



**MONTANA COMMUNITY DEVELOPMENT CORPORATION
HomeNow (DOWN PAYMENT GIFT) PROGRAM SUMMARY**

PROGRAM SPONSOR	Montana Community Development Corporation - http://mtcdc.org/				
DESCRIPTION OF PROGRAM	<ul style="list-style-type: none"> • The HomeNow Program (the “Program”) provides first mortgage financing and down payment/closing cost assistance to eligible borrowers. The down payment/closing cost assistance is in the form of a gift to the borrower. Montana CDC established the Program to fulfill its mission to provide Montana residential borrowers (whose income does not exceed the Income Limits set forth below) down payment/closing cost assistance to enable such borrower to access financing for the purchase of a home. • This Program Summary is a complement to, and not a substitute for, the more detailed Program Guidelines. • FHA, HUD 184, VA, and Rural Development guidelines apply except as modified by this program summary for the purpose of this program only. 				
PROGRAM AREA	Single family residences located within the State of Montana				
ELIGIBLE LENDERS	<p>Lenders must be approved by U.S. Bank (acting as Master Servicer) to participate in the HomeNow Program. Interested lenders should contact U.S. Bank Help desk at 1-800-562-5165 or hfa.programs@usbank.com. You may also contact Melanie Calahan of Montana CDC at 406.532.5716, or email her at melaniec@mtcdc.org.</p> <p align="center">***Third Party Origination is not allowed***</p>				
MASTER SERVICER & COMPLIANCE AGENT	<table border="0" style="width: 100%;"> <tr> <td align="center" data-bbox="363 1329 893 1407">Master Servicer</td> <td align="center" data-bbox="893 1329 1550 1407">Compliance Agent</td> </tr> <tr> <td data-bbox="363 1407 893 1829"> U.S. Bank Home Mortgage, HFA Division 17500 Rockside Road Bedford, OH 44146-2099 (800) 562-5165 hfa.programs@usbank.com </td> <td data-bbox="893 1407 1550 1829"> Hilltop Securities Inc. Attn: Sharon Gonzalez or Lori Wood 1201 Elm Street, Suite 3500 Dallas, TX 75270 (214) 953-4122 (214) 953-4231 sharon.gonzalez@hilltopsecurities.com lori.wood@hilltopsecurities.com </td> </tr> </table>	Master Servicer	Compliance Agent	U.S. Bank Home Mortgage, HFA Division 17500 Rockside Road Bedford, OH 44146-2099 (800) 562-5165 hfa.programs@usbank.com	Hilltop Securities Inc. Attn: Sharon Gonzalez or Lori Wood 1201 Elm Street, Suite 3500 Dallas, TX 75270 (214) 953-4122 (214) 953-4231 sharon.gonzalez@hilltopsecurities.com lori.wood@hilltopsecurities.com
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<p>FIRST MORTGAGE PRODUCTS</p>	<p>Purchase money and rate and term refinances of primary residences only. No cash out refinances.</p> <table border="0"> <thead> <tr> <th style="text-align: left;"><u>Product</u></th> <th style="text-align: left;"><u>Amortization Terms</u></th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> • FHA <ul style="list-style-type: none"> ◇ Fixed Rate Sections 203(b), 234(c), & 203ks • VA <ul style="list-style-type: none"> ◇ Fixed Rate Sections 203(b) & 234(c) • Rural Development <ul style="list-style-type: none"> ◇ Rural Housing Guaranteed Loan • Indian Home Loan Guarantee <ul style="list-style-type: none"> ◇ Section 184 </td> <td style="vertical-align: top;"> <p>30 years</p> <p>30 years</p> <p>30 years</p> <p>30 years</p> </td> </tr> </tbody> </table>	<u>Product</u>	<u>Amortization Terms</u>	<ul style="list-style-type: none"> • FHA <ul style="list-style-type: none"> ◇ Fixed Rate Sections 203(b), 234(c), & 203ks • VA <ul style="list-style-type: none"> ◇ Fixed Rate Sections 203(b) & 234(c) • Rural Development <ul style="list-style-type: none"> ◇ Rural Housing Guaranteed Loan • Indian Home Loan Guarantee <ul style="list-style-type: none"> ◇ Section 184 	<p>30 years</p> <p>30 years</p> <p>30 years</p> <p>30 years</p>						
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<p>FIRST LOAN INTEREST RATES</p>	<ul style="list-style-type: none"> • Hilltop Securities will post First Mortgage Loan interest rates at 8:00 a.m. M.S.T. daily. Current rates can be found at the following website www.homenowgift.org. • The reservation window will be available from 8:00 AM to 5:00 PM M.S.T., Monday through Friday except for Holidays. • Rates can be subject to intra-day pricing changes. • All loans must be delivered and purchased by U.S. Bank within 60 days of rate lock. A one-time extension may be purchased (netted at loan purchase by U.S. Bank) at the following rates: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Days Extended</th> <th>Fees Netted at Loan Purchase</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">7 Days</td> <td style="text-align: center;">0.09375%</td> </tr> <tr> <td style="text-align: center;">15 Days</td> <td style="text-align: center;">0.1875%</td> </tr> <tr> <td style="text-align: center;">22 Days</td> <td style="text-align: center;">0.28125%</td> </tr> <tr> <td style="text-align: center;">30 Days</td> <td style="text-align: center;">0.375%</td> </tr> </tbody> </table>	Days Extended	Fees Netted at Loan Purchase	7 Days	0.09375%	15 Days	0.1875%	22 Days	0.28125%	30 Days	0.375%
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<p>DOWN PAYMENT ASSISTANCE</p>	<p>The down payment assistance is in the form of a gift and is based on the total first mortgage loan amount.</p> <ul style="list-style-type: none"> • 3.5% Assistance (borrower nets 3.5%) • 5.0% Assistance (borrower nets 5.0%) • The funds may be used to fund up to 100% of the Borrower’s cash requirement to close, including the down payment, closing costs, pre-paid items and other related Mortgage Loan fees and expenses. No portion of the gift funds can be paid to the Borrower unless the Borrower is being reimbursed for an overage of his/her earnest money deposit to the extent the minimum Borrower contribution has been satisfied. Under the rate/term refinance option, any funds above the amount needed to pay the Borrower’s loan related costs must be used to reduce the principal amount of the First Mortgage loan. • The lender must receive a compliance approval from the Compliance Agent, Hilltop Securities Inc. in order to be eligible for purchase by the Servicer. • Montana CDC will table fund the Gift amount at the first mortgage loan closing. 										

Montana CDC HomeNow -- Program Summary

INCOME LIMITS	<ul style="list-style-type: none"> FHA, VA, & HUD 184 - The borrower's Credit Qualifying (1003) Income must not exceed the Program Income Limits, currently set at 115% Applicable Median Income (AMI). The Income Limits are listed in Exhibit A attached hereto. Rural Development Loans - Income is based on Adjusted Household Income per Rural Development's Guidelines. Income limits can be found at the following link: http://www.rd.usda.gov/files/RD-GRHLimitMap.pdf <p align="center">Lenders will be responsible for ensuring that the income meets program guidelines.</p>
BORROWER ELIGIBILITY	<ul style="list-style-type: none"> Borrower does NOT have to be a First-Time Homebuyer Determined by the First Mortgage Program selected Non-occupying co-signors are permitted. Non-occupying co-borrowers are not permitted.
LOAN PURPOSE/ TRANSACTION TYPE	<ul style="list-style-type: none"> Purchase or rate/term refinance on Primary Owner-Occupied Residence
PROPERTY TYPES	<ul style="list-style-type: none"> 1-Unit, including condominiums, town homes and PUDs 2-Unit Co-ops are NOT permitted. Manufactured housing is NOT permitted.
UNDERWRITING/CREDIT SCORE	<p><u>Eligible</u></p> <ul style="list-style-type: none"> Loans may be underwritten through an automated underwriting System (DU or LP) – Rural Development Loans (GUS). Source of funds should be Non-Seller funded Non-Profit (not a government agency) All borrowers MUST have a minimum representative Credit Score of 640. <p>Manual Underwrite – all HUD 184 loans are considered a manual underwrite. Other loan types can be manually underwritten at the lender's discretion if there is an AUS finding of refer or if the borrower has NO FICO Score. The maximum DTI for manually underwritten loans is 36% and borrower must have 2 months PITIA reserves after closing (or per product guide if greater). Follow manual underwriting guidelines for the appropriate loan product.</p>
DEBT RATIO	<p>Determined by First Mortgage Program not to exceed 45% on AUS approved loans, 36% for allowed manual underwriting approval.</p>
LTV	<p>LTV determined by the First Mortgage Program selected.</p>
DOWN PAYMENT	<p>Gift proceeds may fund up to 100% of the homebuyer's cash to close with no required minimum contribution from the borrower's own funds.</p>
INTERESTED PARTY CONTRIBUTIONS	<p>Determined by the First Mortgage Program selected.</p>
HOMEBUYER EDUCATION	<p>Recommended, but not required. Please refer to First Mortgage Program guidelines.</p>

Montana CDC HomeNow -- Program Summary

APPRAISAL	A full interior/exterior appraisal is required and must comply with First Mortgage program appraisal guidelines.																		
PRICING	<p>In addition to the standard fees normally charged to the borrower (i.e. Appraisal Fee, Credit Report Fee, Flood Certification, Freight, Underwriting, Document Preparation, etc.) the following fees may also be included. If this list includes a standard fee, the amount listed below should be used. Standard fees should be itemized separately on the Closing Disclosure.</p> <table border="1" data-bbox="375 405 1537 1083"> <thead> <tr> <th data-bbox="375 405 737 464"><u>Type</u></th> <th data-bbox="737 405 1154 464"><u>Amount</u></th> <th data-bbox="1154 405 1537 464"><u>Service Provider</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="375 464 737 558">Loan Origination Fee - First Mortgage</td> <td data-bbox="737 464 1154 558">Usual and customary</td> <td data-bbox="1154 464 1537 558">Lender</td> </tr> <tr> <td data-bbox="375 558 737 686">SRP – First Mortgage</td> <td data-bbox="737 558 1154 686">FHA, RD & HUD 184 - 2.50% VA Loans - 2.00%</td> <td data-bbox="1154 558 1537 686">Lender</td> </tr> <tr> <td data-bbox="375 686 737 781">Delivery Fee – First Mortgage</td> <td data-bbox="737 686 1154 781">\$400.00 – Paid at closing</td> <td data-bbox="1154 686 1537 781">U.S. Bank</td> </tr> <tr> <td data-bbox="375 781 737 888">Tax Service Fee – First Mortgage</td> <td data-bbox="737 781 1154 888">\$85.00 – Paid at closing</td> <td data-bbox="1154 781 1537 888">U.S. Bank</td> </tr> <tr> <td data-bbox="375 888 737 1083">Code Compliance Fee – First Mortgage</td> <td data-bbox="737 888 1154 1083">\$225.00 – Paid at closing</td> <td data-bbox="1154 888 1537 1083">Hilltop Securities Inc. Attn: Sharon Gonzalez 1201 Elm Street Suite 3500 Dallas, TX 75270</td> </tr> </tbody> </table>	<u>Type</u>	<u>Amount</u>	<u>Service Provider</u>	Loan Origination Fee - First Mortgage	Usual and customary	Lender	SRP – First Mortgage	FHA, RD & HUD 184 - 2.50% VA Loans - 2.00%	Lender	Delivery Fee – First Mortgage	\$400.00 – Paid at closing	U.S. Bank	Tax Service Fee – First Mortgage	\$85.00 – Paid at closing	U.S. Bank	Code Compliance Fee – First Mortgage	\$225.00 – Paid at closing	Hilltop Securities Inc. Attn: Sharon Gonzalez 1201 Elm Street Suite 3500 Dallas, TX 75270
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MERS ASSIGNMENTS	Lender will be required to register and assign the First Mortgage Loans using MERS to U.S. Bank.																		
LOAN PURCHASE AND SERVICING	<ul style="list-style-type: none"> • U.S. Bank will purchase the First Mortgage Loan at a rate and price reflected on the Mortgage Commitment confirmation, less any fees, plus the applicable Servicing Release Premium. • All loans will be sold to U.S. Bank and should be electronically submitted via Doc Velocity. <u>No paper files will be accepted.</u> <p align="center">hfa.programs@usbank.com</p>																		

LOCKING A LOAN,
APPROVAL PROCESS,
FUNDING & CLOSING

Lenders must fund the First Mortgage Loans at loan closing. All loans will be locked, approved, DPA funds requested, and post-closing documents uploaded through the HomeNow Lender Portal at www.homenowgift.org.

Locking/Approval of DPA

Upload/complete the following:

- Pre-Closing Checklist
- Loan Application
- Purchase Contract
- Signed Underwriter 1008 or Transmittal Form

Funding of DPA

Montana CDC will table fund the gift funds at closing.

Montana CDC must review and approve the closing disclosure at least 1 (one) business day prior to the lender disclosing to the borrower.

Upload/complete the following:

- Funding Checklist
- Funding Request Form
- Commitment Letter
- Notice of Down Payment Assistance Grant (Gift Letter)
- Final Closing Disclosure

Post-Closing Documentation

The first mortgage loan will **not** be purchased by U.S. Bank until the Post-closing documents have been uploaded, reviewed, and cleared by Hilltop Securities Inc.

Upload/complete the following:

- Post-Closing Checklist
- Final executed Closing Disclosure
- Final executed 1003
- Copy of executed Gift Letter
- Check to Hilltop Securities for \$225.00 (this should be paid from title at closing – if not, please send the check directly to Hilltop Securities (address is on the first page of this Program Summary)

In the event a loan is not purchased by U.S. Bank and loan reservation is expired or canceled, the Lender must reimburse Montana CDC for the down payment assistance funds provided at loan closing. In such cases, Montana CDC will notify the Lender and the Lender will have 15 days to remit the funds owed to Montana CDC.

If you have additional questions, please contact Hilltop Securities Inc.:

- Sharon Gonzalez Sharon.Gonzalez@hilltopsecurities.com 214.953.4122
- Lori Wood Lori.Wood@hilltopsecurities.com 214.953.4231

2016 County Income Limits (115% AMFI) (effective 3/28/16)			
County Name	Any Family Size	County Name	Any Family Size
Beaverhead	\$70,955	McCone	\$70,955
Big Horn	\$70,955	Meagher	\$70,955
Blaine	\$70,955	Mineral	\$70,955
Broadwater	\$70,955	Missoula	\$70,955
Carbon	\$79,695	Musselshell	\$70,955
Carter	\$70,955	Park	\$70,955
Cascade	\$70,955	Petroleum	\$70,955
Chouteau	\$70,955	Phillips	\$70,955
Custer	\$70,955	Pondera	\$70,955
Daniels	\$70,955	Powder River	\$70,955
Dawson	\$74,980	Powell	\$70,955
Deer Lodge	\$70,955	Prairie	\$70,955
Fallon	\$78,545	Ravalli	\$70,955
Fergus	\$70,955	Richland	\$85,100
Flathead	\$70,955	Roosevelt	\$70,955
Gallatin	\$85,330	Rosebud	\$71,070
Garfield	\$70,955	Sanders	\$70,955
Glacier	\$70,955	Sheridan	\$81,190
Golden Valley	\$70,955	Silver Bow	\$70,955
Granite	\$70,955	Stillwater	\$81,880
Hill	\$70,955	Sweet Grass	\$70,955
Jefferson	\$90,275	Teton	\$70,955
Judith Basin	\$70,955	Toole	\$70,955
Lake	\$70,955	Treasure	\$70,955
Lewis and Clark	\$80,500	Valley	\$70,955
Liberty	\$70,955	Wheatland	\$70,955
Lincoln	\$70,955	Wibaux	\$79,465
Madison	\$72,795	Yellowstone	\$79,695

**Income Limits for USDA-RD
Effective 6/15/2016**

County Name	1-4 Person	5-8 Person
Carbon	\$77,500	\$102,300
Fallon	\$80,050	\$105,650
Gallatin	\$82,800	\$109,300
Jefferson	\$91,200	\$120,400
Lewis and Clark	\$84,650	\$111,750
Richland	\$79,950	\$105,550
Sheridan	\$78,400	\$103,500
Stillwater	\$81,580	\$108,050
Yellowstone	\$77,500	\$102,300
All Other Counties	\$75,650	\$99,850

<http://www.rd.usda.gov/files/RD-GRHLimitMap.pdf>