

# **EHOUSINGPLUS**

## **FREDDIE MAC**

### **ADDITIONAL BORROWER SUBSIDY PROGRAM**

#### **SERVICE PROPOSAL**

#### **For Qualified Programs**

In support of Housing Finance Agencies' Single Family Programs, eHousingPlus has positioned itself to manage the new Freddie Mac borrower-related subsidies, *Freddie Mac's LIP & VLIP subsidy program* to the Housing Finance Authority of Hillsborough County, Florida. This summary document aims to provide the details of the scope of work and fees to manage such programs.

## **OVERVIEW**

Freddie Mac will be providing an additional subsidy to borrower(s) who originate first mortgages in eligible programs throughout the United States. This subsidy will come in the form of 2% of the final loan amount for qualifying properties.

As your Program and Compliance Administrator we look to you on the specific scope of services you wish us to perform. eHP is here presenting Options, however, may consider alternatives based on your indication and the completion of the Program Specification Form included herein.

## **Interested Parties**

If you have received notification from Freddie Mac of eligibility to participate in this program, please update the Program Specifications Form below, and email to: [Lorena.Hernandez@hdsoftware.com](mailto:Lorena.Hernandez@hdsoftware.com).

## **The Opportunity**

- Provides a one-stop reservation and management of the first mortgage and the related subsidy
- Low fee options to add subsidy and verify compliance based on AMI Limits
- Lender up-fronts subsidy at closing; nets out when loan is purchased by servicer
- One-stop loan pipeline management

## Our Proposal

Based on the requirements presented by you, US Bank and Freddie Mac below are two options for services.

The addition of this service can be used in conjunction with any eligible program. This Proposal and Program Specifications Form serves as notification of fee for this additional product, and will not require any amendment to existing agreements. eHousingPlus must receive the notification in writing (see below) in order to commence this subsidy program. Other services may be considered.

### **Option 1. Additional (DPA) Program**

#### **\$25 applied to all loans in qualified program**

eHP will set up an additional (DPA) Program for the Subsidy Program

- Subsidy will be a flat amount entered by the lender, based on the guidelines that Freddie Mac will provide.
- Update loan amount in eHP System up to program maximum and compliance approve loan
- eHP will not set up interest rate.
- eHP will set up Income Limits based on County, or City, for a family of 1-2 or 3+ for Non-Target and Target Areas
- Subsidy Program **will not** require additional forms on this fee schedule
- Lender Guidelines will reflect process of how lenders will access reservations, and how subsidy works eHP System will reflect subsidy in reporting
- Compliance review of 1<sup>st</sup> mortgage will include verification of subsidy amount in CD/HUD1
- Loan records will be transmitted to servicer in same existing format

### **Option 2. Additional Program**

#### **\$75 applied to only the specific additional**

eHP will set up an additional Program for the Subsidy Program

- Subsidy will be a flat amount entered by the lender, based on criteria set by Freddie Mac.
- Update loan amount in eHP System up to program maximum, place loan in exceptions for US Bank overlay on loan amount. Work with lender, Housing Finance Authority of Hillsborough County, Florida, US Bank, and /or Freddie Mac as needed to assist and instruct on remedy of loan prior to compliance approval.
- eHP will set up interest rates
- eHP will set up Income Limits based on County, or City, for a family of 1-2 or 3+ for Non-Target and Target Areas
- Subsidy Program **will** require additional forms on this fee schedule
- Lender Guidelines will reflect process of how lenders will access reservations, through netted loan purchase
- eHP System will reflect subsidy in reporting
- Compliance review of the **additional program** to include
  - Calculation of subsidy amount in CD/HUD1,
  - Update of amount in system record,
  - Verification/calculation of income from documents submitted,
  - Update of income in system record,
  - calculation of over / under subsidy,
  - Exception management,
  - Instruction and communication with lender and servicer on exception,

- Communication and instruction on remedies with the lender, and
  - Verification of cure and compliance approval
- Loan records will be transmitted to servicer in same existing format

### ***Option 3. No Additional Services from eHP***

#### ***No additional fees***

- Subsidy Program will not appear or be reserved on the eHP Portal
- It is the Lender's responsibility to meet Freddie Mac's Subsidy Requirements
- eHP has no administrative or compliance responsibility and will not review files related to this subsidy
- eHP will not maintain any records or provide communication related to the subsidy

The additional fee for either option is addition to whatever tier the Housing Finance Authority of Hillsborough County, Florida currently has. This has to be determined at the commencement of the subsidy offering and shall be in place until the termination of the subsidy.

### **Timeline for Execution**

eHP requires one week to launch program from notification to go Live.

## Program Specifications Sheet

Please provide us the following information. Our staff will contact you to further discuss the launching of the program, timelines and other pertinent program information.

| Program Specifics  | Please enter as much detail as possible |
|--|---|
| Name of 1 <sup>st</sup> Mortgage Program   | Multi-County First-Time Buyer Program   |
| Is eligible program currently open?  |   |
| Requested Start Date   |   |
| End Date   |   |
| Amount of Subsidy per loan   |   |
| Income Limits  |   |
| Describe the compliance rules for the subsidy program?<br><br>If not the issuer, who owns the compliance subsidy rules and is the agency wishing to be more restrictive? If yes, please elaborate.   |   |
| If the loan amount or income limits are not met for the subsidy, can a loan remain in the eligible program?<br><br>In this case eHousingPlus will cancel the subsidy loan and compliance approve the ELIGIBLE PROGRAM LOAN for purchase by the servicer. |   |
| FTHB Requirement   |   |
| Scope Notes.   |   |

## Confirmation

On behalf of the Housing Finance Authority of Hillsborough County, Florida, we respectfully submit our intent to exercise Option 1 \_\_\_\_ or Option 2 \_\_\_\_ or Option 3 \_\_\_\_\_. Please contact the individual(s) below for more information.

- Contact name:
- Contact email:
- Contact phone:

Housing Finance Authority of  
Hillsborough County, Florida

Housing and Development Services, Inc.  
d/b/a eHousingPlus

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By: \_\_\_\_\_

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By: Elena Miranda, VP Business Dev.