



## FHA HAWAIIAN HOMELANDS

PROGRAM SPECIFICATIONS	
<b>Description</b>	FHA section 247 Hawaiian Home lands insures Mortgages made to Native Hawaiians to purchase or refinance one- to four-family dwellings located on Hawaiian Home Lands, which are owned by the State of Hawaii, Department of Hawaiian Home Lands (DHHL) and leased to Native Hawaiians for 99 year lease terms. <b>Reminder:</b> AFR does not permit 3-4 unit dwellings.
<b>Channels</b>	<ul style="list-style-type: none"> <li>Correspondent Delegated UW (CDE) only, no other channels permitted</li> </ul>
<b>FICO</b>	Minimum Qualifying Credit Scores: <ul style="list-style-type: none"> <li>Correspondent Delegated UW: 580</li> </ul> <b>Reminder:</b> 580-619 must score an Approve Eligible or Accept on AUS findings; AFR does not permit <620 FICO's on Refers or Manual Underwrites.
<b>UW Method</b>	<ul style="list-style-type: none"> <li>Desktop Underwriter (DU)</li> <li>Loan Product Advisor (LPA)</li> </ul>
<b>AUS Recommendation</b>	<ul style="list-style-type: none"> <li>Approve/Eligible - DU</li> <li>Refer/Eligible - DU</li> <li>Risk Class Accept - LPA</li> <li>Risk Class Refer - LPA</li> </ul>
<b>Eligible Terms</b>	<ul style="list-style-type: none"> <li>15Yr. and 30Yr. Fixed</li> </ul>
<b>Eligible Transaction Types</b>	<ul style="list-style-type: none"> <li>Purchase</li> <li>Rate/Term Refinance</li> <li>Cash Out Refinance</li> </ul>
<b>Eligible Property Types</b>	Borrower's Principal Residence (leased land) <ul style="list-style-type: none"> <li>1-2 Unit</li> <li>Manufactured Housing</li> <li>FHA HRAP Approved Condominiums</li> <li>Townhouses</li> <li>PUDs</li> </ul> The mortgaged Property must be located within the Hawaiian Home Lands covered under a homestead lease issued under Section 207(a) of Hawaiian Homes Commission Act, 1920.
<b>Maximum LTV/CLTV/HCLTV</b>	<ul style="list-style-type: none"> <li>Purchase 96.50%</li> <li>Rate/Term Refinance 97.75%</li> <li>Cash-Out Refinance               <ul style="list-style-type: none"> <li>85% when the Borrower is paying off an existing Mortgage and all remaining proceeds are used for documented home improvements. Note: The Borrower cannot receive any cash back at closing.                   <ul style="list-style-type: none"> <li>80% for Case Numbers assigned on or after September 1, 2019</li> </ul> </li> <li>75% when the refinance is for the purpose consolidating debt. Note: The Borrower cannot receive any cash back at closing. All debt, including those being paid off through the refinance must be included in the calculation of the Borrower's debt ratio.                   <ul style="list-style-type: none"> <li><b>Seasoning Requirement:</b> <ul style="list-style-type: none"> <li>The borrower must have made at least six consecutive monthly payments on the loan being refinanced, referred to hereinafter as the Initial Loan, beginning with the payment made on the first payment due date; and</li> <li>The first payment due date of the refinance loan occurs no earlier than 210 days after the first payment due date of the Initial Loan.</li> </ul> </li> </ul> </li> </ul> </li> </ul>
<b>Maximum DTI</b>	<ul style="list-style-type: none"> <li>Approve/Eligible - Follow AUS</li> <li>Refer/Eligible or Manual Underwrites – Follow FHA Guidelines</li> </ul>
<b>Mortgage Insurance Premium</b>	<ul style="list-style-type: none"> <li>The Mortgage Insurance Premium (MIP) payment on a Section 247 Mortgage is a one-time upfront MIP of 380 basis points (bps).</li> <li>Annual or periodic MIPs are not assessed on Section 247 Mortgages.</li> </ul>
<b>Borrower Eligibility</b>	A Borrower must be a native Hawaiian who is at least 18 years of age and certified as eligible to hold a Hawaiian Home Lands Lease, or possesses a lease of Hawaiian Home Lands issued under Section 207(a) of the Hawaiian Homes Commission Act, 1920, that has been certified by the Department of Hawaiian Home Lands as being a valid current lease, and not in default.
<b>4000.1</b>	<a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/handbook_4000-1_4000.1%20II.A.8.h">http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/handbook_4000-1_4000.1 II A.8.h</a>
<b>Forms</b>	See FORMS Section in the Resource Center
OVERLAYS	
Follow all overlays outlined in FHA 203(b) Program Matrix and: <ul style="list-style-type: none"> <li>Program permitted for Correspondent Delegated UW Channel only</li> </ul>	

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**Revised**  
**12/08/22**



- Program cannot be used in conjunction with: FHA Limited 203(k) Rehabilitation Mortgage, FHA Standard 203(k) Rehabilitation Mortgage, FHA \$100 Dollar Down or FHA 203(b) Repair Escrow
- ARMs not permitted
- If the utilities are off at the time of the inspection, the Appraiser must ask to have them turned on and complete all requirements under Mechanical Components. However, if it is not feasible to have the utilities turned on, then a pressure test and electrical test is required and must be completed by an appropriately licensed professional.

