

FirstDown Plus Loan Program



Program Requirements Effective with FirstDown Plus lock April 01, 2024 Lock Commitments dated April 03, 2024 or after

Program Requirements Subject to change from time to time, based on Program funding source. Always refer to current program requirements Available on Housing New Mexico | MFA's website.

Parameters	Program Requirements
Program Availability	<ul style="list-style-type: none"> • Reservations begin on April 03, 2024, for this round of funding through the time it takes to fully commit the allocated funds. • All areas of the state, including Federally Designated Tribal Land, are eligible.
Program Funding	<ul style="list-style-type: none"> • FirstDown Plus is only available through an approved Participating Lender. • Program funds are limited and are reserved on a first come, first served basis. • FirstDown Plus loans must be purchased within 90 days or funds may revert to the fund allocation. <ul style="list-style-type: none"> ○ Exception: new construction loans must be purchased within 120 days or funds may revert to the fund allocation. • Program funds cannot be transferred and remain subject to Housing New Mexico MFA's ("HNM") Rate Lock Protocol. <ul style="list-style-type: none"> ○ Changes to the rate lock may result in funds reverting to the program allocation. • Existing FirstDown Plus locks cannot be transferred between different program sheets. • Funds cannot be transferred between different borrowers. • The loan remains subject to program guidelines in effect at the time the FirstDown Plus loan was locked.
Loan Amount	<ul style="list-style-type: none"> • \$10,000

<p>Loan Terms</p>	<ul style="list-style-type: none"> • <i>First Down Plus</i> program loans are zero percent (0.00%) interest rate, amortizing 15-year maturity loan. With monthly principal payments of \$55.56. • The outstanding balance of the loan is due on sale, refinance, or transfer of the property. • Program funds may only be used towards down payment. <u>The use of funds to pay for closing costs is prohibited.</u> <p>* NOTE: Loan must be a 15-year maturity. No other loan maturities are currently offered.</p>
<p>Eligible Housing New Mexico MFA programs</p>	<ul style="list-style-type: none"> • <u>Borrowers must qualify for and obtain a FirstHome</u> 30-year, fixed rate, fully amortizing loan. • Must be used in conjunction with either <i>FirstDown</i> or <i>HomeNow</i> – 2nd lien position. The minimum <i>FirstDown</i> loan amount allowed is \$1,000.00.¹ <i>HomeNow</i> loan amount is a fixed \$7,000. • The maximum amount of combined assistance provided through all HNM down payment assistance programs cannot exceed \$35,000. • <i>FirstDown Plus</i> is only available for FHA, VA, USDA, HUD Section 184 and Freddie Mac loans. Fannie Mae loans are not currently eligible.
<p>Income Requirement</p>	<ul style="list-style-type: none"> • If using FirstDown as the second mortgage the borrower's <i>HNM program calculated income</i> must not exceed the FirstHome income limits. • If using HomeNow as the second mortgage the borrower's <i>HNM program calculated income</i> must not exceed at or below 80% of the area median income, the limits vary by county and household. • The <i>FirstDown Plus</i> DPA Program is eligible for any income limit waivers associated with other HNM programs such as allowed in Target Area Census tracts, unless using the <i>HomeNow</i> program as the second mortgage. • Income Limits are posted on the HNM website at www.housingnm.org
<p>Acquisition Cost/Purchase Price Requirement</p>	<ul style="list-style-type: none"> • FirstHome Acquisition Cost Limits are used if using FirstDown as the second mortgage. • The lesser of FirstHome or HomeNow Acquisition Cost Limits are used if using HomeNow as the second mortgage. • Purchase Price Limits are posted on the HNM website at www.housingnm.org <p>NOTE: <i>Must follow lower purchase price limits when using certain MFA programs i.e., HomeNow or DPAdvantage (when available)</i></p>
<p>Eligible Occupancy</p>	<ul style="list-style-type: none"> • Owner-occupied principal residence

¹ *FirstDown* loans of \$1,000 or less are exclusively eligible for a 15-year loan term. Loan amounts of \$1,001 and greater are eligible for either a 15-, or 30-year term options.

<p>Eligible Borrowers Ownership of another residential dwelling</p>	<ul style="list-style-type: none"> • Borrower must meet the definition of a first-time homebuyer or qualify under the Veteran's exception. • The purchase of homes in a Targeted Area census tract are also exempt from the First Time Homebuyer requirement. <p>* NOTE: Borrower may have only one MFA first mortgage loan outstanding at a time.</p>
<p>Allowable Fees</p>	<ul style="list-style-type: none"> • Participating Lenders may charge the borrower an origination fee not to exceed five hundred dollars (\$500.00) in conjunction with <i>FirstDown Plus</i> DPA Program loan. Other allowable fees that may be charged in conjunction with this loan program include the recording fees, mortgagee title insurance policy premiums and settlement/closing fees.
<p>Other Program Requirements</p>	<ul style="list-style-type: none"> • All <i>FirstHome</i> Program Eligibility Requirements apply. • Only Loan Product Advisor® Automated Underwriting System (AUS) is acceptable. An error results when ran in Desktop Underwriter®.²

Housing New Mexico | MFA, in its sole discretion, may amend the provisions of this Program Sheet from time to time. Changes may occur at any time. Always refer to the Housing New Mexico | MFA website www.housingnm.org for the most current Program Sheet.



² Fannie Mae advised that Desktop Underwriter® is not able to handle the current loan term structure, therefore triggering an error message. A Fannie Mae manual underwrite is not an available option for use with the *FirstDown Plus* program.