



Empowered DPA Program

Lender NMLS 21116 www.nmlsconsumeraccess.org Equity Prime Mortgage, LLC (EPM) is a wholesale residential mortgage lender and an approved lending institution. The company is GNMA issuer, FHLMC, FNMA seller/servicer, FHA Mortgagee, USDA National Lender, and VA Automatic Lender. This information is for Broker use only and is provided to assist business professionals.. This is not an advertisement extend to the consumer, as defined by Section 226.2 of Regulation Z – Equal Housing Lender. Equal Opportunity Employer. Corporate address: 5 Concourse Parkway, Suite 2250 Atlanta, GA 30328

Please visit our website for program guidelines and requirements: <https://epmwholesale.com>

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Program Summary



- FHA only
- ONE down payment assistance program that you may use nearly nationwide (not available in WA)
- Completely forgivable grant, equals 2% or 3.5% of purchase price
- May be combined with up to 6% seller concession for closing costs
- No resale restrictions

PARAMETERS

➤ FICO:

580 Minimum Qualifying Credit Score – Approve/Eligible

620 Minimum Qualifying Credit Score – Refer/Eligible

➤ UW METHOD

- TOTAL Scorecard
- Desktop Underwriter (DU)

➤ AUS RECOMMENDATIONS

- Approve/Eligible – DU
- Refer/Eligible - DU

PROGRAM SPECIFICATIONS

PARAMETERS	PROPERTY TYPES
ELIGIBLE TERMS <ul style="list-style-type: none">• 30 year fixed	<ul style="list-style-type: none">• 1-2 Unit Primary Residence
TRANSACTION TYPES <ul style="list-style-type: none">• Purchase only• Borrower Paid Comp only	<ul style="list-style-type: none">• Manufactured Housing<ul style="list-style-type: none">• Singlewide, Multi-wide, MH Condo Projects
LTV/CLTV/HCLTV <ul style="list-style-type: none">• The maximum limit is 96.50%	<ul style="list-style-type: none">• FHA HRAP Approved Condos
DTI <ul style="list-style-type: none">• The maximum DTI limit is 49.99%	<ul style="list-style-type: none">• PUDs
AUS RECOMMENDATIONS <ul style="list-style-type: none">• Approve/Eligible – DU• Refer/Eligible – DU (620 FICO)	<p>*Not eligible in Washington State</p>

PROGRAM SPECIFICATIONS

ELIGIBLE PROGRAMS	INELIGIBLE PROGRAMS
<p>The Empowered DPA Program can be used in conjunction with:</p> <ul style="list-style-type: none">• FHA 203(b)• FHA 203(k) Limited and Standard• FHA Repair Escrow	<p>Program <u>cannot</u> be used in conjunction with:</p> <ul style="list-style-type: none">• Non-FHA Loan Types• Any other DPA Program• High Balance• TBD

Borrower Eligibility



To be eligible for the program, the Borrower(s) must meet only ONE of the four following categories outlined:



First -Time Home Buyer



Current/Retired Employment or Volunteer/Non-Paid Member



Income



Underserved Census Tract

First Time Home Buyer

Any Borrower on the loan application is a First -Time Home Buyer who meets the following criteria:

Is purchasing the Subject Property

Will reside in the Subject Property as their principal residence

Has had no ownership interest (sole or joint) in a residential property during the three -year period preceding the date of the application

Or is an individual who is a homemaker or single parent that has no ownership interest in a principal residence (other than a joint ownership interest with a (former) spouse) during the three -year period preceding the date of the application.

Current/Retired Employment or Volunteer/Non- Paid Member



Any Borrower on the loan application is a current, retired, volunteer or non -paid:

Military personnel

First responder (police officer, firefighter, public safety officer, paramedic, emergency medical technician (EMT) or similar

Educator (Sunday school teacher, tutor, day care provider)

Medical personnel (nurse, doctor, X-Ray technician, hospital administrator, or similar)

Civil servant in a Federal, state or local municipality

Income

The Borrower's income (or, in the event of multiple Borrowers on a loan application, their income collectively) is equal to or less than 140% of the state or county median income regardless of family size based upon the state or county where the Security Property is located.

State/County Median Income Tool: <https://ami-lookup-tool.fanniemae.com/amilookuptool/>



Underserved Census Tract

If the subject property is in an Underserved Census Tract, the borrower would be eligible to use the program.

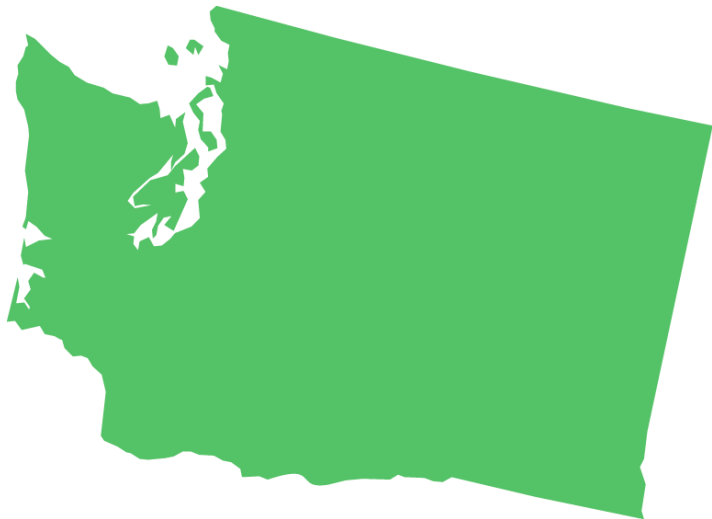
Underserved Census Tract Look up:
<https://www.consumerfinance.gov/rural-or-underserved-tool/#rural-or-underserved>



Empowered DPA Program

GEOGRAPHIC SPECIFICATIONS

This program is **not permitted** in the state of **Washington**



State of **Wisconsin**:

- Up to \$700.00 of appraisal fee must be credited back to the Borrower towards closing costs.





DISCLOSURES

- **DPA Assistance Application** – Provided at Set Up
- **DPA Grant Letter** - Provided by Account Manager after UW Approval
- **Program/Consumer Disclosure** - Provided by Account Manager after UW Approval



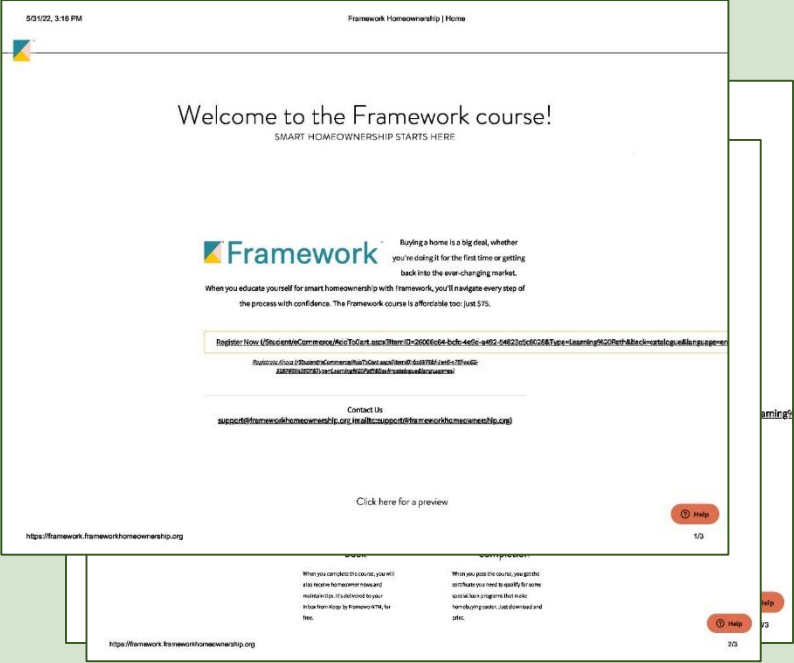
HOMEOWNERSHIP EDUCATION OPTIONS

Empowered DPA Program

PROGRAM SPECIFICATIONS – Homeownership Education Options

[FRAMEWORK HOMEOWNERSHIP](#) and [HOMEOWNERSHIP COUNSELING LIST](#) offer HUD approved Homebuyer Counseling disclosure courses. This disclosure lists the 10 closest Housing Counselors near the subject property zip code OR you can visit [HUD.GOV](#) . For this program, you will need to ensure the course completed is either the “Pre -purchase Homebuyer Education Workshop” or the “Pre -purchase Counseling”.

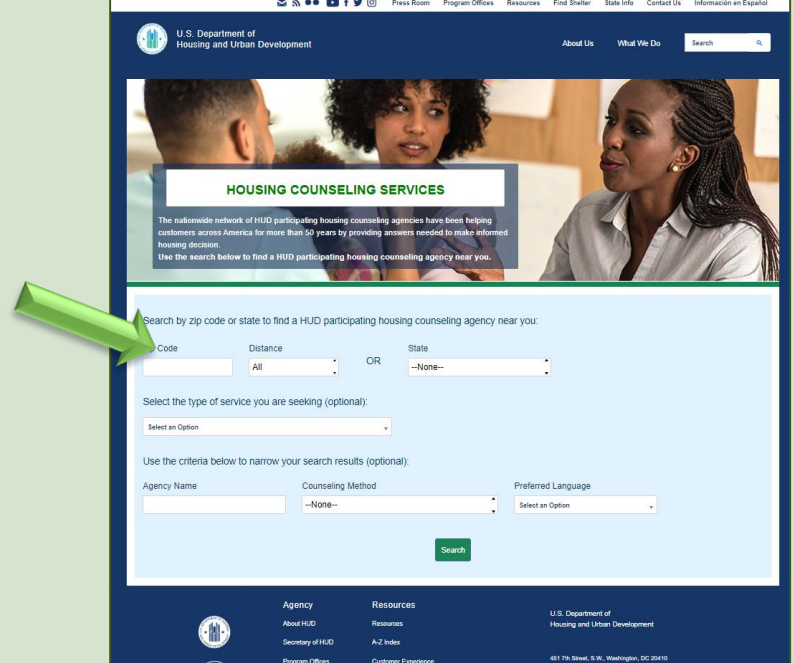
FRAMEWORK HOMEOWNERSHIP



HOMEOWNERSHIP COUNSELING LIST



HUD.GOV







DETERMINING ELIGIBILITY BASED ON INCOME

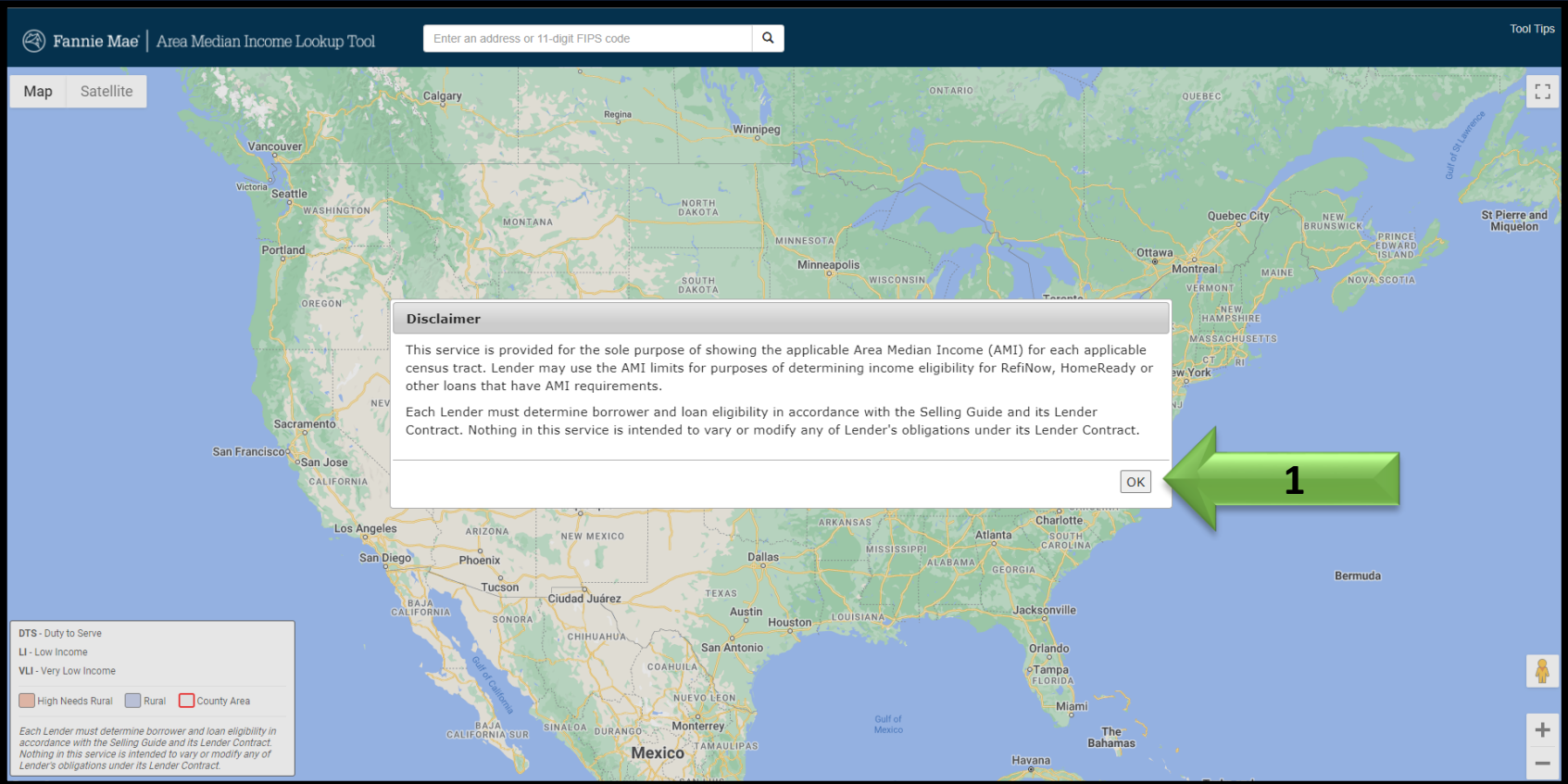
Empowered DPA Program

DETERMINING INCOME ELIGIBILITY

Step 1
Select hyperlink “Look up county median income”

<https://ami-lookup-tool.fanniemae.com/amilookuptool/>

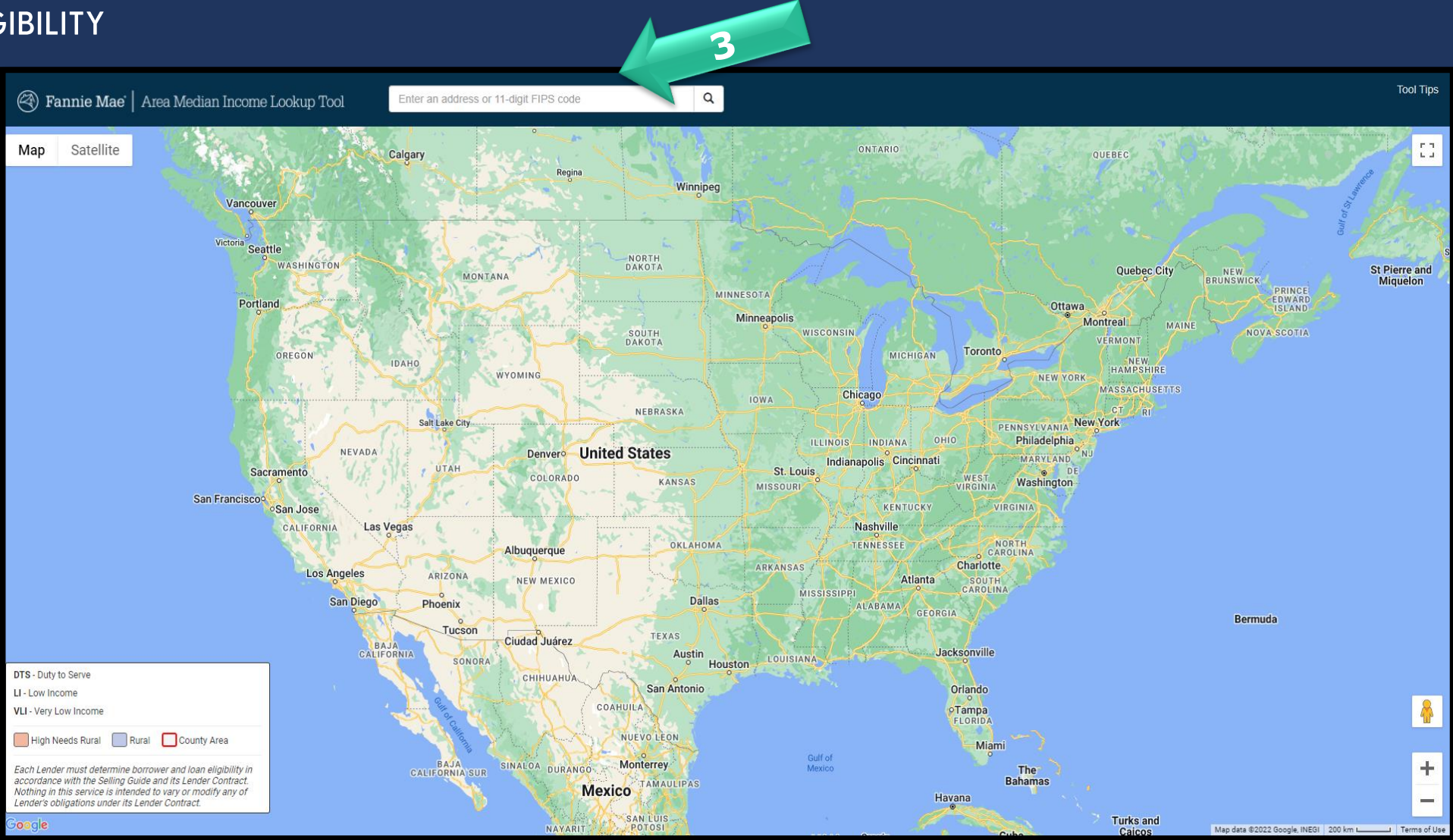
Step 2
Select “OK”



Empowered DPA Program

DETERMINING INCOME ELIGIBILITY

Step 3
Enter the address of
the Subject Property



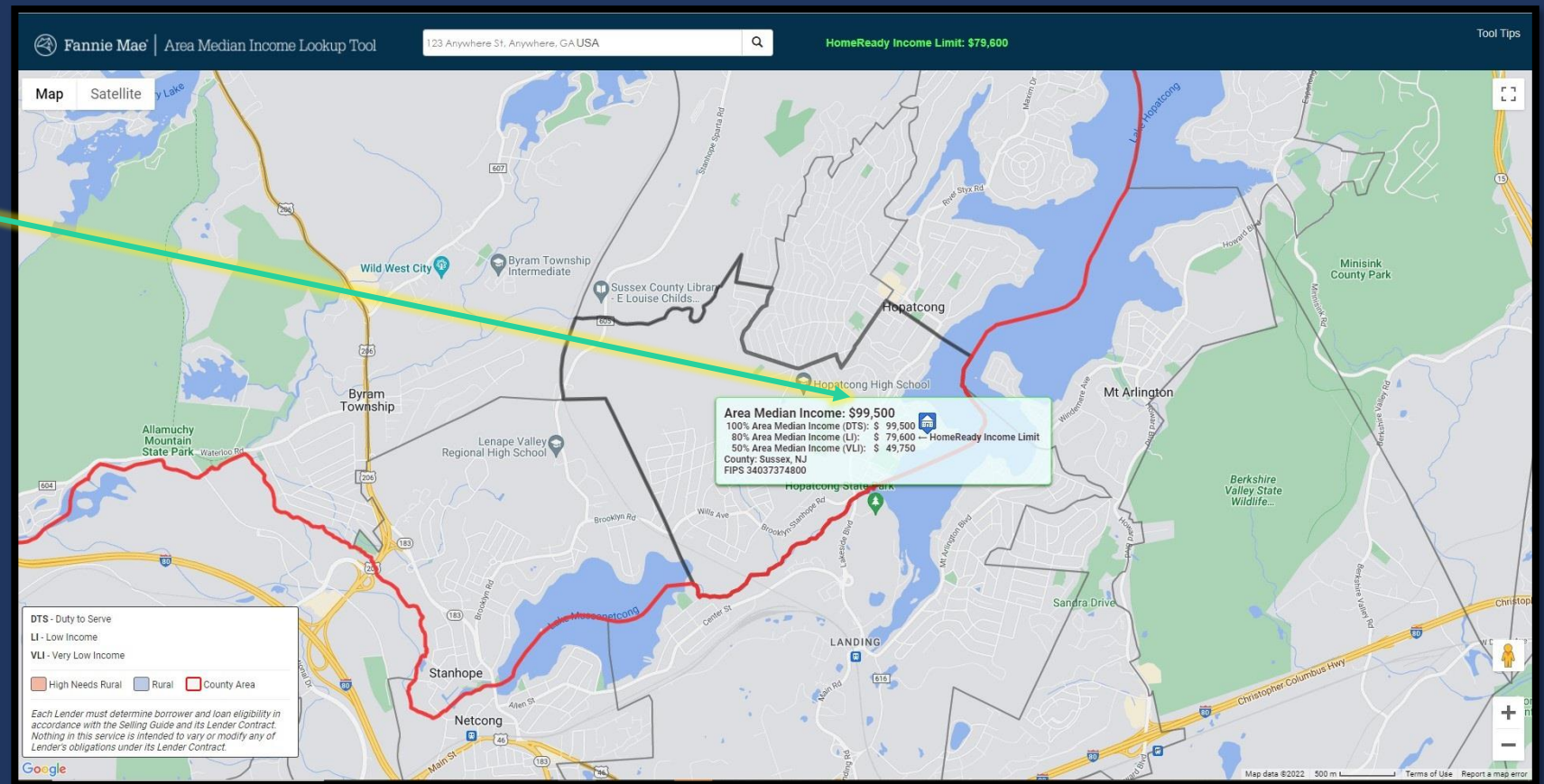
Empowered DPA Program

DETERMINING INCOME ELIGIBILITY

Income Limit will populate.

- Borrower's income (or, in the event of multiple Borrowers on a loan application, their income collectively) must be equal to or less than 140% of the state or county median income regardless of family size based upon the state or county where the Security Property is located to be eligible based on income.

Example:
$$\begin{array}{r} \$99,500.00 \\ \times \quad 140\% \\ \hline \$139,300.00 \end{array}$$





ENTERING THE DPA IN CORE

CORE Portal Loan Submission



- Go to **URLA**
- Then **Section 1: Additional Information** – Is this a (DPA) Down Payment Assistance Loan?



Is this a (DPA)Down Payment Assistance Loan?

☒ Yes ☐ No

Gift From Govt

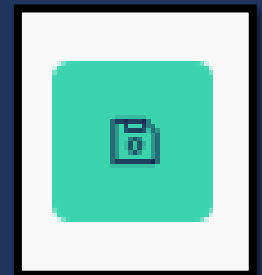
☒ Yes ☐ No

Amount of Gift

\$

Enter gift amount – 2% or 3.5% of Purchase Price

Click the
SAVE
button



CORE Loan Submission



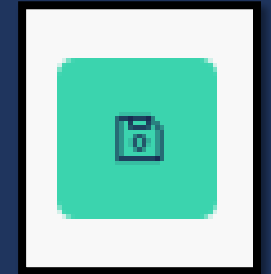
- Go to **URLA - Section 20: Gifts or Grants You Have Been Given or Will Receive for this Loan**
- Click **ADD**

A screenshot of a web application interface. At the top, there is a navigation bar with a dropdown menu showing 'Suzi Builder & CoBuilder Builder'. To its right is a breadcrumb trail with a left arrow, the text '20. Gifts or Grants You Have Been Given or Will Receive for this Loan' (highlighted in yellow), a right arrow, and a small icon. Below the navigation bar is a large white rectangular area. In the center of this area, the text 'Add Gifts or Grants' is displayed above a yellow button labeled 'Add'.

CORE Loan Submission



- **Institution Name:** PFA
- **Asset Type:** Gift of Cash
- **Source:** Federal Agency
- **Not Deposited**
- **Cash Value:** 2% or 3.5% of Purchase Price
- Click **SAVE** once filled in



Recipient

Borrower

Institution Name

PFA

Address

State

Select a state

Zip Code

City

Asset Type

Gift of Cash

Source

Federal Agency (FNMA/FRE)

Cash Value

\$ 2000

☐ Deposited

Other Description





ENTERING THE DPA IN TPO Connect (TPOC)

TPO Portal Loan Submission



- Go to URLA
- Then Additional Fields – Is this a (DPA) Down Payment Assistance Loan?



Additional Fields

Is this a (DPA) Down Payment Assistance Loan? ☐ Yes ☐ No

Gift From NP ☐ Select an Option ☐

Gift From Other ☐ Select an Option ☐

Amount of Gift

Gift From Govt ☐ Yes ☐ No

Gift From Family ☐ Select an Option ☐

Gift From Other Details

Enter gift amount – 2% or 3.5% of Purchase Price

Click the
SAVE
button



TPO Portal Loan Submission



- Go to **URLA – Loan and Property Information**
- **Gifts or Grants You Have Been Given or Will Receive for this Loan**
- Click **ADD**

URLA / Loan and Property Information

Select Borrower Pair

Suzi Builder

Save Next

Gifts or Grants You Have Been Given or Will Receive for this Loan

Does not apply to ☐ Borrower ☐ Co-Borrower

Click on Add to create a Gift or Grant

Add

TPO Portal Loan Submission



- **Institution Name:** PFA
- **Asset Type:** Gift of Cash
- **Source:** Federal Agency
- **Not Deposited**
- **Cash Value:** 2% or 3.5% of Purchase Price
- Click **SAVE** once filled in



Save

Gift / Grant Recipient

Borrower

Financial Institution

PFA

Street Address

City

State

Select an Option

Zip Code

Asset Type: Cash Gift, Gift of Equity, Grant

Cash Gift

Source

Federal Agency (FNMA/FRE)

Cash or Market Value

\$2,000

Deposited

No

Other Source Description

- Remove



ENTERING THE DPA IN ENCOMPASS AND THE AUS

Empowered DPA Program
ENCOMPASS: 1003 URLA PAGE 4 and AUS

Encompass: Asset Type – **Cash Gift** – Deposited – **NO** – Source – **Federal Agency**

Forms Tools Services

1003 URLA - Lender
1003 URLA Continuation
1003 URLA Part 1
1003 URLA Part 2
1003 URLA Part 3
1003 URLA Part 4

4d. Gifts or Grants You Have Been Given or Will Receive for this Loan Show all Gifts or Grants

Borrower ☐ Does not apply
Co-Borrower ☐ Does not apply

Bor/Cob/Both	Asset Type: Cash Gift, Gift of Equity, Grant	Deposited	Source	Cash or Market Value
Borrow <input type="button" value="v"/>	Gift of Cash <input type="button" value="v"/>	No <input type="button" value="v"/>	Federal Agency (FNMA/FRE) <input type="button" value="v"/>	2,000.00
<input type="button" value="v"/>	<input type="button" value="v"/>	<input type="button" value="v"/>	<input type="button" value="v"/>	

Total of Gifts and Grants 2,000.00

AUS: Reflects the DPA as a Gift and will follow all FHA/EPM gift policies.

Assets

38 The following assets were counted towards available funds:

Borrower Name	Account Type	Institution Name	Amount
	Gift	Empowered DPA	\$. \$\$

39 A gift in the amount of \$ is listed as a source of funds in the Down Payment section available for closing. List the name, address, telephone number, relationship to the borrower, and the amount of the gift on the loan application or in a gift letter signed by the donor and borrower for each cash gift received. Document the transfer of the gift funds to the borrower's accounts, in accordance with the instructions described in the Online version of FHA Single Family Housing Policy Handbook 4000.1. Cash on Hand is not an acceptable source of donor gift funds.

Empowered DPA Program

DESKTOP VIEW

Select the Source of Down Payment as "FHA-Gift-Source Government Assistance"

[illegible]

Empowered DPA Program DESKTOP VIEW

In the Assets section, select "Gift" from the dropdown.

The screenshot displays the DU Desktop Underwriter interface for editing a loan. The top navigation bar includes the DU logo, 'Desktop Underwriter', and 'Fannie Mae'. The main heading is 'Edit Loan: Quick 1003: Assets'. Below this, there are input fields for 'Borrower Name', 'Loan Number', 'Institution Name', and 'Casefile ID'. The 'Quick 1003' section is expanded, showing a sidebar with various categories: Borrower Information, Types, Terms & Proceeds, Employment Information, Income & Housing, Assets (highlighted), Real Estate Owned, Utilities, Details of Transaction, Declarations, Demographic Information, Additional Data, and Government. The 'Assets' section contains an 'Account Owner' dropdown, an 'Asset Type' dropdown, and a 'Cash Value' input field. The 'Asset Type' dropdown is open, showing a list of options: Checking Account, Bond, Bridge Loan, Cash Deposit on Sales, Cash on Hand, Certificate of Deposit, Checking Account, Gift (highlighted), Gift of Equity, Money Market Fund, Mutual Fund, Net Equity, Net Worth of Business, Other Non-Liquid Asset, Other Liquid Asset, Retirement Fund, Savings Account, Secured Borrowed Funds, Stock, and Trust Funds. A green arrow points from the text instruction to the 'Gift' option in the dropdown. At the bottom, there are 'Previous' and 'Next' buttons. A copyright notice at the bottom left reads: '© 2003 - 2018 Fannie Mae. All Rights Reserved.'



Program Fees

Empowered DPA Program HOMEBUYER COUNSELING FEE

- The Homebuyer Counseling fee of \$100 should be disclosed on the LE.
- The only exceptions to disclosing less than \$100:
 - Borrower(s) has completed the course and has provided an invoice reflecting the fee.
 - The Borrower can provide documentation of the Homebuyer Counseling fee.
- EPM shall credit back the fee towards closing costs (up to \$100) at the closing of the loan.

Closing Cost Details

Loan Costs

A. Origination Charges	\$0
% of Loan Amount (Points)	

B. Services You Cannot Shop For	\$4,868
Appraisal Fee	\$375
Credit Report	\$32
Homebuyer Counseling Fee	\$100
Mortgage Insurance Premium	\$4,655
Tax Service	\$80

C. Services You Can Shop For	\$3,645
Engineer Certification	\$365
Septic Inspection	\$495
Survey	\$375
Title - Administration Fee	\$60
Title - Closing Coordination Fee	\$595
Title - Lender's Title Insurance	\$1,405
Title - Title Endorsement Fee	\$225
Water Quality Well Inspection	\$125

D. TOTAL LOAN COSTS (A + B + C)	\$9,408
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Other Costs

E. Taxes and Other Government Fees	\$3,853
Recording Fees and Other Taxes	\$430
Transfer Taxes	\$3,423

F. Prepaids	\$48
Homeowner's Insurance Premium (months)	
Mortgage Insurance Premium (months)	
Prepaid Interest (\$24.10 per day for 2 days @3.250 %)	\$48
Property Taxes (months)	

G. Initial Escrow Payment at Closing	\$0
Homeowner's Insurance	per month for mo.
Mortgage Insurance	per month for mo.
Property Taxes	per month for mo.

H. Other	\$95
Title - Owner's Title Insurance (optional)	\$95

I. TOTAL OTHER COSTS (E + F + G + H)	\$3,996
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J. TOTAL CLOSING COSTS	\$13,404
D + I	\$13,404
Lender Credits	

Calculating Cash to Close

Total Closing Costs (J)	\$13,404
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$9,345
Deposit	\$0
Funds for Borrower	\$0
Seller Credits	-\$7,000
Adjustments and Other Credits	\$0
Estimated Cash to Close	\$15,749



Empowered DPA Program

WISCONSIN APPRAISAL FEE

- Up to \$700 of the appraisal fee will be credited back to the Borrower towards closing costs.
- Broker transactions will have the fee credited back towards the closing costs on the Closing Disclosure.
- Non-Delegated Correspondent clients must reflect as credit towards closing costs on the Closing Disclosure.

Closing Cost Details					
Loan Costs	Borrower Paid		Seller Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges					
(1) Origination Charge		\$895.00			
(2) Processing Fee		\$495.00			
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
B. Services Borrower Did Not Shop For					
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
C. Services Borrower Did Shop For					
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
D. TOTAL LOAN COSTS (Borrower Paid)					
		\$895.00			
Other Costs Subtotal (B x D x 1.25)					
		\$495.00			
Other Costs					
E. Taxes and Other Government Fees					
(1) Recording Fee	Deed				
(2)	Mortgage				
(3)					
F. Prepaids					
(1) Borrower's Insurance Premium (1 mo.)		\$112.50			
(2) Mortgage Insurance Premium (1 mo.)					
(3) Prepaid Interest (\$12.50 per day from 1/26/18 to 3/1/18)		\$112.50			
(4) Property Taxes (1 mo.)					
(5)					
G. Initial/Excess Payment at Closing					
(1) Borrower's Insurance	per month for 1 mo.				
(2) Mortgage Insurance	per month for 1 mo.				
(3) Property Taxes	per month for 1 mo.				
(4)					
(5)					
(6)					
(7)					
(8)					
(9) Repurchase Adjustment		\$0.00			
H. Other					
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
I. TOTAL OTHER COSTS (Borrower Paid)					
		\$112.50			
Other Costs Subtotal (B x I x 1.25)					
		\$112.50			
J. TOTAL CLOSING COSTS (Borrower Paid)					
		\$1007.50			
Closing Costs Subtotal (D + I + J)					
		\$1,007.50			
Lender Credit					
		\$307.50			

CLOSING DISCLOSURE

Page 2 of 2





Q: Does the program allow for a non-occupant co-Borrower?

A: Yes, the program will allow for a non-occupant co-Borrower.

Q: Do all borrowers on the loan need to meet 1 of the 4 eligibility requirements? (First time homebuyer, Income, Underserved or Employment?)

A: Only one Borrower is required to meet 1 of the 4 areas to be eligible.

Q: Is TBD permitted?

A: TBD is **not** permitted

Q: Do we need confirmation of wire Instructions prior to DPA funds disbursement?

A: Yes, EPM to confirm the settlement agents / Title companies wire instructions prior to the DPA funds being requested



Q: If a Borrower has previously completed a Homebuyer Counseling course, will EPM accept it?

A: If the Borrower has completed the course prior to our application date, EPM will accept it if it is a HUD approved the course, and the expiration of the course is prior to our Note Date.

Q: Do all Borrowers need to take the home counseling or just one?

A: Only one Borrower is required to complete the course.

Q: Can a Borrower contribute more than 3.5% for their down payment?

A: Yes, the Borrower is permitted to contribute more than the minimum required investment of 3.5%.

Q: Are additional disclosures required?

A: Yes, there are 3 additional disclosures required for the Empowered DPA program. They will be provided by EPM.

EPM Department Contacts



Wholesale Sales:

- Kenny Phillips – SVP of Lending
 - Kphillips@epm.net / 401-593-3276

Wholesale Operations:

- Ashley Payton – VP of Production
 - apayton@epm.net / 401-593-3275 x1169

Disclosures:

- Stewart Chapman – Disclosure Desk Director
 - schapman@epm.net / 615-439-7781

Wholesale Underwriting:

- Phil Brousseau – VP of Underwriting
 - Pbrousseau@epm.net / 413-313-4271

Closing:

- Closing@epm.net

Servicing:

- Servicing@epm.net

Appraisals:

- AppraisalDesk@epm.net



CONNECT WITH EPM

Get in Touch with Our Team
We would love to hear from you!
<https://epmwholesale.com>



VISIT US
<https://epmwholesale.com>



CALL US
(877)-446-0004



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AEWholesale@epm.net

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Terms and programs listed are subject to change without notice. EPM only conducts business in approved states.

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THANK YOU

Equity Prime Mortgage, LLC