



FHA HAWAIIAN HOMELANDS

| PROGRAM SPECIFICATIONS | |
|--|--|
| Description | FHA section 247 Hawaiian Homelands insures Mortgages made to Native Hawaiians to purchase or refinance one- to four-family dwellings located on Hawaiian Homelands, which are owned by the State of Hawaii, Department of Hawaiian Homelands (DHHL) and leased to Native Hawaiians for 99-year lease terms. Reminder: AFR does not permit 3–4-unit dwellings. |
| Channels | <ul style="list-style-type: none">Correspondent Delegated UW (CDE) only, no other channels permitted |
| FICO | <p>Minimum Qualifying Credit Scores:</p> <ul style="list-style-type: none">Correspondent Delegated UW: 5801 credit score required for all qualifying borrowers,User the middle score if 3 credit scores, orThe lowest of the two if 2 credit scores.Lowest representative score from all borrowers will be used for qualification purposes. <p>Reminder: 580-619 must score an Approve Eligible or Accept on AUS findings; AFR does not permit <620 FICO's on Refers or Manual Underwrites.</p> |
| UW Method | <ul style="list-style-type: none">Desktop Underwriter (DU)Loan Product Advisor (LPA) |
| AUS Recommendation | <ul style="list-style-type: none">Approve/Eligible - DURefer/Eligible - DURisk Class Accept - LPARisk Class Refer - LPA |
| Eligible Terms | <ul style="list-style-type: none">15Yr. and 30Yr. Fixed |
| Eligible Transaction Types | <ul style="list-style-type: none">PurchaseRate/Term RefinanceCash Out Refinance |
| Eligible Property Types | <p>The property must be the Borrower's Principal Residence (Leased Land, Condominiums, and Townhomes are allowed).</p> <ul style="list-style-type: none">1-2 UnitManufactured HousingFHA HRAP Approved CondominiumsTownhousesPUDs <p>The mortgaged Property must be located within the Hawaiian Homelands covered under a homestead lease issued under Section 207(a) of Hawaiian Homes Commission Act, 1920.</p> |
| Maximum LTV/CLTV/HCLTV | <ul style="list-style-type: none">Purchase 96.50%Rate/Term Refinance 97.75%Cash-Out Refinance:<ul style="list-style-type: none">The maximum LTV ratio for refinance loans is 75%The maximum LTV may be increased to 85% when the Borrower is paying off an existing Mortgage and all remaining proceeds are used for documented home improvements.Cash-out refinancing for the purpose of debt consolidation is not allowed.Existing Mortgage Seasoning:<ul style="list-style-type: none">at least six full months must have passed since the first payment due date of the Mortgage that is being refinanced;at least 210 Days must have passed from the closing date of the Mortgage that is being refinanced; andIf the Borrower assumed the Mortgage that is being refinanced, they must have made six payments since the time of assumption. |
| Maximum DTI | <ul style="list-style-type: none">Approve/Eligible - Follow AUSRefer/Eligible or Manual Underwrites – Follow FHA Guidelines |
| Mortgage Insurance Premium | <ul style="list-style-type: none">The Mortgage Insurance Premium (MIP) payment on a Section 247 Mortgage is a one-time upfront MIP of 380 basis points (bps).Annual or periodic MIPs are not assessed on Section 247 Mortgages. |
| Borrower Eligibility | 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 Homelands 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. |
| 4000.1 | http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/handbook_4000-1 4000.1 II A.8.h |
| Forms | See FORMS Section in the Resource Center |
| OVERLAYS | |
| <p>Follow all overlays outlined in FHA 203(b) Program Matrix and:</p> <ul style="list-style-type: none">Program permitted for Correspondent Delegated UW Channel onlyProgram 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 EscrowARMs not permittedReminder: 580-619 must score an Approve Eligible or Accept on AUS findings; AFR does not permit <620 FICO's on Refers or Manual Underwrites. | |

