



**LAGNIAPPE ADVANTAGE PROGRAM  
(LAP)**

UPDATED AS OF 4/10/2018

<b>LAP PROGRAM DESCRIPTION</b>	Competitive 30-year fixed rate, fully amortizing mortgage with 0%-4% assistance grant for either down payment and/or closing costs, with additional subsidies of up to \$2,500 available.
<b>GRANT TERMS</b>	No repayment / No recapture / No 2nd lien.
<b>ELIGIBLE LOAN AREA</b>	The LAP program is currently available for the purchase of a residence located within Jefferson, St. Tammany, St. Charles and St. Bernard Parishes.
<b>LOAN SERVICING</b>	Loan is serviced by Standard Mortgage Corporation, the program master servicer.
<b>MORTGAGE LOAN RATES</b>	The loan rate available will change periodically to stay competitive with the market rate. Please note that the loan rate will change depending on the % DPA option. The loan rate will be lowest for the 0% DPA option. Borrowers should contact a participating lender for the current mortgage rate.
<b>ELIGIBLE LOAN PRODUCT</b>	Freddie Mac's Home Possible Advantage for HFAs; Lenders must have access to Freddie Mac's AUS System, Loan Product Advisor (LPA). <b>Lenders do not need to be direct seller servicers to Freddie Mac.</b> All loans must receive an approval from Freddie Mac's LPA to qualify for the Lagniappe Advantage Program.
<b>ELIGIBLE BORROWERS AND OCCUPANCY</b>	<p>No first-time homebuyer requirement. No Borrower may own another residence at time of closing; non-occupying co-borrowers and co-signers are not permitted; Borrowers must permanently reside in the U.S. and must occupy the property as their primary residence within 60 days after closing.</p> <p>Note: Regarding ownership interest, the following exceptions apply:</p> <p>a) The borrower inherited their ownership interest in the property and shares ownership with another party;</p>

	<p>b) The borrower owns the property with another party and the debt associated with the property was assigned to the other party by court order;</p> <p>c) The borrower is a cosigner/guarantor on the related mortgage debt and someone other than the borrower has made payments on the debt associated with the property for the most recent 12 months, as documented with copies of canceled checks or a statement from the lender.</p>
<b>TRANSACTION TYPES</b>	Purchase only. Loan refinancing is not eligible and interim construction loan financing is not provided.
<b>QUALIFYING INCOME LIMITS</b>	<b>CURRENTLY NO INCOME LIMITS FOR THE ELIGIBLE LOAN AREA AT THIS TIME.</b>
<b>ELIGIBLE PROPERTIES</b>	One unit primary residences including condos, PUDs, and townhomes; manufactured homes are not eligible.
<b>MAXIMUM LOAN AMOUNT</b>	\$484,350
<b>MINIMUM CREDIT SCORE</b>	640.
<b>PARTICIPATING LENDERS</b>	<p>A list of approved participating lenders can be obtained from the Jefferson Parish Finance Authority office or on our website at <a href="http://www.jpfinanceauthority.com">www.jpfinanceauthority.com</a>.</p> <p>Only approved banks or mortgage companies can reserve funds for and close a LAP loan.</p> <p>Contact JPFA if you would like to become a participating lender.</p>
<b>MANUAL UNDERWRITING</b>	Not permitted with this program.
<b>MAXIMUM LTV</b>	97% LTV / 105% TLTV when combined with an Affordable Second that meets Freddie Mac guidelines.
<b>LP OFFERING IDENTIFIER</b>	Home Possible Advantage for HFAs
<b>LAP SUBSIDY FOR LOWER AMI BORROWERS</b>	<p>A Borrower whose income falls below certain limits will receive additional closing cost assistance at closing.</p> <ul style="list-style-type: none"> <li>• 50.00% or less of Area Median Income will receive \$2,500 of additional assistance; and</li> <li>• 50.01% - 80.00% of Area Median Income will receive \$1,500 of additional assistance.</li> </ul> <p>The amount of additional assistance may be used toward down payment and borrower's closing costs. (The Subsidy isn't considered a lender credit and it is fronted to the borrower by the Authority at closing.)</p> <p>Please contact JPFA for data regarding Area Median</p>

	Income by parish.
<b>BORROWER CONTRIBUTION/SOURCE FUNDS/RESERVE REQUIREMENTS</b>	No minimum contribution from Borrower's personal funds is required. Cash on Hand is an acceptable source of funds – follow Freddie Mac guidelines. No reserves required. No cash back at time of closing.
<b>PROGRAM COSTS</b>	No program related fees. Lender may collect from the borrower its usual and customary costs, but the lender may not charge the borrower any origination and/or discount fees.
<b>MORTGAGE INSURANCE</b>	The Home Possible Advantage for HFAs offers reduced MI options. The current MI coverage levels for HFA Advantage are 18% at 97% LTV; 16% at 95% LTV; 12% at 90% LTV; and 6% at 85% LTV.
<b>MORTGAGE INSURER</b>	Any mortgage insurer must be approved by Freddie Mac and must offer to insure HFA Advantage.
<b>HOMEBUYER EDUCATION</b>	When all borrowers are first time homebuyers, at least one homebuyer is required to have completed a homeownership education program.  Eligible education program information to be provided by participating lenders.
<b>COMBINING WITH OTHER ASSISTANCE PROGRAMS</b>	Subject to Freddie Mac, Standard Mortgage and/or mortgage insurer requirements, the Lagniappe Advantage Program may be combined with other forms of assistance; Examples include, but are not limited to CDBG, HOME funds, and Mortgage Credit Certificates (MCCs), etc.  In all cases, the most conservative guidelines for each program will apply.
<b>LOAN PRICING AND DELIVERY</b>	JPFA will post rates daily and distribute to lenders via email and/or posting on their webpage. Loan registrations are made via the servicer, Standard Mortgage Corporation, website during the posted lock periods. Loans are to be delivered in a fundable condition as instructed by the servicer.
<b>RESERVATION CANCELLATION/INELIGIBILITY</b>	A borrower whose mortgage loan reservation is cancelled is ineligible to participate in this program during the period beginning with cancellation of the reservation and ending one hundred twenty (120) days after cancellation of a reservation unless (1) this prohibition is waived for a specific borrower or (2) the cancellation is due to the failure of the residence to qualify.
<b>COMPLETION OF EXHIBITS</b>	Within 20 days from the initial mortgage reservation, Exhibit C must be submitted to Standard Mortgage. In connection with each loan closing, Exhibit D-Down Payment Assistance Letter must be completed and submitted to the Authority for signature. Prior to

	closing, Exhibit G-Income Certificate and Exhibit E-Down Payment Assistance Funding Request must be completed and submitted to the Authority with the required documents.
<b>TIMELINES</b>	The requirements and timelines set forth in Section 2.01 of the Mortgage Origination, Sale and Servicing Agreement are critical.

***\*\*JPFA GUIDELINES DO NOT SUPERSEDE, NOR ARE THEY A SUBSTITUTE FOR FREDDIE MAC, STANDARD MORTGAGE, MORTGAGE INSURER AND/OR LENDER GUIDELINES IN PLACE AT THE TIME THE LOAN IS UNDERWRITTEN.\*\****

FOR QUESTIONS OR FURTHER INFORMATION, PLEASE CONTACT JPFA EXECUTIVE DIRECTOR:

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