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### Section 1 – Overview

The Chenoa DPA product is offered by a subsection of Cedar Band Corporation, a federal corporation created by the US Government through the Bureau of Indian Affairs for the Cedar Band of Paiutes of the Paiute Indian Tribe of Utah, a constituent band of the Paiute Indian Tribe of Utah, a Federally recognized Native American Tribe as contemplated by 25 U.S.C. §477 and 48 Stat. 984 under the Indian Reorganization Act of 1934 (“IRA”).

Orion Lending’s vision is to increase affordable and sustainable homeownership opportunities for credit worthy individuals who lack down payment funds.

Except for exclusions noted below, adhere to Fannie Mae® Selling Guide and all DU® findings or FHA 4000.1 for borrower underwriting and property eligibility requirements.

### Section 2 – Chenoa Agency Product Matrix

Program Notes	CONVENTIONAL		FHA		
	HomeReady®*	Conventional 97%*	Rate Advantage	Chenoa Fund DPA	
				Soft Second	Repayable Second
2.1 Description of Assistance	Down payment assistance in the form of a 10-Year Fixed Rate Mortgage with an interest rate 2% higher than the first mortgage. Please refer to daily rate sheet for interest rates on FNMA First Mortgage.		Down payment assistance in the form of 10-Year Repayable Secondary Financing at an 8% fixed rate only.	Down payment assistance in the form of Soft/Forgivable Secondary Financing. Second lien is a 30-year term, 0% interest, and no payments due, but will be forgiven after 36 regular on-time payments of the underlying first mortgage.	Down payment assistance in the form of Repayable Secondary Financing. Loan Option 1 is a 10-year term, 0% interest rate. Loan Option 2 is a 30-year term, 5% interest rate. Both loans require regular monthly payments.
2.2 Down Payment Assistance	3.5%; .5% can be used toward closing costs		3.5% rounded to the nearest dollar		

\*Neither the Chenoa Fund, CBCMA nor any of their products are approved by or affiliated with Fannie Mae®. It is the originating lender’s responsibility to ensure that the use of CBCMA second mortgages, the CBCMA first mortgage, and combination of the first and second mortgages are compliant with Fannie Mae’s® HomeReady® requirements.

Section 2 – Chenoa Fund Agency Product Matrix – Continued

Program Notes	CONVENTIONAL		FHA		
	HomeReady®	Conventional 97%	Rate Advantage	Chenoa Fund DPA	
				Soft Second	Repayable Second
2.3 Minimum Credit Score	640		640	620	
All borrowers must have at least one credit score. Soft pull credit report required within 10 days of Note date.					
2.4 Borrower Income Limits	<ul style="list-style-type: none"> <li>No income limits in low-income census tracts</li> <li>100% of area median income (AMI) for all other properties</li> </ul>	No Income Limits	Fully-amortized second mortgages with a term of 10 years for borrowers with qualifying income <115% of area median income.	Soft/Forgivable Secondary Financing available to borrower with qualifying income <=115% of area median income per lender contract.	Fully-amortized second mortgages with a term of 10 or 30 years for borrowers with qualifying income >115% of area median income.
2.5 AMI Calculation	Based on loan QUALIFYING income only (only use income on final loan application). Use <a href="#">Fannie Mae AMI chart.</a>		Based on loan QUALIFYING income only (only use income on final loan application). Use <a href="#">HUD AMI chart.</a>		
2.6 2 <sup>nd</sup> Mortgage Terms	10-year term – Interest Rate is 2% above the first mortgage note rate.	10-year term at 8% rate	Second lien is a 30-year term, 0% interest, and no payments due, but will be forgiven after 36 regular on-time payments of the underlying first mortgage.	10-year amortization at 0% rate 30-year amortization at 5% rate	
2.7 Loan Purpose	Purchase Only				

Section 2 – Chenoa Fund Agency Product Matrix – Continued

Program Notes	CONVENTIONAL		FHA	
	HomeReady®	Conventional 97%	Rate Advantage	Chenoa Fund DPA
				Soft Second
2.8 Occupancy	All borrowers must occupy the property as their primary residence.		All borrowers must occupy the property as their primary residence. No concurrent homeownership permitted. All other FHA guidelines apply.	One of the borrowers must occupy the property as their primary residence. Non-occupant co-borrowers/co-signers are permissible. All other FHA guidelines apply.
2.9 Property Type	1-unit principal residence, including eligible condos, co-ops, and PUDs.		1-unit principal residence, including eligible condos, and PUDs.	1-unit or 2-unit principal residence, including eligible condos, and PUDs.
2.10 First Time Homebuyer	Not Required	Required	Not Required	
2.11 Manufactured Housing	Not Permitted			
2.12 Minimum Borrower Contribution	\$0.00			
2.13 Acceptable Sources of Funds for Down Payment and Closing Costs	<ul style="list-style-type: none"> <li>• Gifts, grants, and CBCMA second mortgages</li> <li>• Sweat equity is acceptable in accordance with FNMA Guidelines</li> </ul>		<ul style="list-style-type: none"> <li>• Gifts, grants, and CBCMA second mortgages</li> <li>• Sweat equity is acceptable in accordance with FHA guidelines</li> </ul>	
2.14 Product	30-year Fixed Rate Mortgage			
2.15 Max DTI	Per AUS Approve/Eligible Findings		50%	Per AUS Approve/Eligible Findings  2 unit properties with Approve/Accept Eligible transactions regardless of geographic location: Maximum 50% DTI ratio if ANY borrower is a first-time homebuyer.

Section 2 – Chenoa Fund Agency Product Matrix – Continued

Program Notes	CONVENTIONAL		FHA	
	HomeReady®	Conventional 97%	Rate Advantage	Chenoa Fund DPA
				Soft Second
2.16 Homeownership Education	Required from any Fannie Mae approved source.  <a href="#">FNMA Link</a>	Not Required		Required for borrowers with credits scores between 620-639. Must be completed through <a href="#">Hope Loan Port.</a>  A Chenoa loan number is required to access the education portal, which will be provided when the loan is locked.
2.17 Cash Back to Borrower	Borrower may receive a refund of documented earnest money deposit and other documented, paid third-party costs only.			
2.18 Concurrent Homeownership	Allowed per AUS	Not Allowed	Allowed – Section 3.5	Allowed per the 4000.1
2.19 Non-Occupant Borrowers	Non-occupant borrowers are not permitted with this program.			When loan includes a non-occupant co-borrower, qualifying income of only the occupying borrower(s) is used to determine program qualifications under AMI limits.
2.20 Maximum Loan Amount	Per County Limits (1 <sup>st</sup> and 2 <sup>nd</sup> Combined)			
2.21 Maximum LTV/CLTV and Subordinate Financing	LTV to 97% CLTV to 100.5%	97% (up to 100.5% only if the subordinate financing meets the requirements in Fannie Mae's® Selling Guide for loans with higher CLTVs).	LTV to 96.5% CLTV – No max	
2.22 Mortgage Insurance (MI) Coverage Financed MI	Standard MI coverage is required with LTV ≤ 90% and 25% MI coverage for LTV ratios > 90%	Standard MI coverage. LTVs between 95.01 – 97.00% require 35% coverage	Standard FHA Coverage	

Section 2 – Chenoa Fund Agency Product Matrix – Continued

Program Notes	CONVENTIONAL		FHA	
	HomeReady®	Conventional 97%	Rate Advantage	Chenoa Fund DPA
				Soft Second
2.23 AUS	Based on the census tract and borrower income, DU will notify users when a loan casefile appears to be eligible for HomeReady.  DU recommendation of Approve/Eligible required.	DU recommendation of Approve/Eligible required.	DU or Loan Product Advisor	
2.24 Manual Underwriting	Not Allowed		Allowed	
2.25 Fees to Originator	Origination fee must conform to QM guidelines. Discounted points must conform to QM guidelines.		Maximum 1.5% Origination fee (Lender may charge underwriting/processing fees not to exceed QM limits). Discounted points must conform to QM guidelines.	Origination fee must conform to QM guidelines. Discounted points must conform to QM guidelines.
2.26 Required Documents	<ul style="list-style-type: none"> <li>Secondary Financing requires an initial and final 1003, TRID compliant disclosures, and any state required disclosures.</li> </ul>			
2.27 Tax Transcripts	<ul style="list-style-type: none"> <li>Per AUS</li> </ul>			

Section 3 - FHA Program Overlays

3.1 Age of Documents	Documents used in the origination and underwriting of a Mortgage may not be more than 120 Calendar Days old at the Disbursement Date.
3.2 Borrower Homeownership Counseling	Required for all borrowers when credit scores are between the 620-639 ranges. <b>Chenoa Fund DPA only</b> <a href="#">Hope Loan Port</a>
3.3 Escrow Holdbacks	<p>Minimum required repairs are established by the FHA Roster Appraiser and/or the FHA DE Lender. Orion Lending will accept escrow holdbacks on a case-by-case basis exception basis and MUST BE PRE-APPROVED. Exception requests for escrow holdbacks will be considered for weather related repairs only – that is repairs that cannot be completed prior to close due to inclement weather.</p> <ul style="list-style-type: none"> <li>• Allowed for exterior repairs and/or improvements, including landscaping, not completed prior to closing due to weather related delays</li> <li>• The total costs of repairs may not exceed \$5,000 or be less than \$500 prior to adding the required contingency. Exceptions may be considered</li> <li>• The dollar amount of escrow holdback is a minimum of 150% (or 1.5 times) the cost of the improvement or repair must be held in escrow</li> <li>• Escrow Holdbacks are allowed only when the appraisal is completed “subject to” repairs or alterations</li> <li>• The property must meet FHA minimum property standards at closing</li> <li>• Minor repair/improvement items may be completed by the borrower provided acceptable evidence of completion is obtained</li> <li>• Note Energy Mortgages (EEM) are not allowed</li> <li>• The Appraiser must include a list of the required exterior repairs/improvements</li> </ul> <p>Completion Date:</p> <ul style="list-style-type: none"> <li>• Improvements or repairs must be completed within 30 days of the Note unless it is during inclement weather season. Inclement weather season is considered to be between the months of November through March - repairs/improvements must be completed by April 30th or 60 days from the Note, whichever is further out.</li> </ul>
3.4 Ineligible Property Features	<ul style="list-style-type: none"> <li>• Building on own land</li> <li>• Construction to Perm</li> <li>• Easements and Deed Restrictions that affect value, marketability, or property accessibility as determined by the appraiser and for which no protective title endorsement is available</li> <li>• Loans with resale deed restrictions</li> <li>• Proposed or Under Construction</li> </ul>
3.5 Retaining Currently Owned & Financed Home	<p><b>Rate Advantage Only:</b> Must provide a Letter of Explanation to clarify the motivation for new purchase and the intent to list and sell the departing residence within a reasonable amount of time.</p> <p><b>Chenoa Fund DPA:</b> No restrictions</p>