Matrix

FHA/VA Mortgage Program Overlay

This Matrix is a summary of the Utah Housing overlays for the FHA/VA Mortgage. For an overlay not listed on this Matrix, the Lender should follow FHA, VA, Agency, and compliance requirements.	
Program Information	
Terms	Owner occupied, fully Amortizing 30-year fixed rate, purchase first-lien FHA or VA Mortgage.
Application Disclosure	Utah Housing Loan Application Disclosure (UHC Form 045) is required and should be signed at application. • Borrower(s) attest on the UHC Application Disclosure that they do not intend to transfer any interest on or after closing. If interest is transferred, the loan may become due and payable.
Buydown	Permanent interest rate buydowns are available. (Utah Housing does not offer temporary or 2-1 buydowns).
Interest Rates	Utah Housing distributes Interest Rates daily by email and posting on the website.
Income Limit	Annual qualifying incomes as listed on the UHC Website. Monthly income listed on AUS, multiplied by 12. Cannot exceed limit.
OFAC & Social Security Numbers	OFAC findings on credit reports or from a third party must reflect no match found or no results. • Verification of all 9 digits of the Social Security number is required.
Purchase Price, Loan Limits	There is no Purchase Price Limit. Follow FHA and VA guidelines for loan amount limits.
Borrower Eligibility	
Application	The borrower verifies they will occupy the home as their principal residence.
Credit Scores	620 minimum FICO© Score, as defined in the Selling Supplement. • For occupant co-borrowers without a score, alt credit is permitted. Follow FHA or VA guidelines. • Upward rate adjustment for loans with FICO © scores below 660. Refer to Rate Adjustments on the UHC Website.
Homebuyer Education	Recommended, but not required.
Mortgage Insurance	Follow FHA and VA guidelines.
Multiple UHC Loans	A borrower who has previously had a UHC loan may be eligible for another UHC First Mortgage and DPA Second. The previous UHC Loan(s) must be paid in full.

Non-Occupant Co-Borrower	A non-occupying co-borrower: • Takes title to the property. • Signs all documents, including the Deed of Trust. • Neither the borrower nor the non-occupant co-borrower can have an existing Utah Housing Loan.
Occupancy	The borrower must occupy the residence within 60 days of closing; rent-back credit from the seller cannot exceed 60 days.
Residence Use, Rental	Home may include an owner-occupied one-to-two-unit dwelling such as a duplex, mother-in-law apartment, or accessory dwelling unit as defined by FHA. One of the units may be rented.
Tax Returns/Transcripts	Required when required on automated findings or required by FHA/VA or Freddie Mac.
Property Eligibility	
Eligible Properties	One-two unit owner-occupied, single-family residences, PUDs, condominiums, townhomes, accessory dwelling units, and manufactured homes on a permanent foundation. Refer to Locking a Manufactured Home for pre-approval requirements.
Ineligible Properties	Dwellings that are not owner-occupied, investments, long and short-term rentals (such as Airbnb), second and recreational homes.
Repairs	Escrowed repairs are permitted in compliance with agency requirements with a completed and signed Escrow Agreement. • Repairs listed, "subject to" on the appraisal, must be completed before UHC purchases the loan. Repair escrows may not be included in the DPA Second.
Water Rights	Properties with Water Rights and Water Stock must comply with state requirements, including the transfer of rights. Refer to the Utah Division of Water Rights Website and Utah Housing Water Rights Webpage.
Down Payment Assistance (DPA Second)	
Traditional UHC DPA	Refer to the DPA Second Fact Sheet for permitted closing costs, closing, subordinating, and credit default restrictions. • DPA amount, up to 6% of the first mortgage amount as listed on the First Note. May include FHA upfront MIP. Not to exceed $27,500. • The DPA Second is closed concurrently with a UHC First Mortgage. • Fully amortizing, 30-year, fixed-rate second mortgage at an interest rate of 1% above the UHC First Mortgage rate, not to exceed 8% and not less than the first mortgage interest rate.
Deferred UHC DPA	Refer to the DPA Second Fact Sheet for permitted closing costs, closing, subordinating, and credit default restrictions. • DPA amount up to 3.5% of the first mortgage amount as listed on the First Note. May include FHA upfront MIP. Not to exceed $27,500. • The DPA Second is closed concurrently with a UHC First Mortgage • 30-year fixed rate second mortgage at an interest rate of 3.5%, deferred simple interest. • No monthly payment required. Outstanding principal and deferred interest are due upon maturity, sale, or refinance of the property.

Locking an Interest Rate, Requesting a Mortgage Purchase Agreement (MPA)	
Lock A Rate	Authorized individuals may lock an interest rate by logging in to the PowerLender Portal located on the Utah Housing Lender webpage. Only individuals who have been assigned login credentials from their company will be able to access the portal. • When in the portal, under "Lock a Rate (MPA)," click on "Enter an MPA" and complete the required data fields. • The locking process will include a preliminary eligibility review and will only allow a loan program to be locked if it meets all eligibility requirements. The application will automatically calculate the interest rate based on the data entered and the loan program selected. • The base interest rate and applicable interest rate adjustments will be displayed for the lender to accept before submitting the lock request. • The lender may increase or decrease the loan amount specified on the MPA without requesting a modification of the MPA, not to exceed 5% of the specified loan amount.
Lock Extension and Expiration	The lender can request a daily extension in the Utah Housing PowerLender System *"Lock a Rate, Extend or Cancel Lock Request."* • Four extensions for a maximum of a 30-day extension, at $25 a day. Loans needing more than 30 days may be permitted. Canceled Loans, will not be charged a non-delivery fee if the lender cancels the Lock in Utah Housing's PowerLender system before the Final Loan Delivery Date.
Manufactured Homes and Locking	Utah Housing must pre-approve manufactured home documents before the lender requests an interest rate lock. • The manufactured home must be on a permanent foundation (taxed as Real Property at the time placed). It cannot be in a Mobile Home Park where the land the manufactured home is located is leased property. • Must have a floor area no less than 600 square feet and 12 feet wide. • Cannot be a HUD Title One Property. **If the visual inspection of the serial number does not match the IBTS Report, the home is not eligible for UHC financing.**

Closing, Shipping, Insurance	
Closing & Shipping	A separate Matrix for Closing, Shipping, Insurance, and Delivering the loan can be located on Utah Housings Webpage.
First Mortgage Allowable Closing Costs	Allowable Closing Costs: • Origination Charges must be itemized, and the **Origination Fee** cannot exceed 1.5%. • Follow Agency, federal, and state requirements for all other fees. • Discount Fees (costs) cannot exceed the amount shown on the Mortgage Purchase Agreement (MPA).
Insurance: Hazard, Flood, HOA	Insurance Deductible cannot exceed $5,000 for all required polices. • If the deductible on a Condo or PUD HOA policy exceeds $5,000, a paid HO6 Policy (supplemental insurance policy) is required. This policy must cover the full deductible of the Condo or PUD HOA policy. The deductible on an HO6 Policy cannot exceed $5,000. • The Flood Insurance maximum deductible clause shall be the lesser of $5,000 or 1% of the policy face amount. • **The first Payment Letter, prepared at closing, should include a monthly escrow amount for all policies (including HO6 if applicable).** Mortgagee Clause: Utah Housing Corporation, its successors, and/or assigns, PO Box 70569, Salt Lake City, UT 84170.
Contact Information	
Mortgage Banking	Email Mortgage@uthc.org or call 801-902-8200 and ask for a Mortgage Banking Underwriter.
For more information on the overlay or the program, refer to the FHA/VA Fact Sheet.	
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