



State of Nevada  
DEPARTMENT OF BUSINESS & INDUSTRY  
**Housing Division**

7220 Bermuda Road, Suite B  
Las Vegas, NV 89119  
Tel.: (702) 486-7220 Fax: (702) 486-7227

October 3, 2005 Amended June 6, 2011

**INVITATION TO ORIGINATE MORTGAGE LOANS FOR THE  
SINGLE FAMILY MORTGAGE PURCHASE PROGRAM**

Pursuant to Chapter 319 of the Nevada Revised Statutes, the Internal Revenue Code of 1986, as amended and the applicable regulations thereto (the "Code"), the Nevada Housing Division (the "Division"), intends to issue bonds for its Single Family Mortgage Purchase Program (the "Program").

The Division intends to issue bonds for the purchase of newly originated Mortgage Loans. Interest rates may vary by issuance and market conditions. The current interest is available on the Division's Web site at [www.nvhousing.state.nv.us](http://www.nvhousing.state.nv.us).

Unless otherwise defined in this Invitation, all capitalized terms referred to in this Invitation shall have the respective meanings set forth in the Nevada Housing Division's Mortgage Origination Agreement for the Single Family Mortgage Program, as amended from time to time and the Nevada Housing Division Program Supplement, as amended from time to time.

**APPLICATION PROCEDURE**

Bank of America has been selected as Program Administrator and Master Servicer. Lending institutions wishing to participate in the Program should contact Laura Khursheed, AVP, Bond Operations, Bank of America at (213) 345-7051 or by e-mail at [laura.khursheed@bankofamerica.com](mailto:laura.khursheed@bankofamerica.com) to obtain information and necessary documentation for becoming a Participating Lending Institution.

Once a lending institution has been approved as a Participating Lending Institution, a Web-ex training session provided by Bank of America will be required. Lender Manuals which include Program Parameters, Lender Underwriting Guidelines, Loan Registration, Compliance, Recapture Tax, Loan Purchase, Final Collateral Delivery, Forms Index, Bank of America Forms, Division Exhibits, Agency Attachments, and Agency Deferred Loan Program Documents, will be posted to Bank of America's Correspondent Lender Web site and available for use by Participating Lending Institutions.

**NEVADA HOUSING DIVISION MORTGAGE ORIGINATION AGREEMENT**

Participating Lending Institutions are required to execute the Nevada Housing Division Mortgage Origination Agreement for the Single Family Program prior to originating Mortgage

Loans under the Program. The Agreement may be obtained by contacting Betty Roark, Loan Administration Officer at (702) 486-7220 extension 225 or by email at [broark@housing.nv.gov](mailto:broark@housing.nv.gov). Agreement is also available on the Division website [www.nvhousing.state.nv.us](http://www.nvhousing.state.nv.us)

## **NEVADA HOUSING DIVISION PROGRAM SUPPLEMENT**

Participating Lending Institutions are required to execute the Nevada Housing Division Program Supplement prior to originating Mortgage Loans under the Program. The Supplement may be obtained by contacting Betty Roark, Loan Administration Officer at (702) 486-7220 extension 225 or by email at [broark@housing.nv.gov](mailto:broark@housing.nv.gov) or on the Division website [www.nvhousing.state.nv.us](http://www.nvhousing.state.nv.us)

### **APPROVED LOAN TYPES**

**FHA:** 203(b); Streamline 203(k); 234(c); 703(b); and other acceptable FHA programs. Temporary buy-downs permitted per limits and rules.

**VA:** Originated and guaranteed in accordance with VA guidelines under 1810 and 181A. Temporary buy-downs permitted per limits and rules.

**RHS:** Originated and guaranteed in accordance with USDA. Temporary buy-downs permitted per limits and rules.

**Fannie Mae Conventional:** Traditional Fannie Mae, CHBP, CHBP 3/2 Option, Fannie Mae 97, Fannie Mae MyCommunity Mortgage. (Fannie Mae Flex 97 and loan programs involving discount pricing are not permitted. Manufactured homes, as defined by Fannie Mae, are not allowed. Temporary buy-downs permitted per limits and rules.)

### **MORTGAGE ELIGIBILITY REQUIREMENTS/NON-TARGETED AREAS**

An “Eligible Borrower” means a person who desires to obtain financing for the Acquisition Cost of a Qualified Residence and (1) has Household Income of not more than the Maximum Income for Eligible Borrowers for a family the size of the borrower’s family, (2) meets the criteria for underwriting applied by the Federal Housing Administration, the Department of Veterans Affairs, the Rural Housing Service or Fannie Mae, as appropriate, (3) has assets, including, without limitation, savings accounts, stocks, bonds and equity in real property, that do not exceed 50 percent of the Acquisition Cost of the Qualified Residence, unless the borrower is disabled or elderly and the Division determines that such assets are the primary source of income for the borrower; and (4) except as otherwise provided in this definition, has not had an ownership interest in a residence that was the principal residence of the borrower, other than a manufactured home that is not permanently affixed to real property, at any time within the 3 years immediately preceding the date on which the Mortgage Loan is originated (the provisions of this definition do not apply to a qualified veteran or a person applying to finance the purchase of a targeted area residence).

Please visit our website for current income and purchase price limits at [www.nvhousing.state.nv.us](http://www.nvhousing.state.nv.us)

## **MORTGAGE ELIGIBILITY REQUIREMENTS/ TARGETED AREAS**

The Code requires that a portion of the funds available for the purchase of Mortgage Loans be made available for Mortgage Loans in Targeted Areas. Targeted Areas for the Program are census tracts 4.00, 5.03, 5.04, 7.00, 8.00, 9.00, 11.00, 22.04, 24.04, 24.05, 24.06, 25.06, 27.06, 29.55, 43.00, 44.00, 47.07, 47.10 and 47.13 in Clark County, census tract 1.00, 9.00 and 10.04 in Washoe County, and census tract 94.03 in Elko County. Targeted Area Mortgage Loans must satisfy the same requirements as Non-Targeted Area Mortgage Loans except an Eligible Borrower may have had an ownership interest in a principal residence within the three (3) years prior to the date the Mortgage Loan is executed. Borrower must meet Household Income Limit requirement for household size and purchase price limits set for Targeted Areas as established by the Division in accordance with Federal guidelines. Please see income limits and purchase price limits for targeted areas on our website at [www.nv.housing.state.nv.us](http://www.nv.housing.state.nv.us)

In accordance with the terms of the Selling Supplement, each Participating Lending Institution shall use its best efforts to originate and deliver Targeted Area Mortgage Loans for sale to the Division. In accordance with federal law, certain monies will be set aside for the purchase of Targeted Area Mortgage Loans for a period of one (1) year. Thereafter, such money not utilized for the purchase of Targeted Area Mortgage Loans will be made available for the purchase of Mortgage Loans in any area.

## **FEES AND POINTS THAT A LENDER MAY CHARGE BORROWER/SELLER**

**Origination Fee:** 1.00%

**Discount Points:** None

**Other Closing Costs:** Usual and reasonable settlement or financing costs that are to be so collected by FHA, VA, RHS, a PMI Insurer, Ginnie Mae or Fannie Mae, as applicable, but only to the extent such charged do not exceed the usual and reasonable amounts charges in the area in which the Qualified Residence is located in cases where owner financing is not provided through a tax-exempt mortgage revenue bond financing, and any LLPA's per Fannie Mae guidelines.

## **FEES TO BANK OF AMERICA FROM A LENDER**

**Compliance Review Fee:** \$75 (Must be sent with compliance file)

**Funding Fee:** \$150 (Bank of America nets at purchase)

**Tax Service Fee:** \$81 or current fee (Bank of America nets at purchase)

**Flood Certification Fee:** \$10 (Bank of America nets at purchase; no fee if using LandSafe)

## **FUNDS TO LENDER AT PURCHASE BY BANK OF AMERICA VIA WIRE TRANSFER**

**Base Price:** 100% of the outstanding principal amount of the loan

**Servicing Release Premium:** 1.00% of the outstanding principal amount of the loan

**Down Payment Assistance:** 100% of the outstanding principal amount of the loan (Nevada Housing Division Down Payment and Closing Cost Loan Program)

**Total Compensation to Lender:** 2.00% plus fees

## **NEVADA HOUSING DIVISION DOWN PAYMENT AND CLOSING COST LOAN PROGRAM**

Participating Lending Institutions desiring to participate in the Nevada Housing Division Down Payment and Closing Cost Loan Program must execute the Nevada Housing Division Down Payment and Closing Cost Loan Program Agreement. This Agreement specifies definitions, terms and conditions and other requirements of the down payment and closing cost loan program. The Agreement must be executed prior to originating any Down Payment and Closing Cost Loans. The Agreement may be obtained by contacting Betty Roark, Loan Administration Officer at (702) 486-7220 extension 225 or by email at [broark@housing.nv.gov](mailto:broark@housing.nv.gov) or on the Division website [www.nvhousing.state.nv.us](http://www.nvhousing.state.nv.us)

A general description of the Nevada Housing Division Down Payment and Closing Cost Loan Program is as follows:

- Program may only be utilized in conjunction with the Division's First Mortgage Loan Program financed under FHA/VA/RHS;
- Up to \$4,500.00 in assistance;
- Fixed rate;
- First-time homebuyer requirement (or meet exceptions);
- 20 year amortization;
- Income limits-same as first loan program;
- Purchase price limits-same as first loan program;
- Funds may be utilized to finance upfront single premiums for Mortgage Insurance;
- First Time Homebuyer Education Course required;
- Maximum assets \$5000.00 after loan closing

NEVADA HOUSING DIVISION

/s/ Charles Horsey  
Administrator