

HomeNow Replacement Loan Program



Program Requirements Effective with HomeNow Lock Commitments dated **February 18, 2025**

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
<p>Program Availability</p>	<ul style="list-style-type: none"> • Reservations begin on February 18, 2025, for this round of replacement funding. • Funds available from paid off loans are limited as these are replacement loans. • Lender submits lock request in PowerLender, as they would normally with FirstDown selected as the DPA option. This guarantees the first mortgage rate is locked. • Housing New Mexico (HNM) staff determine if there is a suitable replacement available. HNM will take one full business day to review and respond to the lenders request. Please plan accordingly for the extra time. See Lender Workflow at end of document • HNM staff will process a DPA program change if a suitable replacement is available. HNM will push the updated lock commitments to the portal. <i>(No program change request from lender is required)</i> • All areas of the state, including Federally Designated Tribal Land, are eligible. <p>Disclaimer: Not all requests will be confirmed as there may not be funds available from a replacement.</p>
<p>Program Funding</p>	<ul style="list-style-type: none"> • HomeNow is only available through an approved Participating Lender. • Program funds are limited as these funds are replacement loans and are reserved on a first come, first served basis depending on availability. • HomeNow loans must be purchased within 90 days of the reservation/lock date 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 HNM's Rate Lock Protocol. <ul style="list-style-type: none"> ○ Funds cannot be transferred between different borrowers. ○ Funds cannot be transferred between different properties. ○ Changes to the rate lock may result in funds reverting to the program allocation.

Loan Amount	<ul style="list-style-type: none"> • \$7,000
Loan Terms	<ul style="list-style-type: none"> • HomeNow program loans are zero percent (0.00%) interest rate with no monthly principal payment. • Will be forgiven if the borrower occupies the property as their primary residence for a full 10-year period and does not sell, refinance, transfer title, rent out or otherwise vacate the property. • Must be repaid if borrower vacates the property before the full 10-year period is fulfilled.
Eligible Housing New Mexico MFA programs	<ul style="list-style-type: none"> • Borrowers must qualify for and obtain a FirstHome 30-year, fixed rate, fully amortizing loan. • Must be used as a second mortgage in lieu of the FirstDown program • May be combined with FirstDown Plus 15, third mortgage • The maximum amount of combined assistance provided through all HNM down payment assistance programs cannot exceed \$35,000. • HomeNow is available with FHA, VA, USDA, HUD184, Fannie Mae and Freddie Mac first mortgage loans.
Income Requirement	<ul style="list-style-type: none"> • The borrower's HNM <i>program calculated income must not exceed</i> 80% of area median income. Limits vary by county and household size. • See the HNM website for limits. https://housingnm.org/lenders-realtors/income-and-purchase-price-limits <p><i>NOTE: Must follow lower Income limits of either FirstHome or HomeNow</i></p>
Acquisition Cost/Purchase Price Requirement	<ul style="list-style-type: none"> • HomeNow Purchase Price Limits are posted on the HNM website at https://housingnm.org/lenders-realtors/income-and-purchase-price-limits <p><i>NOTE: Must follow lower purchase price limits of either FirstHome or HomeNow</i></p>
Eligible Occupancy	<ul style="list-style-type: none"> • Owner-occupied principal residence
Eligible Borrowers Ownership of another residential dwelling	<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><i>* NOTE: Borrower may have only one HNM first mortgage loan outstanding at a time.</i></p>

Allowable Fees	<ul style="list-style-type: none"> Participating Lenders may charge the borrower an origination fee not to exceed one hundred dollars (\$100.00) in conjunction with HomeNow 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.
Other Program Requirements	<ul style="list-style-type: none"> All FirstHome Program Eligibility Requirements apply.

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.

Lender Workflow

Lock / Program Request

Housing New Mexico

- HNM will post a current list of the available metro and non metro units within the Lender Portal

Lock/Program Request

Lender

- Lender will verify Borrower(s) is/are income eligible for FirstHome / HomeNow
- Lender will verify the purchase price is eligible for FirstHome / HomeNow
- Lender will submit reservation/lock request in PowerLender, as they would normally with FirstDown selected as the DPA option. This guarantees the first mortgage rate is locked
- Lender will reply to lock confirmation or submit a new email to the singlefamily email inbox requesting a match for HomeNow

HomeNow Replacement Identification

Housing New Mexico

- HNM will determine if there is a suitable replacement available. HNM will take one full business day to review and respond to the lenders request. **Please plan accordingly for the extra time**
- HNM spot verifies that borrower(s) is/are income eligible along with purchase price
- HNM will automatically process a program change if a suitable replacement is available. HNM will push the updated HomeNow DPA lock commitment to the portal and inform the lender via email of availability. *(No program change request from the lender is required)*
- IF NOT APPROVED**
- HNM will inform Lender via email HomeNow is not available
- HNM will ask lender how they would like to proceed

Lender Workflow

Compliance Review If Match Found

Housing New Mexico

- HNM completes an entire compliance file review based on the *FirstHome* / *HomeNow* program requirements
- If approved HNM will push the *HomeNow* Note and Mortgage along with other compliance approval documents to the portal. **Please note lender must use HNM Note and Mortgage**

Compliance Review Over Income

Housing New Mexico

- HNM Compliance Reviewer informs lender if the borrower is ineligible for the program

Program Change Request/ Cancelation

Lender

- Lender will request program change from *HomeNow* to either *FirstDown* or *HomeForward* by submitting a request to the singlefamily email inbox
- If Lender is canceling the loan, process the cancelation within the *PowerLender* System

Lender Workflow

Lock/Program Change Request and Compliance Review

*Housing New Mexico and
Lender*

- HNM will process program change, push updated *FirstDown* or *HomeForward* lock commitment to the portal and inform the lender via email of availability
- Lender will upload an updated file to VirPack
- HNM will complete an entire compliance file review based on the current program requirements