Previous Verification of Employment- Borrower(s) AND all non- borrowing wage earning occupant(s) age 18 and over- (past 12 months as applicable)
- ☐ 23. Pay Stubs - (one month year-to-date) - Borrower(s) AND all non- borrowing wage earning occupant(s) age 18 and over - (2 Min.)
- ☐ 24. Other Income Documentation (as applicable): DSS Income; SSI; Retirement Distributions - required for all borrower(s) AND all non-borrowing wage earning occupant(s) age 18 & over
- ☐ 25. Profit Loss Statement- current year - must include company name, address, period covered and be signed & dated - (Self-Employed Only)
- ☐ 26. Divorce Decree/Sep. Agree., Child Support/Alimony- Provide evidence of receipt from court or asset doc. supporting rec'd
- ☐ 27. W-2's/1099/1098 (covering 12 months including previous employment if applicable)
- ☐ 28. SF-027 Non-Taxpayer Affidavit -(as applicable) Required for borrower(s) or occupant(s) who were not required to file taxes
- ☐ 29. IRS Tax Transcripts or Tax Returns- Must provide (3 years) for all borrower(s) AND all non-borrowing wage earning occupant(s) over the age of 18, as applicable
- ☐ 30. Appraisal Report with Color Photos and Addendum/Final Inspections/Completion Report- (CONVENTIONAL ONLY -Provide evidence that the Appraisal was uploaded to the UCDP for Fannie Mae and Freddie Mac.
- ☐ 31. VA LOANS ONLY - Notice of Value by LAPP/SAR
- ☐ 32. Contract of Sale with all addendums
- ☐ 33. SF-030 Lead Based Paint Disclosure- required for homes built prior to 1978, if not included in contract of sale
- ☐ 34. FHA RE Certification & Amendatory Clause
- ☐ 35. Attorney/Insurance Preference Form - Must be completed TBD not acceptable
- ☐

The undersigned lender certifies that the loan application, initial (Loan Estimate) loan disclosures and all verifications of employment, income and deposits, and all other loan documents have been processed in compliance with all applicable federal and state laws and regulations and, to the best of the lender's knowledge, the loan complies with all of South Carolina State Housing Finance and Development Authority's (SCHFDA) underwriting standards including but not limited to SCHFDA's e-Signature Requirements and the lender has verified the identify of all borrowers as required under the US Patriot Act. All information provided in support of this loan is true, complete and accurate to the best of the lender's knowledge and belief.

Date _____ Signature of Lender _____ Print Name of Authorized Signature _____

SC HOUSING

Declaration of Citizenship Status

This declaration must be completed for each borrower on the application and all household members who will reside in the property after closing.

Borrower(s):

Property Address:

The below individuals sign and certify that they declare under penalty of perjury that they meet one of the following requirements for citizenship status to comply with SC State Housing Finance and Development Authority program requirements.

- US Citizen by birth, a naturalized citizen or national of the United States
- A non-citizen with eligible immigration status that is lawfully admitted for permanent residence as defined by Section 101(1)(2) of the Immigration and Nationality Act (INA) as an immigrant defined by Section 101(a)(15) of the INA(8 U.S.C 1001(a)(20) and 1101(a)(15) respectively. (Permanent Resident Alien)
 - o This must be evidenced by Form I-551 “Permanent Resident Card” (Green Card) - Each party must provide front and back copies of the card and is subject to SAVE verification with the Department of Homeland Security - US Citizenship and Immigrations Services.

Borrower:

Borrower Name		Social Security #		Date of Birth (mm/dd/yy)	
SELF				<input type="checkbox"/> U.S. Citizen	
Relationship to Borrower		Alien Registration # (if applicable)		<input type="checkbox"/> Resident Alien	
				Nationality (Mark (1) One)	
Signature of Borrower		Date			

Co-Borrower:

Co-Borrower Name		Social Security #		Date of Birth (mm/dd/yy)	
SPOUSE				<input type="checkbox"/> U.S. Citizen	
Relationship to Borrower		Alien Registration # (if applicable)		<input type="checkbox"/> Resident Alien	
				Nationality (Mark (1) One)	
Signature of Co- Borrower		Date			

Occupant:

Occupant Name		Social Security #		Date of Birth (mm/dd/yy)	
				<input type="checkbox"/> U.S. Citizen	
Relationship to Borrower		Alien Registration # (if applicable)		<input type="checkbox"/> Resident Alien	
				Nationality (Mark (1) One)	
Check if Adult signing for a child					
Signature of Occupant or Adult Family Member		Date			

Occupant:

Occupant Name		Social Security #		Date of Birth (mm/dd/yy)	
				<input type="checkbox"/> U.S. Citizen	
Relationship to Borrower		Alien Registration # (if applicable)		<input type="checkbox"/> Resident Alien	
				Nationality (Mark (1) One)	
<input type="checkbox"/> Check if Adult signing for a child					
Signature of Occupant or Adult Family Member		Date			

Warning: South Carolina Code Section 16-9-10 provides, among other things, that it is unlawful for a person to willingly give false, misleading or incomplete information on a document, record, report or form required by the laws of this State, Any person who violates that section is guilty of a misdemeanor and, upon conviction, must be imprisoned not more than six months or fined not less than one hundred dollars, or both.

I/we the undersigned, as part of my application for a Mortgage Loan and/or Mortgage Credit Certificate (MCC) offered by the South Carolina State Housing Finance and Development Authority (SC Housing), and as a material inducement for SC Housing to issue an MCC or approve a loan from a participating lender for the purchase of a single-family residence and the land appurtenant (Residence), and to verify conformity with state and federal requirements, I attest to the following:

1. RESIDENCE ADDRESS: The Residence being purchased is a single-family property located in the State of South Carolina at:

Property Address:

Property County:
2. RESIDENCE STATUS: Check the statement that applies (**check one**).
The Residence is **new**, never occupied.
The Residence is an **existing**, previously occupied residence.
3. OCCUPANTS: The number of occupants in my household, including me and **ALL other** persons who intend to occupy the Residence as a principal residence, is _____ (**enter total number living in property**).

I certify that all occupants of the Residence being purchased are listed here. All occupants who will be mortgagor(s) including any other person who is expected to both live in the residence being financed and become secondarily liable on the mortgage must furnish all required income documentation (VOE, paystub, tax returns and sign all our documents) and must meet all Program Guidelines (e.g., income not over county limit and cannot have owned a principal residence in the last three years or see #11). Secondarily liable on the debt shall include someone who acts as a surety or guarantor if they also intend to live in the residence being financed. For purposes of this program, a spouse must provide all required income documentation as well as any titleholder who resides in the Residence.

Gross Annual Income (base + OT + other)

Borrower Name: _____ \$ _____

Co-Borrower Name: _____ \$ _____

Titleholder Name: _____ \$ _____

[Failure to list all borrower(s) and titleholders will result in loan being denied.]

Non-Borrowing Occupants (must be listed below)

_____ Occupant Name (non-borrower)	_____ Age	_____ Relationship to borrower(s)
_____ Occupant Name (non-borrower)	_____ Age	_____ Relationship to borrower (s)
_____ Occupant Name (non-borrower)	_____ Age	_____ Relationship to borrower (s)

4. OCCUPANCY CERTIFICATION: The Residence will be occupied and used as my principal residence within 60 days after the date of loan closing. The Residence **will not be used** as an investment property, vacation home, or rental home and not more than 15% of the area of the Residence will be used in a trade or business. I understand and agree that:
 - (a) I have been duly notified that if the Residence ceases to be my principal residence that the Mortgage Credit Certificate (MCC) will be automatically revoked and I will no longer be entitled to claim the credit.
 - (b) The land appurtenant to the Residence does not provide a source of income to the Borrower and is needed to reasonably maintain the basic livability of the Residence. No land can be

separated from the land being financed and offered for sale as a separate residence without permission of SC Housing. Properties cannot exceed 5 acres.

- (c) **As a Non-Borrower Occupant**, I agree to execute all documents required by SC Housing. I certify that I will not have ownership of the Residence or intend to have ownership of the Residence.
- (d) I will notify SC Housing immediately, in writing, if the Residence ceases to be my principal residence or in the event that I vacate the Property, and to keep SC Housing informed of my current mailing address.

5. COMPLIANCE INCOME CERTIFICATION: I have enclosed as part of my application evidence of ALL family income for the mortgagor(s), including any other person who is expected to BOTH live in the residence being financed and become secondarily liable on the mortgage. The income used in determining the total annual family income will be the income of the mortgagor(s) (including titleholders) and any other person who is both expected to live in the residence being financed, and who will become secondarily liable for the mortgage. For purposes of this program, **a spouse must provide all required income documentation.**

I understand **I AM NOT** eligible for a mortgage loan and/or MCC if my annual family income **exceeds** the Income Limits authorized by SC Housing under rules and regulations set by federal and state entities. Income limits are subject to change. **Please complete all questions below:**

- A. I attest, **as a Borrower** that I do or do not receive child support.
I Do (If I do, the amount received per month is \$_____) I Do Not
- B. I attest, **as Spouse** that I do or do not receive child support.
I Do (If I do, the amount received per month is \$_____) I Do Not
- C. I attest, **as a Titleholder or Co-Borrower** that I do or do not receive child support.
I Do (If I do, the amount received per month is \$_____) I Do Not

Documentation Attestation: I have enclosed as part of my application evidence of all income. (e.g., Alimony, Child Support, Award Letters, Part-time Jobs, Pay Stubs, Self-Employment, etc.).
Check one.

- D. This is to attest I, **as Borrower** am **NOT** providing a copy of divorce /separation / child support documents because. **Check one.**
Does not apply Never Married Other Reason
- E. This is to attest I, **as Spouse** am **NOT** providing a copy of divorce /separation / child support documents because. **Check one.**
Does not apply Never Married Other Reason
- F. This is to attest I, **as a Titleholder or Co-Borrower** am **NOT** providing a copy of divorce /separation / child support documents because. **Check one.**
Does not apply Never Married Other Reason

6. FIRST-TIME HOMEBUYER CERTIFICATION: Check the statement that applies (check one):

I individually, or together with another person who will be liable on the mortgage, have not had an ownership interest in a principal residence within 36 months from the date shown below, or closing date, whichever is later. For this purpose, a principal residence includes a single-family residence; condominium stock held by a tenant stockholder in a housing corporation; or any manufactured home (including a mobile home taxed as real property). Prior ownership interest in a manufactured home, which is not permanently fixed to a foundation and was not taxed as real estate is acceptable. For this purpose, an ownership interest means any ownership, whether outright or partial, including property subject to a mortgage or other security interest. The term ownership interest means a fee simple ownership interest, a joint ownership interest by joint tenancy, tenancy in common or tenancy by the entirety, a tenant-shareholder interest in a cooperative, an ownership interest in trust, a life estate interest, and purchase by contract for deed (or similar transaction).

The preceding section (a) is not required because the Residence is located in a targeted Area (as defined and listed on the SC Housing website).

I am exempt from the three-year non-ownership requirement because this mortgage qualifies for the one-time exception to the “First-Time Homebuyer” requirement for Veterans who purchase a home using the proceeds from a Qualified Mortgage Revenue Bond. I certify that I am a veteran defined as a person who served in active duty of the United States Armed Forces or Reserves and who was discharged or released under conditions other than dishonorable. I further certify that I have not previously used this one-time exception for a Mortgage Revenue Bond Tax Exempt financing or Mortgage Credit Certificate assisted loan. List person claiming exempt status.

7. **TAX RETURNS CERTIFICATION:** I am required to provide and hereby authorize the lender and/or SC Housing to request official IRS tax transcripts or true and complete copies of my signed federal income tax returns for the prior three tax years as may be acceptable to SC Housing and the Lender.

Complete the following section only if you **were not** required by law to file federal income tax returns for any year during the preceding three years.

I certify that I **was not** required by law to file a federal income tax return for the following year(s): _____ for the reason(s) stated below:

(Borrower, year) _____

(Co-Borrower/Spouse, year) _____

(Additional Mortgagor(s), year) _____

(Titleholder(s), year) _____

Check the following section only if closing for the MCC-assisted loan (Mortgage Credit Certificate) or applicable Mortgage Loan will occur between January 1st and April 15th, **and** you have not filed your federal income tax return for the prior year.

I certify that if Mortgage closing is occurring between January 1 and April 15 and I have not yet filed my federal income tax return for the prior year that when I file my federal tax return for the prior year, I will neither be entitled to, nor claim deductions for real estate taxes or interest on indebtedness with respect to a principal residence for that year.

8. **TAX LIABILITIES:** Any borrower, spouse, or other interested party who will hold title to the property, who has **unpaid, unsatisfied, and/or unreleased federal or state tax liabilities** (either unpaid balances or liens) are ineligible for SC Housing Programs. Any tax lien must be satisfied prior to loan purchase and evidence to support the satisfaction or release of the lien must be included in the loan file.

A borrower, spouse, or other interested party who will hold title to the property and has established an installment agreement with the Internal Revenue Service, owes a cumulative total for all tax years of \$5,000 or less, and has at least a three-month timely payment history will not be considered ineligible in accordance with insurer requirements.

9. **PURCHASE PRICE CERTIFICATION:** I certify that the total cost of acquiring the Residence as a completed residential unit is equal to or less than \$_____.

The total acquisition cost of the land and the completed Residence includes:

- (a) Other amounts paid by me to the seller and not in the contract price (such as money for extra work, allowance overages, or reimbursement of any seller-paid points not in the sales contract price) or paid by a person related to me or for the benefit of me, to the seller or a person related to or acting on behalf of the seller.
- (b) A reasonable cost estimate of completing or repairing the Residence must be included in the acquisition cost, whether or not the construction is completed. A cost estimate of completing the Residence at closing, includes such construction items as, labor, materials, commissions, builder's fees, hook-up and tap-on fees, permits, architectural fees, site improvements, subcontracted items, construction loan interest, etc.
- (c) If new construction, the total cost of acquiring the Residence should include the construction cost plus the value of the land. The appraised value of the land should be used if the land has been received by the Borrower as a gift. If the land has been owned by the Borrower for more than two years before construction, the cost of the land is not included. If land has been owned less than two years, include the actual cost of the land.
- (d) Check here, if Residence purchased is subject to ground rent or a leasehold.
- (e) No side deal or agreement, either verbal or written, is presently contemplated for the completion of the Residence or an addition to the Residence.

10. **LENDER CHOICE CERTIFICATION:** I understand that I may seek financing from any lender of my choosing provided that lender and SC Housing have executed the required Lender Participation Agreement and that I am in no way prohibited from seeking financing from any particular lender.

11. **TARGETED AREA CERTIFICATION:** I acknowledge that, if requested, a list of Targeted Areas has been made available to me prior to the execution of the Request for Conditional Commitment.

12. ELIGIBILITY CHANGES CERTIFICATION: I understand and agree that changed conditions in acquisition costs, income and/or program requirements may disqualify me at closing from receiving the Mortgage Loan and/Mortgage Credit Certificate (MCC) although I was eligible at the time of application.
13. NEW CONSTRUCTION CERTIFICATION: I certify that if the Mortgage application is for the purchase of a newly constructed residence, that the Residence has not and will not be occupied prior to loan commitment. If the Residence is a newly constructed, never occupied residence, I certify that the proceeds of the mortgage will not be used to replace an existing mortgage or contract for deed (or similar transaction) unless the existing mortgage or contract for deed (or similar transaction) is for a construction loan of 24 months or less, bridge loan, or similar temporary loan financing of 24 months or less. If the Residence is a previously occupied, existing residence, I certify that the proceeds of the Mortgage will not be used to replace my existing mortgage or my existing contract for deed (or similar transaction).
14. DOWN PAYMENT ASSISTANCE: SC Housing offers down payment assistance (DPA) to qualified first-time homebuyers who have completed an approved Homebuyer Education course and obtained a completion certificate. In the event the DPA is forgivable, there are no payments due unless one of the following occurs:
- You prepay the first mortgage prior to its scheduled maturity;
 - Title to the Residence is transferred to someone else;
 - You are in default on your first mortgage and it becomes due prior to its scheduled maturity; or
 - You no longer occupy the Residence as your primary residence.
- If any of the events described above occur, you must repay the outstanding principal amount of the DPA loan. No interest will be collected on the amount of forgivable DPA.
15. HOLD HARMLESS CERTIFICATION: I understand that the Lender and SC Housing will determine my eligibility to receive a mortgage loan and/or MCC. SC Housing will not inspect the Residence for defects and makes no representation as to the physical condition of the Residence. I agree to hold SC Housing harmless from any action or inaction on the part of the Lender, the Seller, the contractors or other involved parties.
16. MCC ONLY – ASSUMABILITY CERTIFICATION: I understand that if a MCC-assisted mortgage loan is to be assumed by a new borrower, the MCC may be issued to the new borrower under certain guidelines. The new borrower's acquisition cost and income limits must not exceed the SC Housing limits in effect at the time of the loan assumption. The new borrower must occupy the unit as a principal residence within 60 days of the assumption, and must be a first-time homebuyer, unless the home is in a Targeted Area. The new MCC will be issued in the same credit amount as for the original MCC. Additionally, the new MCC must comply with any changes in federal, state, or SC Housing policies that have amended the MCC requirements. There will be a nonrefundable MCC processing fee.
17. MCC ONLY – TRANSFERABILITY CERTIFICATION: I understand and agree that if an MCC is issued to me, it is not transferable to another person or property. I also understand that an MCC issued to me may be re-issued only once as a result of a refinance of my existing mortgage, but only if the mortgage being refinanced is from a fixed-rate mortgage into another fixed-rate mortgage. The re-issued MCC will expire on the final payment date of the original mortgage loan. The request for a re-issued MCC must be completed no later than two years after the date of the refinance, and must be made in writing to the Agency with copy of Closing Disclosure.
18. MCC ONLY – TAX ADVICE CERTIFICATION: I have been advised by the Lender to consult a tax accountant or to calculate federal tax consequences as a result of participation in the MCC program and not to rely solely on any statements made by the Lender or SC Housing. I have been advised that use of the MCC will reduce my mortgage interest deduction for federal tax purposes and that the MCC does not offer any state income tax credit. I understand that the maximum annual value of the credit is \$2,000 or the applicable tax credit amount, whichever is less. I acknowledge that depending on my individual tax situation, the MCC may not always provide a benefit to me in any given year.
19. RECAPTURE TAX: As a Mortgagor, I may receive benefits from the Mortgage Loan or MCC such as a tax credit that may reduce my federal income tax liability. As a result, pursuant to Section 143(m) of the IRS Code, I may become subject to a special "recapture tax" for federal income tax purchases. The maximum amount of the recapture is 6.25% of the original principal balance of the loan. You will be provided with additional information about this potential recapture tax at the time of your loan closing. SC Housing will reimburse any borrower the full amount of any recapture tax they are required to pay.
20. MORTGAGE ASSUMPTION: I have been advised that SC Housing may consent to a qualified assumption in accordance with its procedures without jeopardizing the tax-exempt status of its bonds. Without such approval, the Residence may not be sold subject to the mortgage loan and DPA. The execution by the borrowers of a land sale contract, contract for deed, or similar arrangement that transfers ownership and/or changes the occupancy status of the Residence (or the borrower's rights) is a sale of the Residence for this purpose. DPA mortgages cannot be assumed under any circumstance.
21. ESCROWS: Escrows for taxes and property insurance, including hazard, flood and wind/hail (if applicable), are required for the term of the first mortgage. DPA mortgage loans do not require an escrow account.

22. REFINANCING: No Mortgage Loan may be used to refinance permanent financing or replacement of an existing loan in connection with the Residence.
23. APPLICATION ACCURACY: All information contained in the application filed with the Lender is true and correct and I have no other debt obligations beyond what is listed on the mortgage loan application.
24. AUTHORIZATION TO RELEASE INFORMATION: I understand I am obtaining a Mortgage Loan and/or Mortgage Credit Certificate (MCC) through a SC Housing program. As part of the mortgage process, I understand SC Housing or its authorized representatives may need to verify information contained in my loan application and any other documents required in connection with the mortgage loan, pursuant to SC Housing Program requirements, investor requirements, or as part of a quality control program. By signing below, I authorize the lender to release any and all information, records, and documentation that SC Housing may request. Such information may include non-public personal information including, but not limited to social security number, employment history and income; bank, money market, and similar account balances; and copies of income tax returns for the three years prior to mortgage closing.
25. MATERIAL MISSTATEMENT CERTIFICATION: I acknowledge and certify this affidavit is being made under penalties of perjury and will be relied on for purposes of determining my eligibility for a MCC and/or Mortgage Loan. **Fraudulent Statements** - Any fraudulent statement will result in (i) the revocation of my MCC or Mortgage Loan, and (ii) a \$10,000 penalty under Section 6709 of the Internal Revenue Code. **Material Misstatements Due to Negligence** - Any material misstatement due to negligence on my part will result in a monetary penalty under Section 6709(a) of the Internal Revenue Code.
- Other Remedies** - In addition, any material misstatement due to negligence or misstatement due to fraud that is discovered before the issuance of a MCC and/or Mortgage Loan will result in denial of my application for a MCC and/or Mortgage Loan. If an MCC has been issued prior to the discovery of a fraudulent statement, then any MCC issued will automatically become null and void without any need for further action by SC Housing. If a Mortgage Loan provided under an SC Housing program has been funded prior to the discovery of a fraudulent statement, the fraudulent misstatement will constitute an event of default and will entitle the holder of the Mortgage to accelerate the Note and, among other remedies, to institute foreclosure.

SIGNATURES REQUIRED

Applicant Signature _____	Date _____
Co-Applicant Signature _____	Date _____
Spouse Signature _____	Date _____
Occupant Signature _____ (18 years of age or older)	Date _____
Occupant Signature _____ (18 years of age or older)	Date _____
Occupant Signature _____ (18 years of age or older)	Date _____

Seller Affidavit

I, the undersigned, as a participant in the sales transaction for a Mortgage Loan and/or Mortgage Credit Certificate (MCC) being submitted by _____ (Borrower's name), which may be approved or issued by the South Carolina State Housing Finance and Development Authority (SC Housing) in connection with the Borrower's purchase from the undersigned of a single-family property ("Residence"), state the following:

1. I certify that I am the legally authorized Seller of the Residence.
2. I certify that the Residence being purchased is a single-family residence located in South Carolina at this address: (check the statement that applies below):

The Residence is new, never occupied, OR

The Residence is an existing, previously occupied residence.

Property Address:

Property County:

3. The contract sales price of the Residence is \$ _____ (required). The total contract sales price includes the cost of the land (condo type property excluded as appropriate) on which the Residence is located and all other costs of the completed Residence. In making this certification:
 - (a) The Residence is either an existing dwelling or is a new dwelling constructed on land owned by a person other than Borrower prior to construction, and such land is being sold to the Borrower are part of the contract sales price. If new construction, the contract price should include the construction cost, excluding the value of the Borrower's and the Borrower's family's labor, plus the value of the land. The appraised value of the land should be used if the land has been received by the Borrower as a gift.
 - (b) Any other amounts paid to me **and not disclosed** in the contract sales price (such as money for extra work, allowance overages, or reimbursement of any seller-paid points not disclosed in the contract sales price) or paid to a person related to me or for the benefit of me, by the Borrower or a person related to or acting on behalf of the Borrower, which is \$ _____.
 - (c) The contract sales price includes the cost of any labor or materials needed to complete the Residence for habitation.
 - (d) I certify that the total cost of acquiring the property ("Residence") as a fully completed residential unit **does NOT exceed** \$ _____. No side arrangement or agreement, either verbal or written, is presently contemplated for the completion of the Residence or an addition to the Residence, unless the estimated cost of the completion and/or addition is included in the acquisition cost.
4. I understand that this affidavit will be relied on for determining Borrower's eligibility for a Mortgage Loan and/or Mortgage Credit Certificate (MCC).
5. I certify that the price of the residence with respect to which the Mortgage Loan and/or MCC was issued is no higher than it would be without the use of the Mortgage Loan and/or MCC.
6. In connection with the sale of the Residence, neither the undersigned nor anyone acting on behalf of the undersigned has entered into any contract, arrangement or understanding to make any payment to any real estate broker, agent or finder other than to _____. The amount of such payment is \$ _____ or _____ % of the purchase price specified in the contract.
7. Under the terms of the contract, the undersigned are obligated to surrender possession of the Residence to the Borrower within 60 calendar days after the closing of said transaction.
8. I acknowledge and understand that this affidavit is being made under penalties of perjury and will be relied on for purposes of determining the Borrower's eligibility for a Mortgage Loan and/or MCC. **Fraudulent Statements** - Any fraudulent statement will result in (i) the revocation of my MCC, and (ii) a \$10,000 penalty under Section 6709 of the Internal Revenue Code. **Material Misstatements due to Negligence** - Any material misstatement due to negligence on my part will result in a monetary penalty under Section 6709(a) of the Internal Revenue Code. **Other Remedies** - In addition, any material misstatement due to negligence or misstatement due to fraud that is discovered before the issuance of a MCC and/or Mortgage Loan will result in denial of the application. If a MCC has been issued prior to the discovery of a fraudulent statement, then any MCC issued will automatically become null and void without any need for further action by SCHFDA.

Seller _____

Date _____

Seller _____

Date _____

SC HOUSING

Certificate of Eligibility
Approval - First Mortgage and DPA

Lender: Date: (mm/dd/yy)
1st Mtg. Loan Number: DPA Loan Number:
Loan Amount: Loan Amount: AUS No.:
Interest Rate: % DPA Term: 15 years Submission No.:
Term: 360 months Credit Report Date:
COE Expiration Date:
Borrower Name:
Co-Borrower Name:

SC Housing has completed its review of the subject loan for Program Compliance only. SCSHA has determined that the subject loan is eligible for closing. The lender assumes full responsibility for all other documentation, as they relate to credit and collateral, approval and appropriate state and federal compliance regulations. SCSHA will not be held liable for any issues arising from purchase/funding, SCSHA will not be held responsible for any issues or findings from reviews performed by investor, Private Mortgage Insurance (PMI) companies or FHA/HUD post endorsement reviews.

Upon delivery of the Closed Mortgage Loan for Purchase, the following documentation is required:

- 1. SF-020 - Loan Delivery Checklist - signed and dated by a Lender Representative.
- 2. 1st Mortgage TRID Closing Disclosure to include FHA Certification of Seller/Buyer/Agent - Signed by all parties must provide initial closing disclosure issued 3 days prior to and the final.
- 3. Final 1003 Loan Application and HUD 92900A (FHA Addendum to Loan Application- FHA Only) signed and dated at closing by borrower and lender.
- 4. FINAL 92900LT/1008/VA 26-1802A and FINAL DU Findings- Remit only if submitted thru AUS after submission # Verbal
- 5. VOE/Re-Verification of Employment – VVOE w/in 10 calendar days of closing for all borrowers prior to closing or obtained after.
- 6. FINAL Attorney/Insurance Preference Form- Final MUST match actual service providers.
- 7. Final Inspection/Completion Certification, if applicable per appraisal or sales contract (MUST Upload copy into e-Docs)
- 8. Termite Letter (CL100) or Soil Treatment (New Const.) - Performed by licensed company, dated within 45 days of closing. Must provide evidence of any repairs noted in report by licensed contractor.
- 9. Please refer to applicable Program Guides for allowable fees, closing costs and property insurance deductibles
- 10. Provide proof of payment of Property County & City (if applicable) Taxes with closed loan file
- 11. Conditions as noted below must be included in the post-closing file.
- 12.
- 13.
- 14.
- 15.

Down Payment Assistance

- 1. SF-073 Award Letter and Acknowledgment - FHA Loans - Must be executed at closing. (Provided by SCH with COE)
- 2. SF-074 Obligation Letter - ALL BOND DPA Loans - Lender copy (Provided by SCH with COE)
- 3. SF-075 Notice of Recapture Form - Must be executed at closing (Provided by SCH with COE)
- 4. SF-033 Borrower/Co-Borrower Closing Affidavit - (Provided by SCH with COE)
- 5. FINAL TRID Closing Disclosure

Closed loan files must be remitted to SC Housing within 15 days of closing
LOSS PAYEE CLAUSE FOR ALL INSURANCE - TITLE AND PROPERTY
SC State Housing Finance and Development Authority, ISAOA, ATIMA
Attn: Mortgage Servicing, 300-C Outlet Pointe Blvd. Columbia, SC 29210

South Carolina State Housing Finance and Development Authority
Steve Clements, Director-Single Family Programs

SC HOUSING

300-C Outlet Pointe Blvd., Columbia, South Carolina 29210
Telephone: {803} 896-2211
www.schousing.com

Award Letter & Acknowledgement
*REQUIRED FOR ALL FHA LOANS

This Letter is intended by the SC Housing to satisfy the requirements of HUD Handbook 4000.1 5.B.5.a for a letter documenting an eligible Government Entity's provision of the borrower's cash to close including the required Minimum Cash Investment.

Date:

Re: Down Payment Assistance (DPA) Loan:

Borrower:
Co-Borrower:
Property Address:
DPA Loan Amount: \$
DPA Loan Terms: 15 years

Dear Sir or Madam:

This letter documents that the SC Housing, a public body corporate and politic of the State of South Carolina, {a §115 entity under the Internal Revenue Code) has awarded down payment assistance to Borrower in the form of the above- described DPA Loan, in an amount not to exceed the amount stated above. The DPA Loan will be secured by a subordinate lien on the Subject Property.

The only relationship between SC Housing and Borrower is as Lender and Borrower, respectively. This award of down payment assistance is a loan that must be repaid by Borrower according to the terms of the DPA Loan.

Sincerely,
Steve Clements
Steve Clements, Director
Single Family Programs

By signing below, Borrower(s) acknowledges that this Letter has been received, read, and understood by Borrower(s).

Signature(s) of Borrower(s):

.....

.....

SC HOUSING

300-C Outlet Pointe Blvd., Columbia, South Carolina 29210

Telephone: (803) 896-2211

This letter is intended by the SC Housing to satisfy the requirements of HUD Handbook 4000.1 11.A.4.d.ii and 11.A.5.c.ii to document the source requirements for a Governmental Entity providing the Borrower's Minimum Required Investment.

Date:

Down Payment Assistance (DPA) Loan:

Borrower:

Co-Borrower:

Property Address:

DPA Loan Amount:\$

DPA Loan Terms: **15** years

This letter documents that the South Carolina State Housing Finance and Development Authority ("SC Housing"), a public body corporate and politic of the State of South Carolina and a §115 entity under the Internal Revenue Code, has awarded down payment assistance to Borrower(s) in the form of the above-described DPA Loan. The DPA loan is being issued consistent with one of SC Housing's homeownership programs which include down payment assistance.

In its governmental capacity, SC Housing hereby incurs a legally enforceable liability as a result of its agreement to provide its funds for the above-referenced DPA Loan in order to meet the Borrower's required Minimum Required Investment. The provision of funds is not contingent upon any future transfer of the Borrower's first mortgage to a specific entity. SC Code §31-13-10, et. seq., from the South Carolina Code of Laws grants SC Housing the authority to provide the DPA loan in the jurisdiction where the Property Address is located.

Prior to applying for FHA insurance on the associated first mortgage loan, Lender must do all of the following: (i) put a copy of this letter in the FHA case binder; (ii) endorse to SC Housing the Promissory Note for the DPA Loan; (iii) execute and send a copy of the recorded assignment of the DPA Loan to SC Housing with the original being delivered as soon as reasonably possible following recordation in the applicable jurisdiction; and (iv) send the executed Promissory Note to SC Housing. If the DPA Loan is closed in SC Housing's name or Mortgage Electronic Registration Systems' (MERS) name, (ii) and (iii) above are not required.

Sincerely,

Steve Clements

Steve Clements, Director

Single Family Programs

SC HOUSING

Borrower/Co-Borrower Closing Affidavit

Closing Date:_____

1st. Loan No.: _____

Borrower:_____

Co-Borrower:_____

Property Address:_____

I, the undersigned, as part of my application for a Mortgage Loan and/or Mortgage Credit Certificate (MCC) through the South Carolina State Housing Finance and Development Authority (SC Housing), and as a material inducement to the Participating Lender (“Lender”) and SC Housing to offer a Mortgage Loan product or issue an MCC to the undersigned, in connection with the purchase of a single-family property (“Residence”), and to verify conformity with state and federal requirements, state the following:

1.

I hereby certify that the above reference property is located at the address indicated above and that my correct mailing address is also indicated below.

Mailing Address:_____
2.

I have reviewed and signed *Mortgage Affidavit and Borrower Certification* executed as part of my application for a Mortgage Loan or MCC and declare there have been no changes in the statements therein and the statements remain true and accurate, except as noted below. *(If no changes noted below, I agree everything remains the same.)*

3.

I further state that I have not had an interest in a principal residence within three (3) years prior to the date of loan closing. For this purpose, a principal residence includes a single-family residence; condominium stock held by a tenant stockholder in a housing corporation; or any manufactured home (including a mobile home). Prior ownership interest in a manufactured home which is not permanently fixed to a foundation and was not taxed as real estate is acceptable. I am exempt from the first-time homebuyer requirement if my home is located in a Targeted area or I qualify for the one-time veteran’s exception.
4.

I acknowledge that the Seller has certified to me that the sales price of the residence is no higher than it would be without the use of an MCC or Mortgage Loan (including down payment assistance (DPA)) provided through SC Housing.
5.

I have received from the Lender and signed the “Notice to Mortgagors of Potential Recapture of Federal Subsidy” (Form SF-075).” I understand that if my home is disposed of within the next nine (9) years, the maximum recapture tax payable, *if any*, is the lesser of 6.25% of the 1st mortgage loan amount, or 50% of the gain on the sale.
6.

I acknowledge that if I fail to occupy the property described in the mortgage as a principal residence within 60 days after closing, or do not continue to occupy property as a principal residence, without prior written consent of SC Housing, shall constitute a default and all sums secured by the Residence may be declared immediately due and payable and/or the MCC may be revoked.
7.

I certify that I have received no notice of layoff and do not have any knowledge of a pending layoff. My outstanding obligations and income are substantially the same as reported on the application.
8.

I acknowledge that I have received a copy of the completed Termite Inspection Letter/Report. SC Housing in no way warrants the finding of the termite report or the adequacy of the inspection nor does it warrant the qualifications of any company and/or persons who performed the inspection.
9.

All of the conditions, including but not limited to inspections, of the Contract/Offer to Purchase signed and executed by me have been satisfactorily met.
10.

I hereby certify that any photographed document(s) provided by me to the Lender and/or any internet document(s) provided by me to the Lender are true and exact copies of the original(s).
11.

The undersigned borrower has been advised by the closing agent that the loan documents being executed this date do not have final approval of or acceptance by the investor or guarantor which has issued its commitment to purchase or guarantee the loan. As a condition of Lender proceeding with the closing and disbursement of loan proceeds, I agree to fully cooperate and adjust for clerical errors on any loan documents and will execute and/or provide whatever additional documents may be required in order to make this loan eligible for purchase or guarantee by the investor or insuring agency.
12.

I hereby consent that SC Housing and its agents may contact me regarding my loan(s) now and in the future at the number I have provided below, or may provide in the future, regardless of whether such number is a cellular device, using automated telephone dialing equipment and/or prerecorded voice or text messages. I understand that my consent to such communication is not a condition of my loan.

Phone Number: _____
13.

I acknowledge that I have not relied on SC Housing or the Lender in determining the potential tax benefits of the MCC. I understand that the MCC offers no state personal income tax credit and may not always provide a tax benefit to me in any given year.
14.

I acknowledge and understand that this affidavit is being made under penalties of perjury and will be relied on for purposes of determining my eligibility for a Mortgage Loan or MCC. **Fraudulent Statements** - Any fraudulent statement will result in (i) the revocation of my Mortgage

Loan and/or MCC, and (ii) a \$10,000 penalty under Section 6709 of the Internal Revenue Code. **Material Misstatements due to Negligence** - Any material misstatement due to negligence on my part will result in a monetary penalty under Section 6709(a) of the Internal Revenue Code. **Other Remedies** - In addition, any material misstatement due to negligence or misstatement due to fraud that is discovered before the issuance of an MCC or funding of the Mortgage Loan will result in denial of my application for an MCC or Mortgage. If an MCC has been issued prior to the discovery of a fraudulent statement, then any MCC issued will automatically become null and void without any need for further action by SC Housing. If a Mortgage provided under an SC Housing program has been funded prior to the discovery of a fraudulent statement, the fraudulent misstatement will constitute an event of default and will entitle the holder of the Mortgage to accelerate the Note and, among other remedies, to institute foreclosure.

Borrower Signature _____

Date _____

Co-Borrower Signature _____

Date _____

SC HOUSING

300-C Outlet Pointe Blvd., Columbia, South Carolina 29210
Telephone: (803) 896-2211
www.schousing.com

Recapture Notice to Borrower

(Keep This Document in a Safe Place Until You Sell the House)

Originator:
Loan Number:
Borrower:
Co-Borrower:
Address:
City/State: South Carolina
County:
Commitment Date:
Loan Amount: \$
Maximum Recapture
Tax Amount: \$ {Loan Amount x 0.0625}

Because you are receiving a mortgage and DPA loan from the proceeds of a tax-exempt bond, you are receiving the benefit of a lower interest rate than is customarily charged on other mortgage loans. if you sell or otherwise dispose of your home during the next nine years, this benefit may be "**recaptured.**" The recapture is accomplished by an increase in your federal income tax for the year in which you sell your home. The recapture only applies, however, if you sell your home at a gain and if your income increases above specified levels. You may wish to consult a tax advisor or the local office of the internal Revenue Service at the time you sell your home to determine the amount, if any, of the recapture tax. Along with this notice, you are being given additional information that will be needed to calculate the recapture tax.

The Authority is required to report to the internal Revenue Service the names, addresses, and social security numbers of individuals who receive federally-subsidized financing after December 31, 1990.

The attached pages are designed to assist you in the calculation of the "Recapture Tax." However, the Authority is not responsible for the calculation, and additionally; tax laws and regulations may change after the date of this notice; therefore, you should consult a tax advisor at the time of resale by you of your residence to determine the amount, if any, of such "**Recapture Tax.**"

Effective with all loans closed after July 1, 2006, SC Housing will reimburse any recapture tax paid by its borrowers. The reimbursement policy is included with this notice.

The undersigned Mortgagor (s) has (have) received and read a duplicate copy of this **Notice to Mortgagor of information Regarding Potential Recapture Tax.**

Date

Date

**NOTICE TO THE BORROWER (S) OF MAXIMUM RECAPTURE TAX AND
OF METHOD TO COMPUTE RECAPTURE TAX ON DISPOSITION OF HOME**

In accordance with section 143(m) of the Internal Revenue Code, the estimated Maximum Recapture Tax that you may be required to pay upon disposition of this property is the total tax listed on page 1 of this disclosure. This amount is 6.25% of the highest principal amount of your federally subsidized indebtedness with respect to the loan.

A. INTRODUCTION

- 1. **GENERAL.** When you sell your home, you may have to pay a recapture as calculated below. The recapture tax may also apply if you dispose of your home in some other way. Any reference in this notice to the "SALE" of your home also includes other ways of disposing of your home. For instance, you may owe the recapture tax if you give your home to a relative.
- 2. **EXCEPTIONS.** In the following situations, no recapture tax is due and you do not need to do the calculations.
 - a. You dispose of your home later than nine years after you close your mortgage loan;
 - b. Your home is disposed of as a result of your death;
 - c. You transfer your home either to your spouse or to your former spouse incident to divorce and you have no gain or loss included in your income under Section 1041 of the Internal Revenue Code; or;
 - d. You dispose of your home at a loss.

B. ACTUAL RECAPTURE TAX

The actual recapture tax, if any, can only be determined when you sell your home, or is the lesser of (1) 50% of your gain on the sale of your home, regardless or whether you have to include that gain in your income for federal income tax purposes, or (2) your RECAPTURE AMOUNT determined by multiplying the following three numbers:

- i) The MAXIMUM RECAPTURE TAX, as described at the beginning of this notice
- ii) The HOLDING PERIOD PERCENTAGE, as listed in column 2 in the table, and
- iii) The INCOME PERCENTAGE, as describe in paragraph C below.

C. INCOME PERCENTAGE

You calculate the income percentage as follows:

- i) SUBTRACT the applicable ADJUSTED QUALIFYING INCOME in the taxable year in which you sell your home, as listed in Column 2 in the Table, from your Modified Adjusted Gross Income in the taxable year in which you sell your home. - (adjusted gross income from Federal tax returns)

Your modified adjusted gross income means your adjusted gross income shown on your federal income tax return for the taxable year in which you sell your home, with the following two adjustments: (a) your adjusted gross income should be INCREASED by the amount of any interest that you receive or accrue in the taxable year from tax-exempt bonds that is excluded from your gross income (under Section 103 of the Internal Revenue Code); and (b) your adjusted gross income must be DECREASED by the amount of any gain included in your gross income by reason of the sale of your home.

- ii) If the amount calculated in (i) above is zero or less, you owe no recapture tax and do not need to make any more calculations. If it is \$5,000 or more, your income percentage is 100%. If it is greater than zero but less than \$5,000, it must be divided by \$5,000. This fraction, expressed as a percentage, represents your income percentage. For example, if the fraction is \$1,000 / \$5,000 your income percentage is 20%.

D. LIMITATIONS AND SPECIAL RULES ON RECAPTURE TAX

1. If you give away your home (other than to your spouse or ex-spouse incident to divorce), you must determine your actual recapture tax as if you had sold your home for its fair market value.
2. If your home is destroyed by fire, storm, flood, or other casualty, there generally is no recapture tax if, within two years, you purchase additional property for use as your principal residence on the site of the home financed with your original subsidized mortgage loan.
3. In general, except as provided in future regulations, if two or more persons own a home and are jointly liable for the subsidized mortgage loan, the actual recapture tax is determined separately for them based on their interests in the home.
4. If you repay your loan in full during the nine-year recapture period and you sell your home during this period, your holding percentage may be reduced under the special rule in Section 143 (m) (4) (C) (ii) of the Internal Revenue Code.
5. Other special rules may apply in particular circumstances. You may wish to consult with a tax advisor of the local office of the Internal Revenue Service when you sell or otherwise dispose of your home to determine the amount, if any, of your actual recapture tax. See Section 143 (m) of the Internal Revenue Code generally. Go to: www.irs.gov

Effective with all loans closed after July 1, 2006, the SC Housing will reimburse any recapture tax paid by our borrowers. The new policy states:

RECAPTURE TAX REIMBURSEMENT

Federal law provides for a *possible* Recapture Tax when homeowners sell their home within the first nine years after receiving a mortgage through the SC Housing. In order to remove the confusion and worry about having to pay a recapture tax when the home is sold, SC Housing will reimburse any SC Housing homebuyer who purchases their home on or after July 1, 2006, the amount of recapture tax the homebuyer pays in connection with the sale of the home.

SC Housing will not calculate the recapture amount. Upon sale or disposition of the residence, the borrower(s) must consult a personal tax adviser or the IRS.

In order to request a recapture tax reimbursement from SC Housing:

- * The borrower(s) first must instruct the IRS, by using IRS Form 4506, to send to SC Housing a copy of each borrower's federal tax return covering the calendar year the residence was sold. This return must include IRS Form 8828 – Recapture of Federal Mortgage Subsidy.
 - o On Form 4506, instruct the IRS to send the information to:
SC Housing
Attn: Servicing/ Recapture Reimbursement Request
300C Outlet Pointe Boulevard
Columbia, SC 29210
- * The borrower(s) must send a written request for reimbursement to SC Housing, by June 30th of the calendar year after the residence is sold, accompanied by the following:
 - o a copy of the signed HUD-1 Settlement Statement from the sale or disposition of the property; and
 - o the address to which the reimbursement should be mailed; andSubmit requests for reimbursement to:

**SC Housing
Attn: Servicing/ Recapture Reimbursement Request
300-C Outlet Pointe Boulevard
Columbia, SC 29210**

SC Housing will process the request for reimbursement when copies of the borrower(s) tax returns are received from the IRS. State Housing will only reimburse the Recapture Amount actually paid, but will not reimburse fees, interest, expenses or penalties incurred.

Be advised that SC Housing will issue an IRS Form 1099 so the amount of any recapture tax that State Housing reimburses to the borrower will be reported to the IRS as income.



SC Housing Homebuyer Program (BOND)
SF-020 BOND Loan Delivery for Purchase to SC Housing

1st Loan No.:
1st Loan Amount:
Lender Name:

POST CLOSING CONTACT INFORMATION MUST BE COMPLETED

Post Close Contact: Phone: Email:

BORROWER(S)

Borrower: Co-Borrower:

Property Address: City: Zip:

DOCUMENT CHECKLIST - INSURE ALL DOCUMENTS ARE COMPLETED, SIGNED AND DATED

FILES MUST BE STACKED AS NOTED IN THIS CHECKLIST – FAILURE TO COMPLY WILL RESULT IN REQUEST FOR RESUBMISSION
PLEASE DO NOT SEND ANY ADDITIONAL DOCUMENTATION NOT REQUESTED BELOW

If loan is older than 60 days from closing - LENDER MUST PROVIDE EVIDENCE
FHA/VA LOANS HAVE BEEN INSURED PRIOR TO PURCHASE

SC HOUSING BOND AND DPA MORTGAGE LOAN DOCUMENTS

- ☐
1. SF-020 Whole Loan Delivery Checklist- Signed and dated by lender (PLEASE PROVIDE POST CLOSING CONTACT INFO) DPA Original
- ☐
2. Warranty Deed and Name/Signature Affidavit
- ☐
3. DPA Original Note with Allonge or Endorsement - **NAMES MUST MATCH WARRANTY DEED**
- ☐
4. DPA Mortgage & Legal Description (**NO RIDERS TO INCLUDE A TAX EXEMPT RIDERSHOULD NOT BE RECORDED WITH DPA MORTGAGE**)
- ☐
5. DPA - TRID Final Closing Disclosure - Escrow section must match escrow section of 1st mortgage
- ☐
6. DPA Award Letter and Acknowledgment (FHA Only) and Recapture Notice **PROVIDED WITH COE - (4 Pages)**
- ☐
7. SF-033 Borrower Certification and Authorizations (For loans reserved prior to 12.16.2024)

1ST MORTGAGE DOCUMENTS

- ☐
8. First Payment Letter signed & dated by borrower(s) - **MUST** reflect MI Premium
- ☐
9. MI Certificate - CONVENTIONAL Loans ONLY
- ☐
10. COE Documents required to clear "at closing" conditional requirements listed on COE
- ☐
11. ORIGINAL Note with Allonge or Endorsement - **NAMES MUST MATCH WARRANTY DEED**
- ☐
12. Recorded Specific POA for borrower, if applicable
- ☐
13. Mortgage with riders (PUD, CONDO, TAX EXEMPT, VA Loan Assumption Rider) & legal description
- ☐
14. Final TRID Closing Disclosure
- ☐
15. Final TRID Seller's Closing Disclosure - signed
- ☐
16. HUD Buyer /Seller /Agent Certification(s)
- ☐
17. Initial Escrow Account Disclosure Statement
- ☐
18. Property Tax Certification w/ proof of payment of County & City taxes - (**PAID TAX RECEIPT**) if scheduled to be purchased on or after 11/01
- ☐
19. Hazard Insurance Policy w/evidence of 1 year's paid premium (Inc. Master Policy for Condo and PUD, if applicable)
- ☐
20. Wind/Hail Insurance Binder with proof of 1 year's paid premium (**If not included in the hazard policy**)
- ☐
21. Flood Hazard Determination Certification and Flood Zone Disclosure (**in or out of flood zone**) & Flood Insurance Policy
- ☐
22. IRS W-9 and NEW 4506-C
- ☐
23. Final Loan Application(s) and all applicable addendums signed by borrower's and loan officer
- ☐
24. HUD 92900-A Addendum to the URLA - Direct Endorsement Approval (FINAL Pages 1-4)
- ☐
25. Repair/Final Inspection with color photos - (HUD 92051 Compliance Inspection Report., if applicable)
- ☐
26. CL-100 Termite Letter or Soil Treatment dated within 45 days of closing or after- Documentation to support repairs, if applicable
- ☐
27. FINAL Attorney/Insurance Preference Form - (MUST reference actual providers)
- ☐
28. Title Commitment / Short Form Title Policy w/8.1 & 9 and all other applicable endorsements dated w/in 60 days of closing
- ☐
29. USDA Loan Note Guarantee
- ☐
30. Verbal VOE - 10 calendar days prior to or after closing
- ☐
31.

LENDER'S CERTIFICATIONS

The undersigned lender certifies that the loan application, initial (Loan Estimate) and final (Closing Disclosure) loan disclosures and all verifications of employment, income and deposits, and all other loan documents have been processed in compliance with all applicable federal and state laws and regulations and, to the best of the lender's knowledge, the loan complies with all of South Carolina State Housing Finance and Development Authority's (SCHFDA) underwriting standards including but not limited to SCHFDA's e-Signature Requirements. The undersigned lender further certifies that all information provided in support of this loan is true, complete and accurate to the best of the lender's knowledge and belief.

Date

Signature of Lender

Print Name of Authorized Signature

program guide



Palmetto Home Advantage Program

Effective December 16, 2024

Palmetto Home Advantage helps First Time Homebuyers and Move-up or repeat buyers purchase a home. The program offers Conventional (with reduced MI) or Government financing with forgivable down payment assistance (DPA). Loans must also meet all applicable insurer requirements and those outlined in the Lakeview Loan Servicing program matrices locate at <https://www.lakeviewcorrespondent.com/hfa-matrices>

Loan Purpose/Type	Eligible - Purchase Money Transactions ONLY Not Eligible - One-time construction loans
Homebuyer Eligibility	<p>The Palmetto Home Advantage Program is not limited to first-time homebuyers. Move-up and repeat home buyers are eligible.</p> <p>Borrower(s) cannot have an ownership interest in more than two financed residential properties, to include the subject property as of the Note Date. Subject property must be an owner-occupied primary residence.</p> <p>Non-occupant borrowers are permitted as follows;</p> <ul style="list-style-type: none">• Conventional (Fannie and Freddie) for one-unit property with max LTV of 95% and 105% TLTV, follow insurer and Lakeview guidelines• FHA – follow FHA and Lakeview requirements• USDA/VA – NOT PERMITTED <p>In addition, SC Housing will not permit non-borrowing spouses or others not obligated to the underlying mortgage loan to take title to the subject property.</p>
Income and Sales Price Limits	<p>Income and Sales Price limits must meet program and investor requirements.</p> <p>State wide Income Limit - \$127,200 - Use standard credit qualifying income (not total household income)</p> <p>Home Price Limits – subject to any maximum specified by insurer, MI and AUS approval</p> <p>Income limits must be equal to the borrower(s) total income listed on the application including commission, bonus and overtime. Limit is not dependent on family size. Use standard credit qualifying income (not total household income). The income used for approval must be consistent on the I003, I008, 92900LT, VA Loan Analysis and AUS.</p> <ul style="list-style-type: none">• Conventional – Fannie Mae - Refer to Mortgage Insurance Requirements for applicable coverage based on AMI (see Mortgage Insurance section below) as determined by “Fannie Mae Area Median Income Lookup Tool” https://ami-lookup-tool.fanniemae.com/amilookuptool• Conventional - Freddie Mac Refer to Mortgage Insurance Requirements for applicable coverage based on AMI (see Mortgage Insurance section below) as determined by “Freddie Mac Home Possible Income and Property Eligibility Tool” https://sf.freddiemac.com/working-with-us/affordable-lending/home-possible-eligibility-map
Down Payment Assistance (DPA)	<p>Down Payment Assistance (DPA) must be used for down payment and closing cost.</p> <p>Down Payment Assistance is available with a 0%, 3% or 4% of the total first mortgage loan amount (including UPMP, Funding or Guarantee Fee) through a forgivable second</p>

	<p>mortgage with a 10-year term and zero percent-no payment interest rate. This is not a grant.</p> <p>No portion of the DPA can be used to pay mortgage insurance premiums, appraisal gap or real estate commission. DPA must be paid in full upon sale, refinance, or if property is no longer the borrower's primary residence prior to maturity. Subordination of the DPA is not permitted.</p> <ul style="list-style-type: none"> DPA must be closed in the lender's name on the required SC Housing note and mortgage and registered in MERS at delivery to Lakeview Loan Servicing. The DPA Note is endorsed to South Carolina Housing Finance and Development Authority and is delivered along with the First Mortgage Note to Lakeview Loan Servicing Any amounts exceeding credit for POC items and a principal reduction, lender must reduce the loan amount of the first mortgage by the difference prior to closing the loan Lenders are responsible for the initial Loan Estimate and Closing Disclosure – only allowable closing cost on the DPA second mortgage are those required to record the mortgage Lenders will be responsible for sending the Good-Bye letters (First and Second DPA) in accordance with RESPA 						
Interest Rate	Fixed interest rate ONLY. SC Housing does not offer buydowns (temporary and permanent).						
Term	30-year term						
Reservation/ Extensions	<p>Rate locks will be accepted from 10:00 AM – 6:00 PM Monday - Friday; excluding state recognized holidays and days that the US Financial Markets are closed for business. Rates are posted daily at https://lol.schousing.com and are subject to change without notice.</p> <p>Rate Lock Periods</p> <ul style="list-style-type: none"> 60 days – New and Existing Construction - <u>Do not lock the interest rate at the time of application, wait until ready to deliver to SC Housing for Review</u> Rate Lock Expiration – Loans must be closed and be funded by the master servicer “Lakeview Loan Servicing” by lock expiration Loans aged more than 45 days after the note date and receipt of the credit and closing file in fundable condition will not be purchased by Lakeview Loans may be extended and must be requested prior to the rate lock expiration. Extension requests after the rate lock expiration is subject to relock at worse case pricing Extensions are available – up to 30 days total <table border="1"> <tr> <td>7 day</td><td>.125%</td></tr> <tr> <td>15 day</td><td>.250%</td></tr> <tr> <td>30 day</td><td>.375%</td></tr> </table> Loans may be reserved Monday – Friday between 10:00 AM and 6:00 PM Interest rates are subject to change without notice and are posted in Lender Online If a rate lock is withdrawn or canceled, the lender cannot initiate a new lock for the same property until 60 days after the withdrawal/cancellation date Each rate lock applies to a specific borrower and property. <ul style="list-style-type: none"> If the property is not purchased and the borrower places a contract on a different property, a new rate lock can be requested subject to current market rates 	7 day	.125%	15 day	.250%	30 day	.375%
7 day	.125%						
15 day	.250%						
30 day	.375%						
Homebuyer Education	<p>SC Housing requires at least one borrower to complete an online or classroom-based homebuyer education course that meets National Industry Standards for Homeownership and Counseling, or be provided by a HUD-approved counseling agency (Government and Conventional). Framework and Credit Smart meet this requirement for Government loans. Homebuyer education certificates are valid for twelve (12) months.</p> <ul style="list-style-type: none"> For Fannie Mae HFA Preferred loans, the borrower must complete the “Framework” or Fannie Mae “Home View” For Freddie Mac HFA Advantage loans the borrower must complete Freddie Mac’s “Credit Smart” 						
Minimum Borrower Financial Contribution	NONE – other than AUS or insurer required down payment or reserves						

Property	<p>Single family, one unit; two-unit permitted on Fannie, Freddie and FHA ONLY; PUDs, attached, detached; condominiums; true off frame modular homes (not eligible for USDA); Manufactured Housing (Fannie, Freddie and FHA ONLY) Full Appraisal meeting all insurer and AUS requirements and evidence of UCDP upload must be provided - Accessory Dwelling Unit (ADU) not permitted; Property Inspection Waiver (PIW allowed- Conventional only, subject to AUS and insurer requirements)</p> <p>Condominiums must be fee simple and meet all applicable insurer and AUS requirements. If required, approval must be provided from insurers automated Project Management system.</p> <p>Repair and Final Inspections – All inspections required must meet applicable insurer requirements.</p> <p>CL-100/Soil Treatment required if referenced in the sales contract or appraisal.</p> <ul style="list-style-type: none"> Any damage or recommended repairs noted in report must be addressed with evidence of completion, prior to purchase
Manufactured Housing	<p style="text-align: center;">Manufactured Housing is <u>ONLY</u> available as Fannie, Freddie or FHA There will be a 0.50% LLPA deducted at the time of funding Lender's may pass this cost to the borrower, but not in the form of a discount</p> <p>Loans are subject to the requirements below. Please consult any additional requirements established by HUD/FHA and Lakeview Loan Servicing</p> <ul style="list-style-type: none"> Minimum FICO of 660 and maximum DTI Ratio not to exceed 45% New construction or existing units constructed in 1994 or later Must be or have been directly transported from the manufacturer or dealership to the site Designed as a one-family dwelling Doublewide or greater, single wide units are NOT ELIGIBLE Finished floor area of not less than 400 square feet HUD Certification Label affixed or have obtained a letter of label verification issued on behalf of HUD, evidencing the house was constructed on or after June 15, 1976 in compliance with the Federal Manufactured Home Construction and Safety Standards Designated to be used as a dwelling with a permanent foundation built in accordance with the Permanent Foundation Guide for Manufactured Housing (PFGMH) Must be built and remain on permanent chassis Have the towing hitch and running gear removed <p><u>Required Documentation</u></p> <ul style="list-style-type: none"> HUD Certification Label PFGMH (Permanent Foundations Guide for Manufactured Housing) Certification
Credit/DTI Requirements	<ul style="list-style-type: none"> All borrowers must have at least one credit score. Follow applicable insurer requirements for determining the middle credit score for each borrower. SC Housing will adhere to <ul style="list-style-type: none"> All borrowers must have a minimum credit score of 640 (min. 660 for Manufactured Housing) For FHA Manual Downgrade loans, the minimum credit score is 660 for all borrowers Follow insurer and AUS requirements for repayment of collection accounts Follow insurer timing requirements for previous bankruptcy and foreclosure. <ul style="list-style-type: none"> For USDA loans, if a borrower is in Chapter 12 or 13 BK, the applicant must obtain approval from bankruptcy court/trustee to enter into a mortgage transaction, if not loan is ineligible Any outstanding judgement/lien or outstanding tax liability must be satisfied in full prior to or at closing. If satisfied at closing – a payoff statement must be provided and evidence of payment reflected on the closing disclosure SC Housing will allow an established tax payment plan meeting applicable insurer requirements; provided that the outstanding balance for all years owed does not exceed \$5,000 and a minimum of 3 consecutive months payments have been made Maximum Debt to Income (DTI) is the lesser of 50% or the AUS approval, except; <ul style="list-style-type: none"> FHA Manufactured Housing is limited to a max 45% DTI regardless of AUS Approval FHA Manual Downgrade limited to the lesser of 43% DTI or the AUS approval

Unless otherwise stated below - follow applicable insurer requirements.

LTV/CLTV	Conventional Fannie and Freddie*	FHA	USDA	VA
One Unit	97% / 105%	96.5% / 105%	100% / 105% - USDA will guarantee up to 100% Appr. Value + G-Fee	100% + VA Funding Fee NO MAX CLTV
Two Unit	95% / 105%*			

AUS/Underwriting	<p>Credit underwriting authority is delegated to the participating lender. Loans must be underwritten and approved by lender prior to submission to SC Housing in compliance with applicable AUS Guidelines and receive an acceptable recommendation.</p> <ul style="list-style-type: none"> • Conventional (Fannie Mae) “HFA Preferred” DU receive Approve/Eligible and Lender must select HFA Preferred on the Additional Data Element Screen under Community Lending Section- AUS must reflect SFC 118, 127 and 782. LPA findings are not permitted for delivery under this program • Conventional (Freddie Mac) “HFA Advantage” LPA receive Accept risk class recommendation. Lender must select HFA Advantage in the Offering Identifier field of LPA. LPA must reflect a SFC of 251. DU Findings are not permitted for delivery under this program • FHA/VA – DU (Approve Eligible) and LPA (Accept) • USDA – GUS (Accept/Eligible)
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Manual Underwriting	<p>Manual underwriting is permitted on FHA products ONLY. Lenders must follow Lakeview Loan Servicing specific requirements,</p> <p>Manual Downgrade permitted with a min. 660 credit score and only in cases that approve/eligible or accept AUS recommendations are received and overall insurability and eligibility of loan are not affected.</p>
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Asset/Employment	<p>Assets - SC Housing will follow insurer and AUS requirements for asset and gift verification. Gifts must meet all documentation and transfer requirements of the insurer. Gifts are permitted when provided by a relative, domestic partner, or fiancé/fiancée only and may be used to pay debt off for qualifying purposes.</p> <p>Employment - Lender must follow AUS and insurer requirements for verification of both current and previous employment. Any letters of explanation regarding gaps of employment exceeding 30 days must be explained by borrower. All sources of income must be legal and in accordance with all applicable federal, state and local laws, rules and regulation</p> <ul style="list-style-type: none"> • Lender must obtain a verbal verification of employment (VVOE) prior to closing within the time frames established by insurer or any time after closing but prior to funding by SC Housing. • A 4506-T/4506-C form is required to be signed at closing for all transactions
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Tax Returns/Transcripts	<ul style="list-style-type: none"> • Tax transcripts are required in the following circumstances: <ul style="list-style-type: none"> ○ When the tax returns are used to qualify a borrower. The number of years provided must be based on the AUS findings. Income verified via tax returns includes but is not limited to the examples listed below: <ul style="list-style-type: none"> • Self-employment income • Rental income • Other income sources (i.e. Dividend Interest, Capital Gains, Alimony, etc.) ○ When a written VOE form 1005 is used as standalone income verification ○ Employment by a family member ○ When amended tax returns have been filed, transcripts are required and must support the amended income • W2/1099 transcripts will not be required when all income for that borrower is derived from W-2 wage earner and/or 1099 fixed income
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Mortgage Insurance Requirements	<p>Conventional - Private mortgage insurance (PMI) required on all loans over 80% LTV. Refer to Lakeview Program Matrices for acceptable MI Companies. MI can be Borrower Paid – Monthly, Financed, Split or</p>
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Single Premium – **LENDER PAID MI is not eligible**

LTV	BELOW 80% AMI	ABOVE 80% AMI
95.01 – 97%	18%	35%
90.01 – 95%	16%	30%
85.01 – 90%	12%	25%
80.01 – 85%	6%	12%

Government (FHA, USDA, VA) - Follow AUS and insurer requirements

Interested
Party
Contributions

Follow insurer requirements

Eligibility/
Compliance
File Submission

Loan files must be submitted to SC Housing via Lender Online <https://www.lol.schousing.com> with documents in the order of the checklist. Files not delivered in order or missing documents may be returned for re-submission.

The following documentation is required by SC Housing prior to closing for determination of program compliance and eligibility. Upon review of acceptable documentation, a Certificate of Eligibility will be issued:

- Request for Eligibility Determination Form “PA-001”
- Notice to Borrower Form “PA-002” (For Loans with DPA Only)
- 1008 – Uniform Underwriting and Transmittal Summary (Conventional and USDA Loans)
- 92900LT – FHA Loan Underwriting Transmittal Summary (FHA Loans)
- VA Loan Analysis (VA Loans)
- 1003 – Uniform Residential Loan Application
- AUS Findings
- MI Certificate
- Homebuyer Education Certification

program guide

Palmetto Home Advantage Program

lender allowable fees and charges

• **First Mortgage**

- Origination fee allowed (paid to lender)
- Discount Points may not be charged.
- Reasonable and customary fees provided fees do not exceed the amounts charged for non-SC Housing loans. Fees may be charged lump-sum or individually. Fees must be directly related to actual services rendered for providing the loan, whether or not those fees are paid to a third party or collected by the Participating Lender for providing those services.
- **Fees deducted at the time of purchase - This fee may be charged to the borrower if permitted by the applicable insurer.**
- Tax service fee \$75. Funding Fee of \$400
- Flood Certification Transfer Fee \$10
- Extension and late delivery fees, if applicable - May be paid by borrower, lender, builder, seller, realtors, as appropriate

• **Second Mortgage**

- Only mortgage recording fees up to \$35 may be charged for recording of the DPA
- No title insurance required

- **High Cost/HOEPA** – Loans that fall under the provisions of High Cost and/or Home Ownership Equity Protection Act (HOEPA) are not eligible
- **High Priced Mortgage Loan (HPML)** loans are acceptable in accordance with insurer guidelines

accrued interim interest and premiums paid to lender

- 100% of the amortized balance of the first mortgage on the day of purchase
- Accrued interim interest up to the day of purchase
- Servicing release premium (1.5% UPB first mortgage loan)

cash back to borrower at closing

Cash back to the borrower(s) at closing cannot exceed the documented amount that the borrower has prepaid (including Earnest Money Deposit (EMD) cost for appraisal, credit report, inspections, etc.) Any amounts exceeding credit for POC items and a principal reduction, lender must reduce the loan amount of the first mortgage by the difference prior to closing the loan. No portion of the SC Housing DPA second mortgage may be given as cash back to the borrower.

property insurance coverage and deductible

All property insurance coverage and deductible limits must comply with investor/insurer and Lakeview Loan Servicing's requirements

delivery requirements

Closed Loan File - Seller must deliver the entire loan file (credit and closing package) to Lakeview Loan Servicing within 2 days of Lock Expiration Date. Consult Lakeview Loan Servicing delivery requirements for details. Loans aged more than 45 days from the note date will not be purchased by Lakeview Loan Servicing. Closed Loan File must be delivered electronically to the Seller Portal located at www.lakeviewcorrespondent.com in accordance with delivery requirements and applicable checklist. (PLEASE INCLUDE COPIES OF THE DPA SECOND LIEN NOTE AND MORTGAGE IN YOUR SUBMISSION)

- First Mortgage Note endorsed in Blank
- Second DPA Note is endorsed to South Carolina State Housing Finance and Development Authority and is DELIVERED TO LAKEVIEW along with the first mortgage note.
- The DPA Mortgage must be transferred in MERS to SC Housing – ORG ID - 1008745

Final Documentation - Final Documents for first and second (DPA) including recorded mortgage and original title policy should be delivered to Lakeview Loan Servicing's final document vendor.

Indecomm Global Services
FD-BV-9902
1427 Energy Park Drive
St. Paul, MN 55108
Bayview.Viewpoint@indecmm.net

sc housing contact information

Lender Help Desk 803.896.2211 mortgage.production@schousing.com
Underwriting Questions/File Submission and Status Updates under.writing@schousing.com

SC Housing ID's

FHA – 4723009993 VA – 679535 USDA – 591585639 MERS - 1008745 SC Housing EIN 59-1585639

SC HOUSING

PA-001 LENDER Request for Determination of Eligibility

Applicant: MICKEY THE MOUSE

Co-Applicant:

Property Address: 245 RIVER SONG RD

City: IRMO

State: SC

Zip: 29063

SCH Loan No.: 355999004678

Loan Amount: 98,189.00

DPA Loan No.: 356999008594

DPA Amount: 0.00

Lending Partner: SCSHFDA

Contact: SUZY SQUIRREL

Lender Phone: (803) 896-2211

Email: suzy.squirrel@schfda.com

Please upload the following documents via e-Docs for review and determination of program eligibility:

- ☐ 1. Request for Eligibility Determination (PA-001)
- ☐ 2. Notice to Borrower Form (PA-002)
- ☐ 3. 1008 -(CONV/USDA); 92900LT-(FHA) Loan Analysis-(VA)
- ☐ 4. 1003 - FINAL Uniform Residential Loan Application AUS
- ☐ 5. Findings
- ☐ 6. Homebuyer Educ. Cert., required for at least one borrower
- ☐ 7. Mortgage Insurance Cert - Effective 12.16.2022

LENDER CERTIFICATION

The undersigned lender certifies that the loan application, initial (Loan Estimate) and final (Closing Disclosure) loan disclosures and all verifications of employment, income and deposits, and all other loan documents have been processed in compliance with all applicable federal and state laws and regulations and, to the best of the lender's knowledge, the loan complies with all of South Carolina State Housing Finance and Development Authority's (SCHFDA) underwriting standards including but not limited to Master Servicer e- signature policies. The undersigned lender further certifies that all information provided in support of this loan is true, complete and accurate to the best of the lender's knowledge and belief.

Date

Signature of Lender

Print Name of Authorized Signature



300-C Outlet Pointe Boulevard, Columbia, South Carolina 29210

Telephone: (803) 896-9001 (800) 476-0412 TTY: (803) 896-8831 www.schousing.com

Notice to Borrower Palmetto Home Advantage Mortgage Program

I acknowledge by signing below that I am applying for assistance from the South Carolina State Housing Finance and Development Authority (SCSHFDA) in the form of a subordinate, second mortgage lien under the Palmetto Home Advantage Mortgage Program.

This Disclosure Notice is required to be presented to me by the originating lender before settlement (commonly called the "closing") of my mortgage.

As a borrower under this program, I understand that the subordinate second mortgage lien for down payment assistance ("DPA") has the following terms and conditions as explained by my originating lender:

1. The interest rate on the DPA is 0% and is non-amortizing (requires no monthly payment).
2. A Loan Estimate (LE) disclosure must be provided to me by the originating lender before closing (settlement).
3. The total costs payable by the borrower(s) in connection with the second mortgage lien at closing are limited to recording fees.
4. No attorney's fees can be charged on the second mortgage (lien).
5. I acknowledge that by accepting the down payment assistance (DPA), the first mortgage interest rate may be higher than a loan without down payment assistance (DPA).
6. The DPA funds can only be used for closing costs, pre-paid expenses, and down payment.
7. If I sell the home or refinance my 1st mortgage, I understand that any portion of my 2nd mortgage (DPA) not yet forgiven under the terms of the Promissory Note is required to be repaid to the SCSHFDA. The DPA is not a grant.

If I have any questions about the Program, I will ask my lender or contact SCSHFDA for additional information before signing this document.

Date

Signature of Borrower

Print Name

Date

Signature of Co-Borrower

Print Name

program guide



SC Housing Mortgage Tax Credit (MCC)

Effective December 16, 2024

The SC Housing Mortgage Tax Credit Program is made available by the South Carolina State Housing Finance and Development Authority (“SC Housing”). An eligible homebuyer will receive a Mortgage Credit Certificate (MCC) which allows a **Federal tax credit** that may reduce their income tax liability. The homebuyer’s tax liability may be reduced each year by an amount equal to **30%** of the mortgage interest paid, up to \$2,000.00. The homebuyer remains eligible to receive the tax credit for as long as he retains ownership, lives in the home, pays interest on the mortgage and has an actual tax liability. Any mortgage interest remaining after the tax credit may still be claimed as a mortgage interest deduction on the homebuyer’s federal income tax return. An MCC reduces a homebuyer’s tax liability dollar-for-dollar, but may never exceed the actual tax liability. Potential homebuyer(s) should consult their tax advisor to determine if the MCC is right for them.

A homebuyer with an MCC may see an immediate increase in take-home pay by reducing the amount of federal tax their employer withholds. Or, they may choose to keep their withholdings at the same level with the potential to receive a larger refund when filing federal income tax returns or by reducing the amount of taxes owed.

Loan Purpose/Type	This program can be used with Conventional, FHA, VA and Guaranteed Rural Housing loans. The MCC cannot be used in conjunction with a SC Housing bond loan or FHA 203(K).					
Homebuyer Eligibility	The First Time Homebuyer Eligibility requirement is dependent upon whether a borrower purchases property in a targeted or a non-targeted county.					
	Aiken	Anderson	Charleston	Greenville	Greenwood	Lancaster
	Lexington	Oconee	Pickens	Richland	Spartanburg	York
	The First Time Homebuyer requirement in non-targeted counties can only be waived for the following: <u>Veterans</u> – Must have served on active duty in the U.S. Armed Forces (other than active duty for training) and received a discharge other than dishonorable and not previously utilized a waiver to receive a bond funded loan. Borrowers purchasing properties in any other county not listed above are considered targeted and cannot have ownership interest in another property to include a mobile home taxed as real property at the time of loan closing, but may have had an ownership interest in a principal residence within the past three years. Unimproved land is allowed. This requirement applies to all borrowers. <ul style="list-style-type: none">• Must be a US Citizens, Permanent Resident Alien with a “Valid Green Card” – (Alien Registration Receipt Card; INC USCIS Form I-551) – VISA of any kind are not eligible• Borrowers purchasing property in the following non-targeted counties must not have had an ownership interest in another property within the three years prior to loan closing: SC Housing does not allow cosigners or non-occupying co-borrowers. In addition, SC Housing will not permit non-borrowing spouses or others not obligated to the underlying mortgage loan to take title to the subject property.					
Income and Sales Price Limits	Compliance Income used for program eligibility is based on total income for anyone that is listed on the loan application and/or holding title to the property at closing. Refer to program manual for more specific details. Income and Sales Price limits must meet program and investor requirements. Limits are county-specific and are subject to change without notice. Refer to the SC Housing Homebuyer Sales Price and Income Limits that can be found in Lender Online .					

Reservation	<p>Rate locks will be accepted from 10:00 AM – 6:00 PM Monday - Friday; excluding state recognized holidays and days that the US Financial Markets are closed for business. Rates are posted daily at https://lol.schousing.com and are subject to change without notice.</p> <p>Rate Lock Periods</p> <ul style="list-style-type: none"> 60 day – New and Existing Construction - one-time extension, up to 30 days will be permitted and must be submitted prior to expiration of original lock
Fees and Costs	In addition to the MCC non-refundable funding fee of \$500 , the lender has the option of charging the borrower an additional administrative fee of up to \$500 for the MCC. The fee can be paid by the borrower or seller.
Eligible Properties	<p>Owner Occupied, primary residence; Single family, one unit; PUDs, attached, detached; condominiums; true off frame modular homes and manufactured housing eligible for insurance under FHA, VA, USDA or Conventional loan guidelines permitted; Full Appraisal meeting all insurer and AUS requirements; Property must be located in South Carolina</p> <ul style="list-style-type: none"> Properties cannot exceed 5 acres.
Credit Score Requirements	There are no minimum credit score requirements for the SC Housing Mortgage Tax Credit Program. However, if the MCC is issued in conjunction with another SC Housing Loan Program, all applicants must meet the credit score requirements outlined in the respective Program Manual.
Federal Tax Transcripts	<p>Tax Transcripts for the last three calendar years are required on all MCC submissions, where property is located non-targeted counties and one year where properties are located in a targeted county or the homebuyer meet the veteran's exemption.</p> <p>Taxes for the most current year must be filed no later than February 15 of the following calendar year. Refer to manual for specific detail.</p>
Qualifying a Mortgagor with MCC	The MCC Tax Credit may either be used as income to qualify or as a reduction to the monthly payment subject to investor guidelines/requirements. SC Housing does not make the determination for credit qualifying purposes; please consult your underwriter for further clarification.
Closing Requirements	<p>Once the borrower has been determined eligible for the MCC, SC Housing will issue a Certificate of Eligibility and all necessary documents that must be executed by the borrower(s) prior to the issuance of the MCC certificate.</p> <p>THE MCC MUST BE CLOSED SIMULTANEOUS WITH THE FIRST MORTGAGE CLOSING. All MCC closing documents must be dated the day of closing. MCC Certificate will not be issued if documents are not executed same day.</p>
Delivery Requirements	The Approval Submission Package must be sent to SC Housing at least 15 days prior to the scheduled loan closing. The loan file must be delivered via e-Docs in accordance with the MCC Transmittal Checklist (SC-MCC-101).
Closed Loan Submission Package	<p>After loan closing, SC Housing requires submission of the original closed loan package, in accordance with the Closing Package Checklist (SC-MCC-300). Lender must include a check payable to South Carolina State Housing Finance and Development Authority for the MCC Issuance Fee of \$500.00. This check must be certified funds or a lender check.</p> <p>The documentation outlined below must be submitted to SC Housing within 30 days of the MCC Conditional Commitment Expiration Date. Failure to comply with this requirement will result in an automatic cancelation of the Conditional Commitment.</p> <p>Upon receipt and review of acceptable documentation the Mortgage Tax Credit Certificate will be issued and the original will be mailed to the borrower and copy will be forwarded to the lender.</p>
Federal Recapture	The Mortgage Tax Credit program is subject to Federal Recapture
Re-Financing a Loan with an MCC	<p>Borrower(s) that have a loan with an existing MCC attached can re-finance their homes and still keep the MCC. The following requirements apply:</p> <ul style="list-style-type: none"> The property must be owner occupied The MCC percentage amount will be the same as the original MCC The loan must be a fixed rate loan to a fixed rate loan One re-issuance per eligible holder The re-issuance must be completed within 1-year of the refinance closing A \$250 re-issuance fee will be required See SC Housing Mortgage Credit Certificate Program Manual more details
<p>Lender shall deliver loans that were originated in accordance with AUS and insurer guidelines as applicable, unless otherwise stated with this program guide. **In the case of conflicting guidelines, lender must follow the more restrictive to meet the credit, income limits, total debt-to-income ratio, loan and property requirements. Information contained in this program guide is for Lending Partner use only and not intended for use by individual consumers or borrowers.</p>	

SC HOUSING

SC MCC-101 Request for Determination of Eligibility

Borrower(s):		Co-Borrower:	
Property Address:			
Loan Amount:			
MCC Number:			
Lending Partner :			
Contact:		E-mail:	
Lender Phone #:			
<p>(SC MCC-101) MCC Submission Package Checklist</p> <p>(1003) Residential Loan Application (Initial) - Used to verify income sources/marital status/occupancy etc.</p> <p>Underwriter Data Summary and Approval (92900LT, 1008, VA Loan Analysis)</p> <p>(SC MCC-111) Declaration of Citizenship Status</p> <p>(SC MCC-103) Request for Conditional Commitment - Mortgage Affidavit and Borrower Certification</p> <p>(SC MCC-105) Seller Affidavit</p> <p>(SC MCC-107) Notice to Applicant of Potential Recapture of Federal Subsidy</p> <p>(SC MCC-108) IVES Request for Transcript of Tax Return (IRS Form 4506-C)</p> <p>(SC MCC-400) Federal Income Tax Materials Worksheet (SC MCC-402) Compliance Income Worksheet</p> <p>(SC MCC-403) Mortgage Tax Credit Program Worksheet</p> <p>Verification of Current Employment (written VOE); Current Pay Stubs verifying YTD income</p> <p>Verification of Prior Employment (written or verbal) with most recent calendar year's IRS Form W-2s</p> <p>Signed copies of applicant(s) THREE(3) previous years Federal Income Tax Materials (TAX TRANSCRIPTS)</p> <p>Copies of most recent year IRS W-2, 1099 and/or K-1 to Federal Income Tax Materials</p> <p>Recorded Separation Agreement and/or Divorce Decree and Child Support Maintenance Agreement</p> <p>(SC MCC-104) Trustee Certification for Application; if applicable and Certificate of Appointment, if applicable (SELLER ONLY)(SC MCC-108)</p>			

SC HOUSING

Declaration of Citizenship Status

This declaration must be completed for each borrower on the application and all household members who will reside in the property after closing.

Borrower(s):

Property Address:

The below individuals sign and certify that they declare under penalty of perjury that they meet one of the following requirements for citizenship status to comply with SC State Housing Finance and Development Authority program requirements.

- US Citizen by birth, a naturalized citizen or national of the United States
- A non-citizen with eligible immigration status that is lawfully admitted for permanent residence as defined by Section 101(1)(2) of the Immigration and Nationality Act (INA) as an immigrant defined by Section 101(a)(15) of the INA(8 U.S.C 1001(a)(20) and 1101(a)(15) respectively. (Permanent Resident Alien)
 - o This must be evidenced by Form I-551 “Permanent Resident Card” (Green Card) - Each party must provide front and back copies of the card and is subject to SAVE verification with the Department of Homeland Security - US Citizenship and Immigrations Services.

Borrower:

Borrower Name		Social Security #		Date of Birth (mm/dd/yy)	
SELF				<input type="checkbox"/>	U.S. Citizen
Relationship to Borrower		Alien Registration # (if applicable)		<input type="checkbox"/>	Resident Alien
Check if Adult signing for a child				Nationality (Mark (1) One)	
Signature of Borrower			Date		

Co-Borrower:

Co-Borrower Name		Social Security #		Date of Birth (mm/dd/yy)	
SPOUSE				<input type="checkbox"/>	U.S. Citizen
Relationship to Borrower		Alien Registration # (if applicable)		<input type="checkbox"/>	Resident Alien
Check if Adult signing for a child				Nationality (Mark (1) One)	
Signature of Co- Borrower			Date		

Occupant:

Occupant Name		Social Security #		Date of Birth (mm/dd/yy)	
				<input type="checkbox"/>	U.S. Citizen
Relationship to Borrower		Alien Registration # (if applicable)		<input type="checkbox"/>	Resident Alien
Check if Adult signing for a child				Nationality (Mark (1) One)	
Signature of Occupant or Adult Family Member			Date		

Occupant:

Occupant Name		Social Security #		Date of Birth (mm/dd/yy)	
				<input type="checkbox"/>	U.S. Citizen
Relationship to Borrower		Alien Registration # (if applicable)		<input type="checkbox"/>	Resident Alien
<input type="checkbox"/>	Check if Adult signing for a child				Nationality (Mark (1) One)
Signature of Occupant or Adult Family Member			Date		

Warning: South Carolina Code Section 16-9-10 provides, among other things, that it is unlawful for a person to willingly give false, misleading or incomplete information on a document, record, report or form required by the laws of this State, Any person who violates that section is guilty of a misdemeanor and, upon conviction, must be imprisoned not more than six months or fined not less than one hundred dollars, or both.

Request for Conditional Commitment

Mortgage Affidavit and Borrower Certification

I/we the undersigned, as part of my application for a Mortgage Loan and/or Mortgage Credit Certificate (MCC) offered by the South Carolina State Housing Finance and Development Authority (SC Housing), and as a material inducement for SC Housing to issue an MCC or approve a loan from a participating lender for the purchase of a single-family residence and the land appurtenant (Residence), and to verify conformity with state and federal requirements, I attest to the following:

1. RESIDENCE ADDRESS: The Residence being purchased is a single-family property located in the State of South Carolina at:

Property Address:

Property County:
2. RESIDENCE STATUS: Check the statement that applies (**check one**).
The Residence is **new**, never occupied.
The Residence is an **existing**, previously occupied residence.
3. OCCUPANTS: The number of occupants in my household, including me and **ALL other** persons who intend to occupy the Residence as a principal residence, is _____ (**enter total number living in property**).

I certify that all occupants of the Residence being purchased are listed here. All occupants who will be mortgagor(s) including any other person who is expected to both live in the residence being financed and become secondarily liable on the mortgage must furnish all required income documentation (VOE, paystub, tax returns and sign all our documents) and must meet all Program Guidelines (e.g., income not over county limit and cannot have owned a principal residence in the last three years). Secondarily liable on the debt shall include someone who acts as a surety or guarantor if they also intend to live in the residence being financed. For purposes of this program, a spouse must provide all required income documentation as well as any titleholder who resides in the Residence.

Gross Annual Income (base + OT + other)

Borrower Name: \$

Co-Borrower Name: \$

Titleholder Name: \$

[Failure to list all borrower(s) and titleholders will result in loan being denied.]

Non-Borrowing Occupants (must be listed below)

Occupant Name (non-borrower)	Age	Relationship to borrower(s)
Occupant Name (non-borrower)	Age	Relationship to borrower (s)
Occupant Name (non-borrower)	Age	Relationship to borrower (s)

4. OCCUPANCY CERTIFICATION: The Residence will be occupied and used as my principal residence within 60 days after the date of loan closing. The Residence **will not be used** as an investment property, vacation home, or rental home and not more than 15% of the area of the Residence will be used in a trade or business. I understand and agree that:

(a) I have been duly notified that if the Residence ceases to be my principal residence that the Mortgage Credit Certificate (MCC) will be automatically revoked and I will no longer be entitled to claim the credit.

- (b) The land appurtenant to the Residence does not provide a source of income to the Borrower and is needed to reasonably maintain the basic livability of the Residence. No land can be separated from the land being financed and offered for sale as a separate residence without permission of SC Housing. Properties cannot exceed 5 acres.
- (c) **As a Non-Borrower Occupant**, I agree to execute all documents required by SC Housing. I certify that I will not have ownership of the Residence or intend to have ownership of the Residence.
- (d) I will notify SC Housing immediately, in writing, if the Residence ceases to be my principal residence or in the event that I vacate the Property, and to keep SC Housing informed of my current mailing address.

5. COMPLIANCE INCOME CERTIFICATION: I have enclosed as part of my application evidence of ALL family income for the mortgagor(s), including any other person who is expected to BOTH live in the residence being financed and become secondarily liable on the mortgage. The income used in determining the total annual family income will be the income of the mortgagor(s) (including titleholders) and any other person who is both expected to live in the residence being financed, and who will become secondarily liable for the mortgage. For purposes of this program, **a spouse must provide all required income documentation.**

I understand **I AM NOT** eligible for a mortgage loan and/or MCC if my annual family income **exceeds** the Income Limits authorized by SC Housing under rules and regulations set by federal and state entities. Income limits are subject to change. ***Please complete all questions below:***

- A. I attest, **as a Borrower** that I do or do not receive child support.

I Do (If I do, the amount received per month is \$_____)
I Do Not
- B. I attest, **as Spouse** that I do or do not receive child support.

I Do (If I do, the amount received per month is \$_____)
I Do Not
- C. I attest, **as a Titleholder or Co-Borrower** that I do or do not receive child support.

I Do (If I do, the amount received per month is \$_____)
I Do Not

Documentation Attestation: I have enclosed as part of my application evidence of all income. (e.g., Alimony, Child Support, Award Letters, Part-time Jobs, Pay Stubs, Self-Employment, etc.).

Check one.

- D. This is to attest I, **as Borrower** am **NOT** providing a copy of divorce /separation / child support documents because. **Check one.**

Does not apply
Never Married
Other Reason
- E. This is to attest I, **as Spouse** am **NOT** providing a copy of divorce /separation / child support documents because. **Check one.**

Does not apply
Never Married
Other Reason
- F. This is to attest I, **as a Titleholder or Co-Borrower** am **NOT** providing a copy of divorce /separation / child support documents because. **Check one.**

Does not apply
Never Married
Other Reason

6. FIRST-TIME HOMEBUYER CERTIFICATION: Check the statement that applies (check one):

I individually, or together with another person who will be liable on the mortgage, have not had an ownership interest in a principal residence within 36 months from the date shown below, or closing date, whichever is later. For this purpose, a principal residence includes a single-family residence; condominium stock held by a tenant stockholder in a housing corporation; or any manufactured home (including a mobile home). Prior ownership interest in a manufactured home, which is not permanently fixed to a foundation and was not taxed as real estate is acceptable. For this purpose, an ownership interest means any ownership, whether outright or partial, including property subject to a mortgage or other security interest. The term ownership interest means a fee simple ownership interest, a joint ownership interest by joint tenancy, tenancy in common or tenancy by the entirety, a tenant-shareholder interest in a cooperative, an ownership interest in trust, a life estate interest, and purchase by contract for deed (or similar transaction).

The preceding section (a) is not required because the Residence is located in a targeted Area (as defined and listed on the SC Housing website).

I am exempt from the three-year non-ownership requirement because this mortgage qualifies for the one-time exception to the “First-Time Homebuyer” requirement for Veterans who purchase a home using the proceeds from a Qualified Mortgage Revenue Bond. I certify that I am a veteran defined as a person who served in active duty of the United States Armed Forces or Reserves and who was discharged or released under conditions other than dishonorable. I further certify that I have not previously used this one-time exception for a Mortgage Revenue

Bond Tax Exempt financing or Mortgage Credit Certificate assisted loan. List person claiming exempt status.

7. **TAX RETURNS CERTIFICATION:** I am required to provide and hereby authorize the lender and/or SC Housing to request official IRS tax transcripts or true and complete copies of my signed federal income tax returns for the prior three tax years as may be acceptable to SC Housing and the Lender.

Complete the following section only if you **were not** required by law to file federal income tax returns for any year during the preceding three years.

I certify that I **was not** required by law to file a federal income tax return for the following year(s): _____ for the reason(s) stated below:

(Borrower, year) _____

(Co-Borrower/Spouse, year) _____

(Additional Mortgagor(s), year) _____

(Titleholder(s), year) _____

Check the following section only if closing for the MCC-assisted loan (Mortgage Credit Certificate) or applicable Mortgage Loan will occur between January 1st and April 15th, **and** you have not filed your federal income tax return for the prior year.

I certify that if Mortgage closing is occurring between January 1 and April 15 and I have not yet filed my federal income tax return for the prior year that when I file my federal tax return for the prior year, I will neither be entitled to, nor claim deductions for real estate taxes or interest on indebtedness with respect to a principal residence for that year.

8. **TAX LIABILITIES:** Any borrower, spouse, or other interested party who will hold title to the property, who has **unpaid, unsatisfied, and/or unreleased federal or state tax liabilities** (either unpaid balances or liens) are ineligible for SC Housing Programs. Any tax lien must be satisfied prior to loan purchase and evidence to support the satisfaction or release of the lien must be included in the loan file.

A borrower, spouse, or other interested party who will hold title to the property and has established an installment agreement with the Internal Revenue Service, owes a cumulative total for all tax years of \$5,000 or less, and has at least a three-month timely payment history will not be considered ineligible in accordance with insurer requirements.

9. **PURCHASE PRICE CERTIFICATION:** I certify that the total cost of acquiring the Residence as a completed residential unit is equal to or less than \$_____.

The total acquisition cost of the land and the completed Residence includes:

- (a) Other amounts paid by me to the seller and not in the contract price (such as money for extra work, allowance overages, or reimbursement of any seller-paid points not in the sales contract price) or paid by a person related to me or for the benefit of me, to the seller or a person related to or acting on behalf of the seller.
- (b) A reasonable cost estimate of completing or repairing the Residence must be included in the acquisition cost, whether or not the construction is completed. A cost estimate of completing the Residence at closing, includes such construction items as, labor, materials, commissions, builder's fees, hook-up and tap-on fees, permits, architectural fees, site improvements, subcontracted items, construction loan interest, etc.
- (c) If new construction, the total cost of acquiring the Residence should include the construction cost plus the value of the land. The appraised value of the land should be used if the land has been received by the Borrower as a gift. If the land has been owned by the Borrower for more than two years before construction, the cost of the land is not included. If land has been owned less than two years, include the actual cost of the land.
- (d) Check here, if Residence purchased is subject to ground rent or a leasehold.
- (e) No side deal or agreement, either verbal or written, is presently contemplated for the completion of the Residence or an addition to the Residence.

10. **LENDER CHOICE CERTIFICATION:** I understand that I may seek financing from any lender of my choosing provided that lender and SC Housing have executed the required Lender Participation Agreement and that I am in no way prohibited from seeking financing from any particular lender.

11. TARGETED AREA CERTIFICATION: I acknowledge that, if requested, a list of Targeted Areas has been made available to me prior to the execution of the Request for Conditional Commitment.
12. ELIGIBILITY CHANGES CERTIFICATION: I understand and agree that changed conditions in acquisition costs, income and/or program requirements may disqualify me at closing from receiving the Mortgage Loan and/Mortgage Credit Certificate (MCC) although I was eligible at the time of application.
13. NEW CONSTRUCTION CERTIFICATION: I certify that if the Mortgage application is for the purchase of a newly constructed residence, that the Residence has not and will not be occupied prior to loan commitment. If the Residence is a newly constructed, never occupied residence, I certify that the proceeds of the mortgage will not be used to replace an existing mortgage or contract for deed (or similar transaction) unless the existing mortgage or contract for deed (or similar transaction) is for a construction loan of 24 months or less, bridge loan, or similar temporary loan financing of 24 months or less. If the Residence is a previously occupied, existing residence, I certify that the proceeds of the Mortgage will not be used to replace my existing mortgage or my existing contract for deed (or similar transaction).
14. DOWN PAYMENT ASSISTANCE: SC Housing offers down payment assistance (DPA) to qualified first-time homebuyers who have completed an approved Homebuyer Education course and obtained a completion certificate. In the event the DPA is forgivable, there are no payments due unless one of the following occurs:

- You prepay the first mortgage prior to its scheduled maturity;
- Title to the Residence is transferred to someone else;
- You are in default on your first mortgage and it becomes due prior to its scheduled maturity; or
- You no longer occupy the Residence as your primary residence.

If any of the events described above occur, you must repay the outstanding principal amount of the DPA loan. No interest will be collected on the amount of forgivable DPA.

15. HOLD HARMLESS CERTIFICATION: I understand that the Lender and SC Housing will determine my eligibility to receive a mortgage loan and/or MCC. SC Housing will not inspect the Residence for defects and makes no representation as to the physical condition of the Residence. I agree to hold SC Housing harmless from any action or inaction on the part of the Lender, the Seller, the contractors or other involved parties.
16. MCC ONLY – ASSUMABILITY CERTIFICATION: I understand that if a MCC-assisted mortgage loan is to be assumed by a new borrower, the MCC may be issued to the new borrower under certain guidelines. The new borrower's acquisition cost and income limits must not exceed the SC Housing limits in effect at the time of the loan assumption. The new borrower must occupy the unit as a principal residence within 60 days of the assumption, and must be a first-time homebuyer, unless the home is in a Targeted Area. The new MCC will be issued in the same credit amount as for the original MCC. Additionally, the new MCC must comply with any changes in federal, state, or SC Housing policies that have amended the MCC requirements. There will be a nonrefundable MCC processing fee.
17. MCC ONLY – TRANSFERABILITY CERTIFICATION: I understand and agree that if an MCC is issued to me, it is not transferable to another person or property. I also understand that an MCC issued to me may be re-issued only once as a result of a refinance of my existing mortgage, but only if the mortgage being refinanced is from a fixed-rate mortgage into another fixed-rate mortgage. The re-issued MCC will expire on the final payment date of the original mortgage loan. The request for a re-issued MCC must be completed no later than two years after the date of the refinance, and must be made in writing to the Agency with copy of Closing Disclosure.
18. MCC ONLY – TAX ADVICE CERTIFICATION: I have been advised by the Lender to consult a tax accountant or to calculate federal tax consequences as a result of participation in the MCC program and not to rely solely on any statements made by the Lender or SC Housing. I have been advised that use of the MCC will reduce my mortgage interest deduction for federal tax purposes and that the MCC does not offer any state income tax credit. I understand that the maximum annual value of the credit is \$2,000 or the applicable tax credit amount, whichever is less. I acknowledge that depending on my individual tax situation, the MCC may not always provide a benefit to me in any given year.
19. RECAPTURE TAX: As a Mortgagor, I may receive benefits from the Mortgage Loan or MCC such as a tax credit that may reduce my federal income tax liability. As a result, pursuant to Section 143(m) of the IRS Code, I may become subject to a special "recapture tax" for federal income tax purchases. The maximum amount of the recapture is 6.25% of the original principal balance of the loan. You will be provided with additional information about this potential recapture tax at the time of your loan closing. SC Housing will reimburse any borrower the full amount of any recapture tax they are required to pay.
20. MORTGAGE ASSUMPTION: I have been advised that SC Housing may consent to a qualified assumption in accordance with its procedures without jeopardizing the tax-exempt status of its bonds. Without such approval, the Residence may not be sold subject to the mortgage loan and DPA. The execution by the borrowers of a land sale contract, contract for deed, or similar arrangement that transfers ownership and/or changes the occupancy status of the Residence (or the borrower's rights) is a sale of the Residence for this purpose. DPA mortgages cannot be assumed under any circumstance.

21. ESCROWS: Escrows for taxes and property insurance, including hazard, flood and wind/hail (if applicable), are required for the term of the first mortgage. DPA mortgage loans do not require an escrow account.
22. REFINANCING: No Mortgage Loan may be used to refinance permanent financing or replacement of an existing loan in connection with the Residence.
23. APPLICATION ACCURACY: All information contained in the application filed with the Lender is true and correct and I have no other debt obligations beyond what is listed on the mortgage loan application.
24. AUTHORIZATION TO RELEASE INFORMATION: I understand I am obtaining a Mortgage Loan and/or Mortgage Credit Certificate (MCC) through a SC Housing program. As part of the mortgage process, I understand SC Housing or its authorized representatives may need to verify information contained in my loan application and any other documents required in connection with the mortgage loan, pursuant to SC Housing Program requirements, investor requirements, or as part of a quality control program. By signing below, I authorize the lender to release any and all information, records, and documentation that SC Housing may request. Such information may include non-public personal information including, but not limited to social security number, employment history and income; bank, money market, and similar account balances; and copies of income tax returns for the three years prior to mortgage closing.
25. MATERIAL MISSTATEMENT CERTIFICATION: I acknowledge and certify this affidavit is being made under penalties of perjury and will be relied on for purposes of determining my eligibility for a MCC and/or Mortgage Loan. **Fraudulent Statements** - Any fraudulent statement will result in (i) the revocation of my MCC or Mortgage Loan, and (ii) a \$10,000 penalty under Section 6709 of the Internal Revenue Code. **Material Misstatements Due to Negligence** - Any material misstatement due to negligence on my part will result in a monetary penalty under Section 6709(a) of the Internal Revenue Code.

Other Remedies - In addition, any material misstatement due to negligence or misstatement due to fraud that is discovered before the issuance of a MCC and/or Mortgage Loan will result in denial of my application for a MCC and/or Mortgage Loan. If an MCC has been issued prior to the discovery of a fraudulent statement, then any MCC issued will automatically become null and void without any need for further action by SC Housing. If a Mortgage Loan provided under an SC Housing program has been funded prior to the discovery of a fraudulent statement, the fraudulent misstatement will constitute an event of default and will entitle the holder of the Mortgage to accelerate the Note and, among other remedies, to institute foreclosure.

SIGNATURES REQUIRED

Applicant Signature _____	Date _____
Co-Applicant Signature _____	Date _____
Spouse Signature _____	Date _____
Occupant Signature _____ (18 years of age or older)	Date _____
Occupant Signature _____ (18 years of age or older)	Date _____
Occupant Signature _____ (18 years of age or older)	Date _____

SC HOUSING

SC MORTGAGE TAX CREDIT PROGRAM
PRELIMINARY NOTICE TO APPLICANTS OF
POTENTIAL RECAPTURE OF FEDERAL SUBSIDY

I am applying for assistance from SC Housing in the form of an MCC. I understand that there is a potential repayment of a portion of the interest savings that I may receive. Therefore, I certify that I may owe recapture tax to the Internal Revenue Service if **all** three of the following occur:

- 1. I sell my Principal Residence prior to the ninth anniversary date of the closing date AND
- 2. I make a profit on the sale AND
- 3. My household income for the year in which the sale occurs exceeds the Federal Threshold Income Limits.

A. **Notice to Eligible Holder of Potential Recapture of Federal Subsidy (SC MCC-304)** will be provided on the date of closing and SC Housing will forward the other recapture information within 90 days after closing. Both forms pertain to the “recapture” provisions imposed by the Internal Revenue Code. I understand that I will be required to file a federal tax form (IRS Form 8828) along with my federal income tax returns for the calendar year in which the Principal Residence is sold. The maximum recapture tax payable, *if any*, is the lesser of 6.25% of the loan amount, or 50% of the gain on the sale.

Date: _____

Signature of Applicant

Date: _____

Signature of Co-Applicant/Co-Occupant

SC HOUSING

SC MORTGAGE TAX CREDIT PROGRAM

FEDERAL INCOME TAX MATERIALS WORK SHEET

The Authority must review copies of the past three calendar years' Federal Income Tax Materials for an Applicant for an MCC and any other person who is expected to live in the Principal Residence subject to an MCC including income received by any household member who is 18 years of age or older (except for full-time dependant students). Copies of the IRS Form W-2s, IRS Form 1099s and/or IRS Form K-1s for the most recent calendar year should be attached. Lenders shall review the Federal Income Tax Materials and IRS Form W-2s, IRS Form 1099s and/or IRS Form K-1s for accuracy. If questions arise, we recommend you consult a qualified tax preparer.

The Request for Conditional Commitment with Item 4(d) marked is acceptable for the prior calendar year if the loan is closed before February 15. We still require copies of three prior calendar year Federal Income Tax Materials along with this affidavit for the most current calendar year (except for cases in Targeted Areas or which meet the Veterans' exemption, in which case the Lender obtains only the previous calendar year's Federal Income Tax Materials).

The Request for Conditional Commitment with Item 4(c) marked is acceptable for certifying that the Applicant did not file federal income tax returns for a particular calendar year. The calendar year that federal income tax returns were not filed must be stated on this form as well as an acceptable reason(s) for not filing. Taxes must be filed if the gross income exceeds a certain amount (see filing requirements on the IRS Form 1040 instructions)

Check the IRS Form 1040 as follows:

- ☐ **Label**
1.

Lists the Applicant(s) name and address. If two Applicants are listed on the Federal Income Tax Materials, they should be the same two Applicants requesting assistance from the Authority. If not,

(a)

Is this other person going to occupy the Applicant's property? If so, we need their income info and they must be on all of our documents; or

(b)

If this person is not occupying the Applicant's property and they filed as married we will need a copy of the recorded Separation Agreement and/or Divorce Decree
2.

Does the property address appear to be a mobile home? If requesting an MCC, the Applicant cannot have owned a mobile home in the past three years.
3.

Social Security number should agree with Transmittal Summary Sheet.

- ☐ **Filing Status**
1.

Is the filing status consistent with our file? Check the previous calendar years' Federal Income Tax Materials for consistency. We may need a **recorded** Separation Agreement and/or Divorce Decree if it appears that our Applicant was previously married to someone who is not requesting assistance from SC Housing.
2.

If the Applicant filed Head of Household during the past three calendar years:

(a)

Are the dependents listed consistently? Determine the number of people in the household.

(b)

We must have documentation regarding child support income. This is documented by Separation Agreement and/or Divorce Decree, Custody Agreements, Support Agreements (all recorded documents); income may come from social service benefits to be received for each dependent and indicate its likelihood of continuance.

(c)

If dependents are no longer living with Applicant, we will need the Applicant's statement explaining the situation.

Example: John Jones' tax returns listed the following dependents:

2023	Mary Smith, Bob Smith, Sam Jones
2022	Mary Smith, Sam Jones
2021	Walter Street

John Jones' explanation is that Sam Jones is his child and he will be living in the household; Mary and Bob and Walter are all nieces/nephews who he provided for during another time. These people are no longer living with him. This is acceptable.

(d) If dependents are listed but not living in our household, is the Applicant paying any child support? This should be considered in the credit underwriting. * If Applicants filed separate Federal Income Tax Materials, they should not have claimed the same dependents.

(e) Head of Household status is for unmarried individuals who provide a home for certain other persons. Some married persons who live apart may also qualify. See the tax guide for further info.

Income

☐

Line 7 Wage Income:

This figure should look reasonably close to what the Applicant is currently earning. Question extremely high income in this section for compliance purpose - do we have all the income documented?

☐

Line 8a Interest Income:

This figure is used in averaging interest income for compliance purposes.

☐

Line 9a Dividend Earnings:

This figure is used in averaging dividend income for compliance purposes.

☐

Line 11 Alimony Received:

Compliance income.

☐

Line 12 Business Income:

Must have Schedule C attached and have a current year-to-date P&L to determine compliance income. Is any part of this property going to be used for business use? If so, we need the **Calculation of Business Use Worksheet (SC MCC-402)** completed. Get a statement from the Applicant if no longer in business for himself.

☐

Line 15a IRA Distributions:

Compliance income if regular distributions.

☐

Line 16a Pensions & Annuities:

Compliance income if regular distributions. Income from Trusts must be documented with **Trustee Certification for Application (SC MCC-104)**.

* Any other income listed in this section should be regarded with compliance issues.

No need to review this section.

☐

Line 40

Standard deduction taken; if not, we must have the Schedule A attached. * Review Schedule A to ascertain that no deductions were taken for real estate taxes and/or mortgage interest deductions. These items indicate that the Applicant is not a first time homebuyer and will require a clear explanation. On an MCC, it would be acceptable to see these items in relation to a mobile home that was not on a permanent foundation.

Adjustment to Income

☐

Child Care Credits:

Tax Computation

If we have a 2nd mortgage, consider day care costs in cash flow.

Credits

Other Taxes

☐

Line 63

Lists total tax. Consider this figure when using the MCC Program. You would want Applicant to have sufficient tax liability to benefit from program.

Payments

No need to review this section.

Refund or Amount You Owe

Consider this section if money is owed and taxes recently filed-does Applicant have sufficient funds to pay taxes and close the loan?

If tax money is refunded, consider this when looking at available funds to close and analyzing the Applicant's ability to save money. What appears to have been saved may have been just his tax refund. Look carefully at budget and cash flow on borderline cases.

Signature

Copy of signature of taxpayer must be present.

If PC forms for the IRS Form 1040 are submitted, check the line items mentioned above. The PC form must have an Electronic Filing form as cover or be stamped from the IRS. The form should be signed by the Applicants.

TeleFile forms are acceptable. The short form would have to be used if the TeleFile form was used. This form should be signed by the Applicant(s).

Note: The line numbered items may have slight variations dependant on the calendar year in which the applicable Federal Income Tax Materials relate.

MCC Number:

Applicant's Signature

Co-Applicant's Signature

Lender Representative:

Date:

SC HOUSING

MORTGAGE TAX CREDIT PROGRAM WORKSHEET

Section A: Lender completes this section for Eligible Holders eligible for [30%] credit.

1. Mortgage loan amount

2. Interest rate

%

3. Establish first year’s interest by amortizing the loan for one year

4. Mortgage credit rate

30%

5. Tax credit equals [30%] of the first year’s interest
(limited to \$2,000.00 annually)

Max is \$2,000

6. The monthly benefit is calculated by dividing the tax credit 12 months

Max is \$166.67

If eligible holders' tax liability from the most current previous year's tax return is less than \$2,000 the maximum monthly benefit is the actual amount of the tax liability reported on the return divided by 12.

Example for completing Section A

1. Mortgage loan amount

\$225,000.00

2. Interest rate

3.00%

3. First year’s interest amortized (LOAN AMOUNT x RATE)

\$6,750.00

4. Mortgage credit rate

[30%]

5. Tax credit (1ST YEAR INTEREST X 30%)

\$2,000.00

6. Estimated Monthly benefit (TAX CREDIT/12)

\$166.67

Note that the credit for the year of issuance will be prorated based on the amount of interest actually paid during such taxable year. In future years, the credit will be reduced as the loan is amortized and less interest is paid.

SC HOUSING

COMPLIANCE INCOME CALCULATION WORKSHEET

MCC Number:

Name:

TOTAL Child Support Amount Received MONTHLY: _____

TOTAL MONTHLY Back Child Support payments Received: _____

Compliance Income: Income of the Applicant AND any person who is expected to OCCUPY the subject property, including any household member who is 18 years of age (except FULL time students), even if they will not be secondarily liable on the loan.

<u>Annual</u> <u>Compliance Income</u>	<u>Applicant</u>	<u>Co-</u> <u>Applicant</u>	<u>Non -Borrowing</u> <u>Occupant</u>	<u>Occupant</u>	<u>Occupant</u>	<u>Occupant</u>
Salaried Base Pay						
Self - Employment						
More Than 2 Years –						
Self - Employment						
Less than 2 Years						
Part - Time Salary						
Part - Time						
(Self Employed)						
Commission						
Bonus and Overtime						
Dividends and Interest						
Alimony						
Child Support						
Social Security						
Other						
Sub-Total						
Annualized Child Support						
(Total of monthly and back pay of						
_____)						
TOTAL ANNUAL HOUSEHOLD INCOME:						

Form 4506-C (September 2020)	Department of the Treasury - Internal Revenue Service IVES Request for Transcript of Tax Return	OMB Number 1545-1872	
<div>▶ Do not sign this form unless all applicable lines have been completed.</div> <div>▶ Request may be rejected if the form is incomplete or illegible.</div> <div>▶ For more information about Form 4506-C, visit www.irs.gov and search IVES.</div>			
1a. Name shown on tax return (if a joint return, enter the name shown first)		1b. First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)	
2a. If a joint return, enter spouse's name shown on tax return		2b. Second social security number or individual taxpayer identification number if joint tax return	
3. Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)			
4. Previous address shown on the last return filed if different from line 3 (see instructions)			
5a. IVES participant name, address, and SOR mailbox ID			
5b. Customer file number (if applicable) (see instructions)			
Caution: This tax transcript is being sent to the third party entered on Line 5a. Ensure that lines 5 through 8 are completed before signing. (see instructions)			
6. Transcript requested. Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request <u>1040/1040X</u>			
a. Return Transcript , which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120-A, Form 1120-H, Form 1120-L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years		<input type="checkbox"/>	
b. Account Transcript , which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns		<input type="checkbox"/>	
c. Record of Account , which provides the most detailed information as it is a combination of the Return Transcript and the Account Transcript. Available for current year and 3 prior tax years		<input type="checkbox"/>	
7. Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript. The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2016, filed in 2017, will likely not be available from the IRS until 2018. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213		<input type="checkbox"/>	
Caution: If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.			
8. Year or period requested. Enter the ending date of the tax year or period using the mm/dd/yyyy format (see instructions) 12 / 31 / 12 / 31 / 12 / 31 / 12 / 31 /			
Caution: Do not sign this form unless all applicable lines have been completed.			
Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, at least one spouse must sign. If signed by a corporate officer, 1 percent or more shareholder, partner, managing member, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-C on behalf of the taxpayer. Note: This form must be received by IRS within 120 days of the signature date.			
<input type="checkbox"/>	Signatory attests that he/she has read the attestation clause and upon so reading declares that he/she has the authority to sign the Form 4506-C. See instructions.		
Sign Here	Signature (see instructions)	Date	Phone number of taxpayer on line 1a or 2a
	Print/Type name		
	Title (if line 1a above is a corporation, partnership, estate, or trust)		
	Spouse's signature		Date
	Print/Type name		
For Privacy Act and Paperwork Reduction Act Notice, see page 2.			

Instructions for Form 4506-C, IVES Request for Transcript of Tax Return

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about Form 4506-C and its instructions, go to *www.irs.gov* and search IVES. Information about any recent developments affecting Form 4506-C (such as legislation enacted after we released it) will be posted on that page.

What’s New. Form 4506-C was created to be utilized by authorized IVES participants to order tax transcripts with the consent of the taxpayer.

General Instructions

Caution: Do not sign this form unless all applicable lines have been completed.

Designated Recipient Notification. Internal Revenue Code, Section 6103(c), limits disclosure and use of return information received pursuant to the taxpayer’s consent and holds the recipient subject to penalties for any unauthorized access, other use, or redisclosure without the taxpayer’s express permission or request.

Taxpayer Notification. Internal Revenue Code, Section 6103(c), limits disclosure and use of return information provided pursuant to your consent and holds the recipient subject to penalties, brought by private right of action, for any unauthorized access, other use, or redisclosure without your express permission or request.

Purpose of form. Use Form 4506-C to request tax return information through an authorized IVES participant. You will designate an IVES participant to receive the information on line 5a.

Note: If you are unsure of which type of transcript you need, check with the party requesting your tax information.

Where to file. The IVES participant will fax Form 4506-C with the approved IVES cover sheet to their assigned Service Center.

Chart for ordering transcripts

If your assigned Service Center is:	Fax the requests with the approved coversheet to:
Austin Submission Processing Center	Austin IVES Team 844-249-6238
Fresno Submission Processing Center	Fresno IVES Team 844-249-6239
Kansas City Submission Processing Center	Kansas City IVES Team 844-249-8128
Ogden Submission Processing Center	Ogden IVES Team 844-249-8129

Specific Instructions

Line 1b. Enter the social security number (SSN) or individual taxpayer identification number (ITIN) for the individual listed on line 1a, or enter the employer identification number (EIN) for the business listed on line 1a.

Line 3. Enter your current address. If you use a P.O. box, include it on this line.

Line 4. Enter the address shown on the last return filed if different from the address entered on line 3.


Note: If the addresses on lines 3 and 4 are different and you have not changed your address with the IRS, file Form 8822, Change of Address, or Form 8822-B,Change of Address or Responsible Party — Business, with Form 4506-C.

Line 5b. Enter up to 10 numeric characters to create a unique customer file number that will appear on the transcript. The customer file number cannot contain an SSN, ITIN or EIN. Completion of this line is not required.

Note. If you use an SSN, name or combination of both, we will not input the information and the customer file number will reflect a generic entry of "9999999999" on the transcript.

Line 8. Enter the end date of the tax year or period requested in mm/dd/yyyy format. This may be a calendar year, fiscal year or quarter. Enter each quarter requested for quarterly returns. Example: Enter 12/31/2018 for a calendar year 2018 Form 1040 transcript.

Signature and date. Form 4506-C must be signed and dated by the taxpayer listed on line 1a or 2a. The IRS must receive Form 4506-C within 120 days of the date signed by the taxpayer or it will be rejected. Ensure that all applicable lines, *including lines 5a through 8*, are completed before signing.



You must check the box in the signature area to acknowledge you have the authority to sign and request the information. The form will not be processed if unchecked.

Individuals. Transcripts listed on on line 6 may be furnished to either spouse if jointly filed. Only one signature is required. Sign Form 4506-C exactly as your name appeared on the original return. If you changed your name, also sign your current name.

Corporations. Generally, Form 4506-C can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer. A bona fide shareholder of record owning 1 percent or more of the outstanding stock of the corporation may submit a Form 4506-C but must provide documentation to support the requester's right to receive the information.

Partnerships. Generally, Form 4506-C can be signed by any person who was a member of the partnership during any part of the tax period requested on line 8.

All others. See section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

Note: If you are Heir at law, Next of kin, or Beneficiary you must be able to establish a material interest in the estate or trust.

Documentation. For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the letters testamentary authorizing an individual to act for an estate.

Signature by a representative. A representative can sign Form 4506-C for a taxpayer only if the taxpayer has specifically delegated this authority to the representative on Form 2848, line 5. The representative must attach Form 2848 showing the delegation to sign Form 4506-C.

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to establish your right to gain access to the requested tax information under the Internal Revenue Code. We need this information to properly identify the tax information and respond to your request. You are not required to request any transcript; if you do request a transcript, sections 6103 and 6109 and their regulations require you to provide this information, including your SSN or EIN. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506-C will vary depending on individual circumstances. The estimated average time is:

- Learning about the law or the form** 10 min.
- Preparing the form** 12 min.
- Copying, assembling, and sending the form to the IRS** 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506-C simpler, we would be happy to hear from you. You can write to:

Internal Revenue Service
Tax Forms and Publications Division
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

Do not send the form to this address. Instead, see Where to file on this page.

Upon completion of either our Lending Partner or Real Estate Professional Training, a partner is eligible to request that their contact information be listed on our website. Your name and contact information will be listed in the 3 top counties noted on this form and in which the majority of your business is generated. It is the partner's responsibility to notify SC Housing when any of the published information changes and this request must be updated every 24 months to maintain your listing on our website.

REQUEST IS FOR	
Lending Partner (LO) Real Estate Professional	
LO / Realtor Name :	_____
LO NMLS ID #:	_____
Company's Name:	_____
Company Address:	_____ _____ _____
Phone Number:	_____
Email:	_____

ONLY the three counties, where a majority of your business is generated.

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This form must be submitted at the end of the training class attended



Mortgage Production

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