

# program guide



## SC Housing Homebuyer (BOND) Program Effective October 15, 2025

This guide is intended to provide a summary of the program requirements. Loans must also meet all applicable insurer/guarantor (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 close construction/perm. 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"><li>Borrowers purchasing property in the following <b>non-targeted counties</b> must <b>not</b> have had an ownership interest in another property within the three years prior to loan closing:</li></ul>					
	Aiken	Anderson	Charleston	Greenville	Greenwood	Lancaster
	Lexington	Oconee	Pickens	Richland	Spartanburg	York
	The First Time Homebuyer requirement in non-targeted counties may be waived for the following:					
	<b>Veterans</b> – 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”.					
	Borrowers purchasing properties in <b>any other county not listed above are considered targeted</b> 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"><li>Must be a US Citizens, Permanent Resident Alien with a “<b>Valid Green Card</b>” – (Alien Registration Receipt Card; INC USCIS Form I-55 I) – VISA of any kind are not eligible</li></ul> SC Housing does not allow cosigners or non-occupying co-borrowers.  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 <b><u>total income for anyone that is listed on the loan application and/or holding title to the property at closing.</u></b> Refer to program manual for more specific details.  Income and Sales Price limits must meet program and insurer/guarantor requirements. Limits are county-specific and are subject to change without notice. Refer to the <b>SC Housing Homebuyer Sales Price and Income Limits</b> that can be found in <b>Lender Online</b> .					
Down Payment Assistance (DPA)	Loans can be done with or without down payment assistance. Our DPA is a 15-year forgivable zero percent interest-no payment second mortgage. The DPA is <b>\$10,000</b> which can be used to cover the borrower’s down payment, closing cost, prepaid items to include Single Premium MI (Conventional) only. No portion of the DPA can be used to pay appraisal gap or real estate commission. Borrower’s must meet all program and insurer first mortgage requirements. DPA must					

	<p>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"> <li>• All liens must be closed in the lender's name and assigned to SC Housing at delivery</li> <li>• 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</li> <li>• Lenders will be responsible for sending the Good-Bye letters (First and Second DPA) in accordance with RESPA</li> </ul>						
Interest Rate	Fixed interest rate ONLY. SC Housing does not offer Buydowns (temporary or 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 <a href="https://lol.schousing.com">https://lol.schousing.com</a> and are subject to change without notice.</p> <p><b>Rate Lock Periods</b></p> <ul style="list-style-type: none"> <li>• 60 days –Existing Construction</li> <li>• <b>120 days – New Construction</b> (Float Down Option available, consult Program Manual)</li> <li>• Extensions are available – up to 60 days total</li> </ul> <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>.500%</td></tr> </table>	7 day	.125%	15 day	.250%	30 day	.500%
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15 day	.250%						
30 day	.500%						
Homebuyer Education	<ul style="list-style-type: none"> <li>• 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"> <li>○ For Fannie Mae HFA Preferred loans, the borrower must complete the “Framework” or Fannie Mae “Home View” homebuyer education</li> <li>○ For Freddie Mac HFA Advantage loans the borrower must complete Freddie Mac’s “Credit Smart” homebuyer education</li> </ul> </li> </ul>						
Minimum Borrower Financial Contribution	NONE – unless required by AUS						
Property	<p>Single family, one unit; PUDs, attached, detached; condominiums; off frame modular homes; Full Appraisal meeting all insurer and AUS requirements and evidence of UCDP upload must be provided - Accessory Dwelling Unit (ADU) or Property Inspection Waivers (PIW) not permitted</p> <ul style="list-style-type: none"> <li>• Properties cannot exceed 5 acres</li> <li>• <b>Properties containing multiple parcels are not eligible</b></li> </ul> <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><b>Repair and Final Inspections</b> – 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><b>CL-100/Soil Treatment</b></p> <ul style="list-style-type: none"> <li>• CL-100 must be completed, signed and dated within 45 days of closing by the borrower on all existing properties</li> <li>• Soil Treatment Certification is required for all new construction properties</li> <li>• Any damage or recommended repairs noted in report must be addressed with evidence of completion prior to purchase</li> </ul>						
Credit/DTI Requirements	<ul style="list-style-type: none"> <li>• All borrowers must have at least one usable credit score. Follow applicable insurer requirements for determining the middle credit score for each borrower. <b>SC Housing requires a minimum 640 FICO score for all programs.</b> In the event that the insurer requires a higher minimum, SC Housing will follow insurer requirement.</li> <li>• Follow insurer and AUS requirements for repayment of collection accounts</li> </ul>						

	<ul style="list-style-type: none"> <li>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.</li> <li>Any outstanding judgement/lien or permitted tax liability must be satisfied in full prior to or at closing. If satisfied at closing – a payoff statement valid through the day of closing must be provided and evidence of payment reflected on the closing disclosure</li> <li>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</li> <li>Maximum Debt to income (DTI) ratio for all programs <b>is the lesser of 45.00% with AUS approval</b></li> </ul>
LTV/CLTV	<ul style="list-style-type: none"> <li>Unless otherwise stated follow applicable insurer requirements. <ul style="list-style-type: none"> <li>VA – LTV 100% + VA Funding Fee – NO MAX CLTV</li> </ul> </li> </ul>
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"> <li><b>Conventional (Fannie Mae)</b> AUS – DU Approve/Eligible and Lender must select HFA Preferred on the Additional Data Element Screen under Community Lending Section</li> <li><b>Conventional (Freddie Mac)</b> AUS – LPA Accept risk class. Lender must select HFA Advantage in LPA.</li> <li><b>FHA/VA</b> – DU (Approve Eligible) and LPA (Accept)</li> <li><b>USDA</b> – GUS (Accept/Eligible)</li> </ul>
Asset/ Employment	<p><b>Assets</b> - 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 \$500 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><b>Employment</b> - 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"> <li>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.</li> </ul>
Tax Returns/ Transcripts	<p>IRS tax transcripts are required for all borrowers and other person(s) who are 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"> <li>Files received after June 15th must have tax transcripts from the previous tax year</li> <li>All returns for current tax year must be filed by April 15th.</li> <li><b>(If returns are submitted, Signed/Dated Tax returns with proof of filing and evidence IRS transcripts are not yet available).</b></li> <li>Tax Return Extensions will not be accepted by SC Housing on any program offered</li> </ul> <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) is required on all loans over 80% LTV. MI can be Borrower Paid – Monthly, Financed, Split or Single Premium</p> <ul style="list-style-type: none"> <li>Government - follow AUS and insurer requirements</li> <li>Conventional – <b>90.01-97 % - 25%</b> coverage required – Standard MI coverage for LTV 90% or less; <ul style="list-style-type: none"> <li>Issued by one of the following approved MI Companies – ARCH, ENACT, ESSENT, MGIC or RADIANT</li> </ul> </li> </ul>

Third Party Contributions	Follow insurer requirements
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.

## Community Lending Initiatives

As a participating mortgage lender, you play an essential role in helping the South Carolina State Housing Finance and Development Authority achieve its mission of expanding access to affordable, sustainable homeownership across South Carolina. To support this goal, the Authority has developed a suite of Community Lending Initiatives that are designed to reach borrower segments that have historically been underserved.

These initiatives not only provide important benefits to homebuyers, but also create opportunities for lenders to expand business in new markets, strengthen community partnerships, and deliver high-quality loans that are eligible for purchase by the Authority. Each program includes clear eligibility criteria, compliance requirements, and funding features to ensure consistency and successful execution in the secondary market.

The four initiatives are **only available on FHA, USDA or VA** loan products and include:

County First	<p>Expands mortgage lending in 29 targeted underserved counties of South Carolina by providing enhanced resources and program support to stimulate homeownership in communities where access to credit may be limited. To qualify for this initiative, borrowers purchasing property in the following counties and cannot have an ownership interest in a principal residence at the time of loan closing.</p> <p><b>Abbeville, Allendale, Bamberg, Barnwell, Beaufort, Calhoun, Cherokee, Chester, Chesterfield, Clarendon, Colleton, Darlington, Dillon, Edgefield, Fairfield, Georgetown, Hampton, Jasper, Kershaw, Laurens, Lee, Marion, Marlboro, McCormick, Newberry, Orangeburg, Saluda, Union or Williamsburg County</b></p>
Families with Disabilities	<p>Offers financing solutions tailored to households that include an individual with a disability, ensuring affordability, and the stability needed for long-term success.</p> <p>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.</p> <ul style="list-style-type: none"> <li>• Long-term disability income from an employer or insurer</li> <li>• Supplemental Security Income (SSI) through Social Security</li> <li>• Social Security Disability Insurance (SSDI)</li> </ul> <p>Borrower(s) cannot have ownership interest in another property <b>to include a mobile home taxed as real property at the time of closing.</b></p>
First-Generation Homebuyer	<p>Provides first-time homebuyers whose parents did not own a home with the opportunity to build wealth and stability through homeownership, helping to break generational barriers.</p> <p>Borrower(s), choosing to participate in this program, will be required to complete sign a First-Generation Homebuyer Certification form at the time of application.</p>
Housing Choice Voucher	<p>Enables renters with Housing Choice Vouchers to transition into sustainable homeownership, creating a pathway from rental assistance to equity building. This program along with the SC Housing Homebuyer Program provides FHA fixed rate financing. Please refer to specifics located in the Housing Choice Voucher Homeownership Program Guide as well as those outlined here and in the program manual.</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.**

# 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 charged
- Reasonable and customary fees may be charged provided fees do not exceed amounts charged for non-SC Housing loans. Fees may be charged lump-sum or individually. Fees must be directly related to actual services provided, whether or not those fees are paid to a third party or the Participating Lender.

**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

- **Funding Fee of \$500**

- Extension and late delivery fees, if applicable - may be paid by borrower, lender, builder, seller, or realtor

- **Second Mortgage**

- Only mortgage recording fees up to \$35 may be charged on 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**

- SC Housing will fund 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 Fannie Mae/Freddie Mac

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

- **Coverage** - The minimum acceptable amount of hazard insurance coverage is the lesser of;
  - 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](mailto:mortgage.production@schousing.com)

Lock Desk | [lockdesk@schousing.com](mailto:lockdesk@schousing.com)

Underwriting Questions/File Submission and Status Updates | [under.writing@schousing.com](mailto:under.writing@schousing.com)

**SC Housing ID's**

FHA – 4723009993

VA – 679535

USDA – 591585639

MERS - 1008745

SC Housing EIN 59-1585639