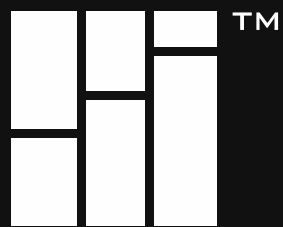


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OCTOBER 14–17, 2014 • THE SHERATON DOWNTOWN DENVER, COLORADO

NeighborWorks Network Partnerships with Credit Unions

Affordable Homeownership Financing Partnerships

248
affiliates

FY13

NeighborWorks® America

Working Together for Strong Communities

NeighborWorks America creates opportunities for people to live in affordable homes, improve their lives and strengthen their communities.

WHAT WE DO

Investing in Local Capacity



GRANTS TO
LOCAL NONPROFIT
ORGANIZATIONS



TECHNICAL ASSISTANCE



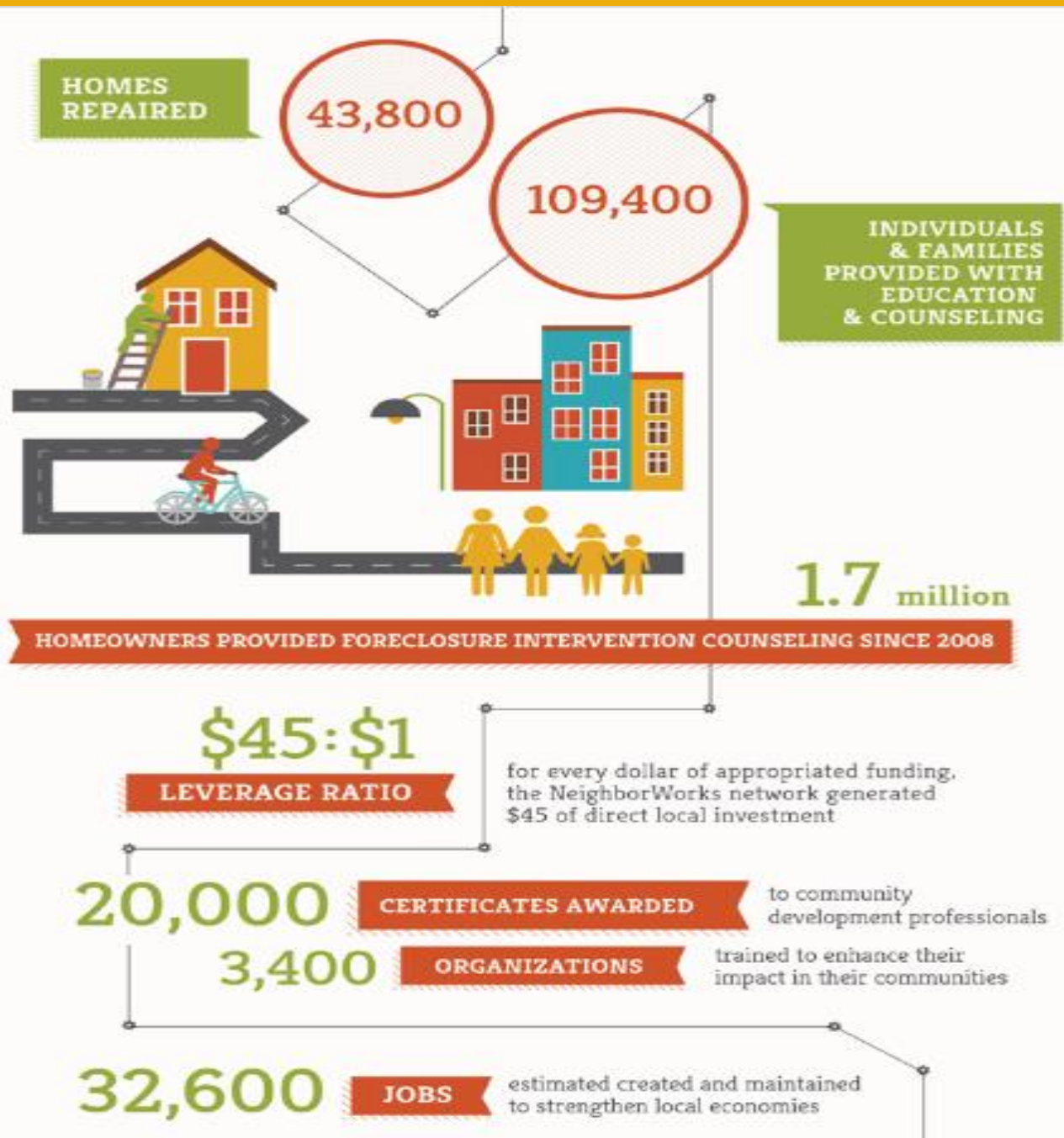
TRAINING FOR COMMUNITY
DEVELOPMENT AND HOUSING
PROFESSIONALS



We build stronger communities in every state, the District of Columbia and Puerto Rico.

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NeighborWorks Network

- Over 100 Network members are CDFIs (most residential)
- Over 150 HUD Housing Counseling Agencies
- Over 900 homeownership counselors
- 47% relationship with Credit Unions

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Chair
Comptroller of the Currency

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Lael Brainard
Member, Board of Governors, Federal Reserve

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Assistant Secretary for Housing/Federal Housing
Commissioner
U.S. Department of Housing and Urban Development

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Homeownership
Done Right.®

National Industry Standards for Homeownership Education and Counseling

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NeighborWorks® Full-Cycle Lending Approach



What Is Financial Capability?

It's the ability to navigate life's events. It's more than just setting financial goals...it's actually building towards them.

Financial capability means you are on the right path to achieving goals.



It means knowing what steps need to be taken...and taking them.

MANAGING FINANCES



ADJUSTING DAILY SPENDING



DEVELOPING A SAVINGS PLAN



UNDERSTANDING CREDIT



NeighborWorks organizations across the country can provide you with

3 EXAMPLES WEST OF THE MISSISSIPPI

**THEME: ENHANCE VALUE PROPOSITION
TO THE CUSTOMER BY PROVIDING HBE
AND COUNSELING AND
ELIMINATING PMI**

BOISE, IDAHO



Your money.
Your trusted choice.®

PERSONAL

BUSINESS

LOANS

Loans / Personal Loans / Home Loans / Purchasing A Home

Personal Loans

Home Loans

Home Equity Loans

Auto & RV Loans

Visa Credit Cards

Signature & Secure
Loans

Personal Lines of Credit

Purchasing A Home

Fixed Rate Home Loans

These loans have the same interest rate for the life of the loan. The home loan because it is easier to budget. Generally, the shorter the

- Protection from rising interest rates
- Predictable monthly payments
- Low, affordable interest rates
- Multiple terms available - 10, 15, 20, and 30 years
- No initial loan application fees

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neighborhood
housing services

WHO WE ARE WHAT WE DO DONATE

News & Events

Lupe's Passion for NHS Lending

09/11/14 at 03:46 AM by Jillian Hanes

I've come prepared with pen in hand - ready for a barrage of rapid-fire information as I walk into the immaculate office at exactly 2pm for our meeting. But she's one step ahead of me, as usual. Lupe Rodriguez, Neighborhood Housing Services' Director of Homeownership Lending sits across from me with a warm smile on her face and slides four nicely formatted pages across the desk. I already know they are the answers to the nine interview questions I emailed her only last week. That's Lupe. Thorough. Professional. Ready to help.

For the past 6 years at NHS, Lupe has helped hundreds of Idaho residents, who thought they had no chance at homeownership, become proud homeowners by providing them with unconventional loans. In the past year alone, she and her loan assistant, Holly Green have given over 25 households the opportunity for affordable homeownership by layering a 1st mortgage with a second loan used for a down payment or closing cost assistance program.

"Lupe goes above and beyond for her clients," claims Holly. With 17 years of experience in the residential lending industry, Lupe knows how to work around traditional mortgage financing - giving low- to moderate- income families and individuals a shot at the American Dream too.

While I'm perusing her detailed answers (trying to determine how to put them in layman's terms for the average reader), I ask the questions aloud just in case she wants to expand even further.

JH (interviewer): You worked in the for-profit lending arena, and then you switched to the non-profit sector. What is the biggest difference between the two?



Lupe: Our loans in the non-profit sector are harder and more complex. We can spend months or over a year helping our clients get their credit in order so they can get a loan. Since we have the ability to

NHS, Inc./Idaho Central Credit Union (Boise, Idaho)

- Pre-purchase and Lending Partnership
- Established in September 2010
- 80/20 (80 1st Originated by Idaho Central CU/ 20% originated by NHS, Inc. Lending)
- Average income is 59% AMI
- Average Rate 4.4%
- Average Loan size \$85,349
- Average fee \$500 for counseling agency
- Closed 32 Loans

PHOENIX, ARIZONA

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MariSol Pay Yourself Mortgage

FOR PURCHASE ONLY

Marisol is committed to helping low and moderate income borrowers achieve their dream of home ownership. FHA, VA and conventional financing all have some form of mortgage insurance. Those insurance premiums go to an insurance company. OR with a MariSol Pay Yourself Mortgage those premium dollars being paid to you instead of paying private of FHA mortgage insurance. Here is how it works!

- This is for homes in Maricopa County only.
- Premium is .75% of the loan amount.
- Savings are collected monthly and put into a home savings account at MariSol
- During the first five years, the savings account cannot be used by the borrower. In Year 6, 50% of the savings can be used for home improvements or a home insurance deductible.
- No upfront premium.
- Loan Amounts up to \$250,000, terms up to 30 years
- LTV up to 97% - Borrower has to put 3% down.
- Product works with down payment assistant programs. There are income limitations for qualification - income must be under 150% of Average median income (AMI) for Maricopa County. (Refer to 2013-Phoenix-Mesa-Glendale MSA chart)

2013 Phoenix-Mesa-Glendale MSA

Household size # of People	80%	100%	120%	150%
1	\$ 35,580.00	\$ 44,200.00	\$ 53,040.00	\$ 66,300.00
2	\$ 40,400.00	\$ 50,500.00	\$ 60,600.00	\$ 75,750.00
3	\$ 45,440.00	\$ 56,800.00	\$ 68,160.00	\$ 85,200.00
4	\$ 50,480.00	\$ 63,100.00	\$ 75,720.00	\$ 94,650.00
5	\$ 54,520.00	\$ 68,160.00	\$ 81,780.00	\$ 102,225.00
6	\$ 58,560.00	\$ 73,200.00	\$ 87,840.00	\$ 109,800.00
7	\$ 62,600.00	\$ 78,260.00	\$ 93,900.00	\$ 117,375.00
8	\$ 66,640.00	\$ 83,300.00	\$ 99,960.00	\$ 124,950.00

This product is for borrowers under 150% of HUD Area Median Income (AMI). The chart above can help you compare your annual income.

Neighborhood Housing Services of Phoenix / MariSol Federal Credit Union

Product Name: MARISOL FEDERAL CREDIT UNION BROKER PROGRAM	
Last Revision Date: April 9, 2012	
Purpose: Purchase Loan or Rate / Term Refinance	
KEY PROGRAM REQUIREMENTS	
Eligible Location	Maricopa County
Borrower Income	Up to 120% of HUD Area Median Income (AMI) as published annually (unless buying in a low-to-moderate income census tract) 150%
Qualifying Income	<ul style="list-style-type: none"> NHSP General Underwriting Guidelines used to determine income <i>(Undocumented income allowed per guidelines)</i> Full documentation required
Owner Occupancy Requirements	Borrower must agree to occupy subject property for duration of loan except when required to move for job relocation or family living circumstances such as elder borrowers moving to an assisted living facility.
Maximum LTV for first mortgage	98% 97%
Maximum CLTV	105% CLTV
Borrower Eligibility	<ul style="list-style-type: none"> Borrower must complete the 8 hour home buyer education class from a HUD approved counseling agency. Borrower must complete Pre-Purchase/One-On-One Counseling by HUD approved agency Borrower must be a U.S. citizen or a Permanent Resident Alien Borrower shall have not owned a home in the last three years

Eligible Property	<ul style="list-style-type: none"> • 1-Unit Single Family Residence • Planned Unit Development • Condominium or townhouse located within community certified by HOA management to be a minimum of 70% owner-occupied units (must have separate approval review by MariSol Federal Credit Union to ensure adequate reserves are in place and HOA dues not excessive for borrower)
Case Reserves	2 months PITI. 3 months PITI
Minimum Down Payment	<ul style="list-style-type: none"> • 3% Down payment required. \$1,000 must come from borrower's own funds. The remainder of down payment may come from approved sources, ie; Gift from immediate family member, HUD approved Down payment Assistance Program.

PMI

Traditional PMI will not be required on LTV's greater than 80%.

MariSol Self insured PMI is required:

On LTV's 90% and above – a premium of .75% of the total loan amount will be assessed annually. This premium will be paid monthly and paid to a non-interest bearing account. Example if the loan is \$100,000 the assessment is \$750 per year.

1. During the first five years of the loan, the borrower may not access these funds.
2. At year six, the borrower may access up to 50% of the funds for home repair or improvements.
3. At year ten, the assessment will no longer be made and 100% of the funds become the borrowers to be used for home repair or home improvement.
4. These funds will be applied to the loan in case of default.

On LTV 80% to 90% – a premium of .50% of the total loan amount will be assessed annually. This premium will be paid monthly and paid to a non-interest bearing account. Example is the loan is \$100,000 the assessment is \$500 per year.

1. During the first five years of the loan, the borrower may not access these funds.
2. At year six, the borrower may access up to 50% of the funds for home repair or improvements.
3. At year ten, the assessment will no longer be made and 100% of the funds become the borrowers to be used for home repair or home improvement.
4. These funds will be applied to the loan in case of default.

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Delinquency Counseling	Borrower shall sign agreement to allow HUD approved Counseling Agency to provide delinquency counseling or
	refer borrower to an outside agency for said counseling if the loan becomes more than 30 days past due. '
Ratios	<ul style="list-style-type: none"> • Front-End debt-to-income ratio shall not exceed 31% of gross monthly income. • Total debt-to-income ratio shall not exceed 42% of gross income in all cases.
Subordinate Financing	Permitted as long as LTV and CLTV limits are not exceeded.
Subordination of Loan	Borrower shall sign disclosure indicated that MariSol Federal Credit Union reserves the right to refuse to subordinate their lien position for any loan they originate with their own funds or those under management by them. A review of a subordination request shall include an examination of the terms of the loan offered by the new lender, the purpose of the loan, and the impact of the loan on borrower's ability to repay all new debt. MariSol Federal Credit Union is not limited however to those factors described here and shall have sole discretion in agreeing to a subordination of loans made with this loan program.
Underwriting Guidelines	All requirements contained in the MariSol Federal Credit Union General Guidelines for Loan Funds and Underwriting and Processing Procedures, as amended, and in effect at the time loan decisions are made, shall determine a borrower's qualification for a loan requested under this program. Exceptions to guidelines must be stated within this product description or meet exception requirements of the General Guidelines.

HONOLULU, HAWAII

HHOC Mortgage

Proudly Announces

The DPAL Program

Low 5% Down Payment Loan Program



- Owner Occupant First-time Home Buyers only
- Low 5% down payment requirement
- No mortgage insurance required
- Interest rate = up to 2% above first mortgage rate
- 20 year amortization, due in 15 years
- Home buyer education required from the Hawaii Home Ownership Center

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Affiliated with:



Hawai'i
HomeOwnership
Center

Building Stronger Communities
one Homeowner at a time.

HHOC Mortgage

Company #276143

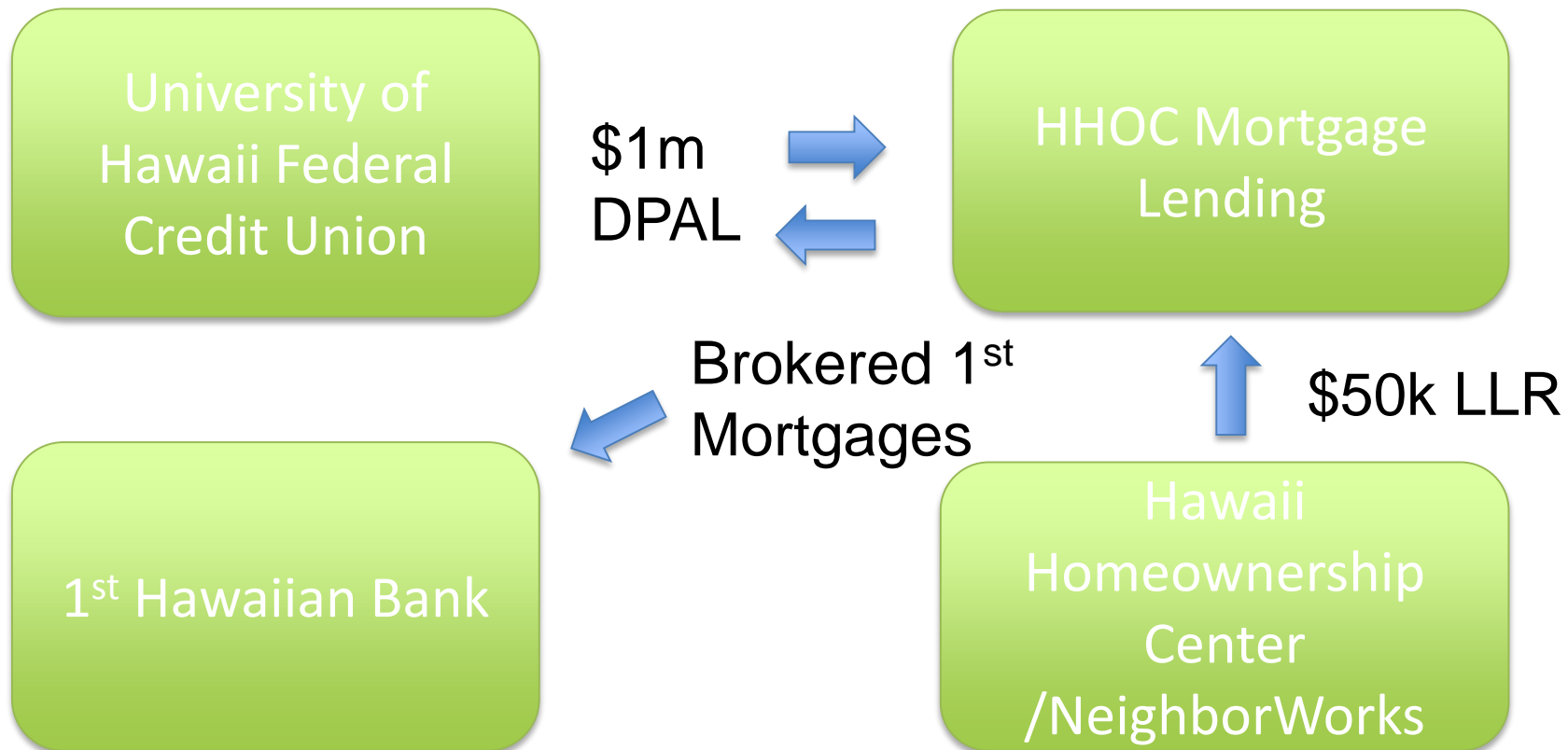
1259 Aala Street Suite 201 | Honolulu, HI 96817

Rachel Willis
(808) 369-8295

rachel@hihomeownership.org



Relationships for 80/15/5 Loan Product



The DPAL Program

Frequently Asked Questions

Who is eligible for the [DPAL](#) Program?

In general, you must meet the following criteria:

- Must be a first-time homebuyer or have not owned residential property within the last three years.
- Must meet the loan program guidelines.
- Must complete (approximately) 9 hours of homebuyer education with the Hawaii HomeOwnership Center (live class or on-line class).
- Must complete one counseling session from the Hawaii HomeOwnership Center.

Is this [DPAL](#) Program available if I'm purchasing any property in the State of Hawaii?

A single family dwelling, condominium unit or townhouse property is eligible. Contact Rachel Willis at (808) 369-8295 for assistance and details.

What is the maximum loan amount for the [DPAL](#) Program?

The maximum loan amount for the Down Payment Assistance Loan is \$75,000;

Where and when can I apply for the DPAL Program?

To determine if you are eligible, you should speak to our Loan Officer at HHOC Mortgage. If you are eligible, [DPAL](#) funds will be reserved once you've entered into a purchase contract and have completed the loan application process.

Is there a maximum purchase price to qualify for the [DPAL](#) Program?

If you are putting only 5% down, then yes the maximum purchase price is \$500,000 – provided the borrower is qualified.

What is the interest rate and loan term for the [DPAL](#)?

The interest rate is 2% above the first mortgage rate. The loan is fixed for a 20 year amortization and due in 15 years. For example, at a \$400,000 purchase price:

Mortgage	Loan Amount	Interest Rate	APR	Payment	Loan Term
1 st mortgage	\$320,000	4.50%	4.648%	\$1,621.39	30 years
2 nd mortgage (DPAL-3)	\$60,000	6.50%	6.701%	\$447.34	20/15
5% Down Payment	\$20,000	(Interest rates as of: July 24, 2013 – borrower subject to prevailing rate at loan approval)			

Can I use the [DPAL](#) Program to purchase a property other than a principal residence?

The [DPAL](#) Program is strictly for a first-time homebuyer that will occupy the property as their principal residence.

Are there Deed Restrictions?

There are none.

Results

- **29 loans completed**
- **\$1m in dpa loaned and UHFCU added an additional \$500,000**
- **Nearly No Losses to Date**
- **2nd Partnership with HawaiiUSA FCU \$500,000 launched**

When It Works Really Well

- **Meets or beats FHA in terms of the value proposition to the customer or fills a market niche**
- **When the Credit Union Provides the majority of the capital**
- **Credit Union gains new members**
- **When a loan origination or counseling fee is possible for the NeighborWorks Organization**

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