



OHFA Homebuyer

Tax Credit Advantage Program Term Sheet

Description	15 year amortizing second mortgage with principal and interest payments deferred until July 1, 2010.
Eligible Borrower	Homebuyer obtaining a first mortgage through a participating lender under OHFA First Time Homebuyer Program.
Eligible Uses	Down payment and closing costs related to the home purchase.
Eligible Property	Per OHFA First Time Homebuyer guidelines.
Loan Amount	Up to 3% of home purchase price.
Income Limit	Per OHFA First Time Homebuyer guidelines.
Underwriting Guidelines	Borrowers must have 600 minimum credit score. Follow FHA, VA, USDA, Fannie Mae or Freddie Mac underwriting guidelines when applying the 2nd mortgage loan as down payment assistance. Include the 2nd mortgage loan obligation in the calculation of the borrower's total housing expense ratio.
Home Buyer Education	All borrowers must complete a home buyer education course through a HUD certified counseling agency or complete OHFA streamlined home buyer education.
Loan Term	After initial deferral period, the loan will fully amortize over 15 years, starting July 1, 2010.
Interest Rate	1% above the corresponding first mortgage unassisted rate.
Exclusions	OHFA's 2.5% down payment assistance grant (DAG) may not be used in combination with the OHFA second mortgage.
Servicing	1st and 2nd mortgage combined payments will be made to US Bank.
Application Fee	The OHFA application fee will be \$225 and can be paid by the buyer, seller or financed in the loan. OHFA will also charge a \$75 Administrative Fee shown on the HUD. The lender will receive closing instructions assigning this Administrative Fee to the housing counseling agency.
Early Repayment Incentive	If the loan is paid off before July 1, 2010, the borrower will receive a \$300 credit toward principal.
Other Allowable Fees	2nd mortgage special processing fee, limited to \$75. 2nd mortgage loan document preparation fee. 2nd mortgage loan recording fee.
Closing Documents	2nd mortgage Note and Mortgage in the name of "Ohio Housing Finance Agency." Participating lender is required to disclose the second mortgage on a separate HUD I.
Second Loan Funding	Participating lender advances the loan proceeds at closing. US Bank reimburses the lender at loan purchase. US Bank deducts \$225 loan fee collected by lender at closing.
Prepayment	The 2nd mortgage loan is due in full if the 1st mortgage loan is paid off after July 1, 2010, assumed or refinanced. There is no prepayment penalty.
Effective Dates	Available for loans reserved on or after March 30, 2009 and closed on or before November 30, 2009, or until available funds are exhausted.



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