

“HomeForward DPA” Program Policy

June 17, 2024

Program Summary:

The HomeForward DPA program (“HomeForward DPA”) is a second mortgage loan that provides Down Payment (“DPA”) for the purchase of a primary residence. HomeForward DPA is combined with a HomeForward first mortgage loan. The DPA loan funds must be used for down payment only and may not be used for closing costs. Because USDA or VA loans do not require a down payment, the DPA assistance may be used to cover closing costs for these loan types only.

Eligible Mortgage Lenders:

Mortgage Lenders must be approved by MFA (“Participating Lender”) to originate HomeForward DPA program loans. A list of eligible Participating Lenders is published on the MFA website.

<https://housingnm.org/homebuyers/mfa-participating-lenders>

Availability of Funds:

HomeForward DPA program funds are made available on a continuous basis through various funding sources including but not limited to premium pricing of the HomeForward loan, New Mexico Housing Trust Fund, or Housing Opportunity Fund. Funds may be reserved in conjunction with a HomeForward program loan through MFA’s online reservation system, which can be accessed on MFA’s website.

(www.housingnm.org/lenders_realtors/online-reservations).

HomeForward DPA Fund Use:

HomeForward DPA is available to homebuyers who obtain first mortgage loan financing through MFA’s HomeForward program. HomeForward DPA may be used to finance the minimum down payment. Because USDA or VA loans do not require a down payment, the DPA assistance may be used to cover closing costs for these loan types only.

Mortgage Loan Term:

HomeForward DPA, funded from sources other than premium pricing, is a 15-year or 10-year, fixed term, amortizing, second mortgage requiring monthly payments.

HomeForward DPA loans do not carry a prepayment penalty.

Reservation/Extensions/Late fees:

Loan reservation, loan extension and late fee guidelines can be found on MFA's website.

(www.housingnm.org/lenders_realtors/online-reservations)

Maximum Loan to Value (“LTV”) and Combined Loan to Value (“CLTV”)

- FHA/VA/USDA-RHS: as determined within the underwriting/insurance eligibility criteria for each loan type.
- Fannie Mae HFA Preferred: as determined by Fannie Mae or Freddie Mac.

Interest Rate:

The HomeForward DPA program interest rates are set according to the MFA Rules and Regulations and published each day on MFA's website.

Maximum Loan Amount:

The current HomeForward DPA loan amount is up to three percent (3.00%) of the purchase price. MFA may seek to increase the amount of assistance through budget amendments or fund allocation requests if funding sources are available.

Fees:

Participating Lenders may charge the borrower an origination fee of one hundred dollars (\$100.00) in conjunction with a HomeForward DPA loan.

Other allowable fees that may be charged in conjunction with a HomeForward DPA loan include the recording fees mortgagee title insurance policy premiums, settlement/closing fees and daily interest charges. No other fees may be charged in conjunction with the HomeForward DPA loan.

Eligibility:

- HomeForward DPA follows the eligibility requirements specified in the HomeForward Program Policy.

Homebuyer Counseling:

- HomeForward DPA follows the eligibility requirements specified in the HomeForward Program Policy.

HomeForward Program Income and Purchase Price Limits

Purchase Price and Income Limits Effective June 17, 2023

County	Purchase Price Limit	Income Limit
Bernalillo County	\$567,710	\$129,750
Catron County	\$567,710	\$118,350
Chaves County	\$567,710	\$118,350
Cibola County	\$567,710	\$118,350
Colfax County	\$567,710	\$118,350
Curry County	\$567,710	\$118,350
De Baca County	\$567,710	\$122,550
Dona Ana County	\$567,710	\$118,350
Eddy County	\$567,710	\$152,700
Grant County	\$567,710	\$118,350
Guadalupe County	\$567,710	\$118,350
Harding County	\$567,710	\$118,350
Hidalgo County	\$567,710	\$118,350
Lea County	\$567,710	\$118,350
Lincoln County	\$567,710	\$118,560
Los Alamos County	\$712,804	\$252,750
Luna County	\$567,710	\$118,350
McKinley County	\$567,710	\$118,350
Mora County	\$567,710	\$118,350
Otero County	\$567,710	\$118,350
Quay County	\$567,710	\$118,350
Rio Arriba County	\$567,710	\$118,350
Roosevelt County	\$567,710	\$118,350
Sandoval County	\$567,710	\$129,750
San Juan County	\$567,710	\$118,350
San Miguel County	\$567,710	\$118,350
Santa Fe County	\$617,152	\$196,640
Sierra County	\$567,710	\$118,350
Socorro County	\$567,710	\$118,350
Taos County	\$567,710	\$181,560
Torrance County	\$567,710	\$129,750
Union County	\$567,710	\$118,350
Valencia County	\$567,710	\$129,750

***Source: Purchase Price Limit - Kutak**

Source: Income Limit - Calculation based on HUD at 150% AMI with High Cost Areas calculated in the following counties: Lincoln, Santa Fe and Taos