



# **ELEVATE** *DPA GRANT*

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PROGRAM GUIDELINES AND MATRICES

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## Section 1 – Overview & Underwriting Criteria

The Elevate DPA is a grant program designed to increase homeownership opportunities for low-to-moderate income individuals and families nationwide (excluding Washington state).

## Section 2 - Underwriting Criteria

Appendix is intended to reference and supplement Agency (FHA/FNMA/FHLMC) guidelines. Refer to the applicable guidelines for information concerning qualification requirements that are not specifically referenced in the product appendix.

[FHA 4000.1](#)

[Fannie Mae](#)

[Freddie Mac](#)

[Orion Lending Guidelines](#)

**Section 3 – Product Eligibility**

<b>3.1 Available FHA Products</b>	<b>Conforming Balance - FHA</b>			
	<b>Product</b>	<b>Amort Term</b>	<b>Qualifying Rate</b>	<b>Program Codes</b>
	25 Yr. Fixed	300	Note Rate	FF25 DPA / FF25 DPA MF
	30 Yr. Fixed	360	Note Rate	FF30 DPA / FF30 DPA MF
<b>3.2 Available FNMA Products</b>	<b>Conforming Balance FNMA</b>			
	<b>Product</b>	<b>Amort Term</b>	<b>Qualifying Rate</b>	<b>Program Codes</b>
	30 Yr. Fixed	360	Note Rate	CF30 DPA / CF30 DPA MF
	30 Yr. Fixed – HomeReady	360	Note Rate	CF30 HomeReady + DPA
	30 Yr. Fixed – HomeReady - Manufactured	360	Note Rate	CF30 HomeReady + DPA MF
<b>3.3 Available FHLMC Products</b>	<b>Conforming Balance - FHLMC</b>			
	<b>Product</b>	<b>Amort Term</b>	<b>Qualifying Rate</b>	<b>Program Codes<sup>1</sup></b>
	30 Yr. Fixed	360	Note Rate	CF30 LP DPA / CF30 LP DPA MF
	30 Yr. Fixed – Home Possible	360	Note Rate	CF30 HomePossible + DPA
	30 Yr. Fixed – Home Possible - Manufactured	360	Note Rate	CF30 HomePossible + DPA MF
	<sup>1</sup> FHLMC HomeOne > 95% LTV			
<b>3.4 Loan Purpose</b>	<ul style="list-style-type: none"> <li>• Purchase Only</li> </ul>			
<b>3.5 Occupancy</b>	<ul style="list-style-type: none"> <li>• Primary Residence only</li> </ul>			
<b>3.6 Age of Credit Documents</b>	<ul style="list-style-type: none"> <li>• New and existing construction: All credit, income, and asset documentation must be ≤ 120 days at the time of funding</li> </ul>			
<b>3.7 Minimum Loan Amounts</b>	<ul style="list-style-type: none"> <li>• <b>FHA</b> <ul style="list-style-type: none"> <li>○ \$55,000</li> </ul> </li> <li>• <b>Conventional</b> <ul style="list-style-type: none"> <li>○ \$50,000</li> </ul> </li> </ul>			

<b>3.8 Maximum Loan Amounts</b>	<ul style="list-style-type: none"> <li>• Conforming balance only</li> </ul>
<b>3.9 Grant Down Payment Assistance</b>	<ul style="list-style-type: none"> <li>• <b>FHA Grant Amount:</b> <ul style="list-style-type: none"> <li>○ 2.0% or 3.50% of the lower of the Sales Price or Appraised Value</li> <li>○ Proceeds may be used for down payment and/or closing costs</li> <li>○ There must be no cash back to the borrower from the DPA proceeds</li> <li>○ If the loan pays off in full before 6 months' payments, the grant amount will be added to the payoff</li> </ul> </li> <li>• <b>Conventional Grant Amount:</b> <ul style="list-style-type: none"> <li>○ 1.0%, 2.0%, or 3% of the lower of the Sales Price or Appraised Value</li> <li>○ Proceeds may be used for down payment and/or closing costs</li> <li>○ There must be no cash back to the borrower from the DPA proceeds</li> <li>○ If the loan pays off in full before 6 months' payments, the grant amount will be added to the payoff</li> </ul> </li> </ul>
<b>3.10 Origination Fee</b>	<ul style="list-style-type: none"> <li>• LPC or BPC – per QM points and fees test</li> </ul>
<b>3.11 Borrower Eligibility</b>	<ul style="list-style-type: none"> <li>• U.S. Citizens</li> <li>• Permanent Resident Aliens</li> <li>• Non-permanent Resident Aliens (Conventional Only)</li> <li>• All borrowers must have a valid social security number</li> <li>• Non-Occupant Co-borrower</li> <li>• First Time Homebuyer not required; however, AMI limits are waived. See <a href="#">section 3.13 AMI Limits</a></li> </ul>
<b>3.12 Ineligible Borrowers</b>	<ul style="list-style-type: none"> <li>• Effective for FHA Case Numbers assigned on or after May 25, 2025 <ul style="list-style-type: none"> <li>○ Non-permanent resident aliens</li> </ul> </li> </ul>

<p><b>3.13 Geographic Restrictions</b></p>	<p><b>The following U.S. States and territories are not eligible:</b></p> <ul style="list-style-type: none"> <li>• Washington</li> <li>• Guam, Puerto Rico, and US Virgin Islands</li> </ul>
<p><b>3.14 AMI Limit – Standard Conventional &amp; FHA</b></p>	<ul style="list-style-type: none"> <li>• ≤ 160% of the <a href="#">HUD</a> state or county median income, regardless of family size             <ul style="list-style-type: none"> <li>○ Based on the state or county where the subject property is located</li> <li>○ Combined income for all occupying borrowers on the transaction</li> </ul> </li> <li>• <b>Exceptions to the AMI limit:</b> (if multiple borrowers, only one (1) borrower is required to meet the requirements for AMI exception)             <ul style="list-style-type: none"> <li>○ First time homebuyers                 <ul style="list-style-type: none"> <li>▪ No ownership interest (sole or joint) during the three-year period preceding the date of the purchase of the subject property</li> <li>▪ An individual who is a displaced homemaker or single parent also will be considered a First-Time Home Buyer if he or she had no ownership interest in a principal residence (other than a joint ownership interest with a spouse) during the preceding three-year period</li> </ul> </li> <li>○ Active or retired first responders                 <ul style="list-style-type: none"> <li>▪ Police officer, firefighter, public safety officer, paramedic, emergency medical technician, including volunteers, or similar</li> </ul> </li> <li>○ Active or retired educators</li> <li>○ Active or retired medical personnel                 <ul style="list-style-type: none"> <li>▪ Nurse, doctor, phlebotomist, health ambassador, hospital worker, American Red Cross worker or similar</li> </ul> </li> <li>○ Active or retired Civil servant in federal, state, or local municipality</li> <li>○ Active or retired Military</li> <li>○ Subject is located in an <a href="#">underserved census tract</a></li> </ul> </li> </ul>
<p><b>3.15 AMI Limit - HomeReady</b></p>	<ul style="list-style-type: none"> <li>• <a href="#">HomeReady Income Eligibility Lookup Tool</a> <ul style="list-style-type: none"> <li>○ 80% of area median income (AMI) for all properties</li> </ul> </li> </ul>
<p><b>3.16 AMI Limit – Home Possible</b></p>	<ul style="list-style-type: none"> <li>• <a href="#">Home Possible Income &amp; Property Eligibility</a> <ul style="list-style-type: none"> <li>○ 80% of area median income (AMI) for all properties</li> </ul> </li> </ul>

<p><b>3.17 AUS</b></p>	<ul style="list-style-type: none"> <li>• <b>FHA</b> <ul style="list-style-type: none"> <li>○ DU Approve/Eligible or LPA Accept           <ul style="list-style-type: none"> <li>○ Refer/Eligible – Manual UW per 4000.1               <ul style="list-style-type: none"> <li>▪ 640 Minimum FICO</li> </ul> </li> </ul> </li> </ul> </li> <li>• <b>Conventional</b> <ul style="list-style-type: none"> <li>○ DU Approve/Eligible</li> <li>○ LPA Accept</li> <li>○ Manual UW not allowed</li> </ul> </li> </ul>
<p><b>3.18 Max DTI</b></p>	<ul style="list-style-type: none"> <li>• <b>FHA</b> <ul style="list-style-type: none"> <li>○ Approve/Eligible or LPA Accept           <ul style="list-style-type: none"> <li>▪ Per AUS</li> </ul> </li> <li>○ Refer/Eligible/Manual UW           <ul style="list-style-type: none"> <li>▪ 640 – 679 FICO</li> <li>▪ 31%/43% max DTI (3 months PITIA reserves required)</li> </ul> </li> <li>○ 680+ FICO           <ul style="list-style-type: none"> <li>▪ Per 4000.1</li> </ul> </li> </ul> </li> <li>• <b>Conventional</b> <ul style="list-style-type: none"> <li>○ Per AUS</li> </ul> </li> </ul>
<p><b>3.19 FHA Payment Shock</b></p>	<ul style="list-style-type: none"> <li>• <b>DU/LPA AUS Approval</b> <ul style="list-style-type: none"> <li>○ Payment shock does not apply</li> </ul> </li> <li>• <b>Manual Underwrite</b> <ul style="list-style-type: none"> <li>○ FICO ≥ 640 and &lt; 680           <ul style="list-style-type: none"> <li>▪ Payment shock must be ≤ 100%               <ul style="list-style-type: none"> <li>• Payment shock does not apply if housing is ≤ 31% DTI</li> </ul> </li> </ul> </li> <li>○ FICO ≥ 680           <ul style="list-style-type: none"> <li>▪ Per 4000.1</li> </ul> </li> <li>○ If current housing is \$0.00 or living rent free, payment shock &gt; 100%</li> </ul> </li> </ul>
<p><b>3.20 Non-Occupant Borrowers</b></p>	<ul style="list-style-type: none"> <li>• FHA - Allowed per 4000.1</li> <li>• Conventional – Per AUS           <ul style="list-style-type: none"> <li>○ Not allowed if LTV &gt; 95%</li> <li>○ Income considered as part of qualifying income and subject to income limits</li> </ul> </li> </ul>

<p><b>3.21 Homeownership Education</b></p>	<ul style="list-style-type: none"> <li>• <b>Required</b> – <a href="#">Homeview®</a> buyer education             <ul style="list-style-type: none"> <li>○ <b>FHA</b> <ul style="list-style-type: none"> <li>▪ At least one occupying borrower must receive homeownership education</li> </ul> </li> <li>○ HomeReady             <ul style="list-style-type: none"> <li>▪ At least one occupying borrower must receive homeownership education</li> </ul> </li> <li>○ Home Possible             <ul style="list-style-type: none"> <li>▪ At least one occupying borrower must receive homeownership education</li> <li>▪ 2-4-unit                 <ul style="list-style-type: none"> <li>• At least one qualifying borrower must participate in a landlord education program                     <ul style="list-style-type: none"> <li>○ <a href="#">Arch (Free) (Branch Code is Arch MI)</a></li> <li>○ <a href="#">Money Management (\$35)</a></li> </ul> </li> </ul> </li> </ul> </li> </ul> </li> </ul>
<p><b>3.22 Conventional MI</b></p>	<ul style="list-style-type: none"> <li>• Borrower-paid mortgage insurance (BPMI) only</li> </ul>
<p><b>3.23 Interest Credit Closings</b></p>	<ul style="list-style-type: none"> <li>• Not Permitted</li> </ul>

**Section 4 – Product Matrix**

<p><b>4.1 LTV/CLTV Matrix</b></p>	<b>FHA PURCHASE</b>			
	NUMBER OF UNITS	MAXIMUM LOAN AMOUNT	LTV/CLTV	MIN CREDIT SCORE
	1-2	Per county confirming loan limits	<b>96.5/No Max</b>	<b>640</b>
	<b>CONVENTIONAL PURCHASE<sup>1</sup></b>			
	NUMBER OF UNITS	MAXIMUM LOAN AMOUNT	LTV/CLTV	MIN CREDIT SCORE
	1-4 <sup>2,3</sup>	Per county conforming loan limits	97/105	<a href="#">See section 5.1</a>
<p>1 - LTV, CLTV, and HCLTV Ratios greater than 95%: These transactions are not permitted for loans with non-occupant borrower. For purchase transactions, at least one borrower must be a first-time homebuyer. CLTV up to 105% with eligible community seconds</p> <p>2 – 2-4 units maximum LTV 95% and minimum borrower contribution – 3% (0% if Home Possible and LTV/TLTV/HTLTV ≤ 80%)</p> <p>3 – Doublewide Manufactured Homes allowed – 95% Max LTV (singlewide not allowed)</p>				

Section 5 – Credit

<p><b>5.1 Credit</b></p>	<ul style="list-style-type: none"> <li>• <b>FHA</b> <ul style="list-style-type: none"> <li>○ All borrowers must have a minimum of 1 credit score. Qualifying FICO as per <a href="#">Section 4.1</a></li> </ul> </li> <li>• <b>Conventional (FNMA)</b> <ul style="list-style-type: none"> <li>○ <b>For loan casefiles with more than one borrower, DU will now use an average median credit score as follows, when determining if a loan casefile meets the minimum credit score requirement of 620:</b> <ul style="list-style-type: none"> <li>▪ First, DU will determine each borrower’s applicable credit score (middle of the three scores received, or the lower of the two when only two scores received)</li> <li>▪ Second, DU will average the applicable credit scores for all borrowers on the loan casefile to determine if the 620-credit score requirement is met                             <ul style="list-style-type: none"> <li>• <b>Example:</b> <ul style="list-style-type: none"> <li>○ Borrower 1 mid FICO – 619</li> <li>○ Borrower 2 mid FICO – 693</li> <li>○ Average median credit score – 656 (average of 619 and 693)                                     <ul style="list-style-type: none"> <li>▪ DU will average the borrowers’ applicable credit scores to ensure a minimum 620 credit score for the DU loan casefile.</li> </ul> </li> </ul> </li> <li>▪ DU’s average median credit score will only be used in the eligibility assessment. The representative credit score will continue to be used for pricing</li> </ul> </li> </ul> </li> </ul> </li> <li>• <b>Conventional (Freddie Mac)</b> <ul style="list-style-type: none"> <li>○ All borrowers must have a minimum of 1 credit score. Qualifying FICO as per <a href="#">Section 4.1</a></li> </ul> </li> </ul>
<p><b>5.2 Present Housing Expense &amp; Verification</b></p>	<ul style="list-style-type: none"> <li>• <b>FHA</b> <ul style="list-style-type: none"> <li>○ All applications must contain “present” housing payment, unless the borrower is not currently making a housing payment, which requires:                             <ul style="list-style-type: none"> <li>▪ \$0.00 should be entered into the “present” housing payment field on the loan application</li> <li>▪ LOE is required for borrowers with \$0.00 housing payment</li> </ul> </li> <li>○ <b>VOR requirements determined by AUS</b></li> <li>○ Borrowers renting from a family member must provide a copy of the executed lease agreement and 12 months canceled checks or bank statements</li> </ul> </li> <li>• <b>Conventional</b> <ul style="list-style-type: none"> <li>○ Housing History determined by DU/LPA</li> </ul> </li> </ul>

<p><b>5.3 Concurrent Homeownership</b></p>	<ul style="list-style-type: none"> <li>• <b>FHA</b> <ul style="list-style-type: none"> <li>○ Allowed per 4000.1           <ul style="list-style-type: none"> <li>▪ Refer to 4000.1 for additional requirement for borrower(s) with a current FHA mortgage</li> </ul> </li> <li>○ Letter of Explanation (LOE) is required to explain the motivation to keep current residence while purchasing new Primary residence</li> </ul> </li> </ul>
<p><b>Section 6 – Assets</b></p>	
<p><b>6.1 FHA Reserve Requirements</b></p>	<ul style="list-style-type: none"> <li>• <b>AUS Approve/Accept:</b> <ul style="list-style-type: none"> <li>○ &lt; 680 FICO           <ul style="list-style-type: none"> <li>▪ 2-months PITIA (gift funds not allowed)</li> </ul> </li> <li>○ ≥ 680 FICO           <ul style="list-style-type: none"> <li>▪ 1-month PITIA (gift funds allowed)</li> </ul> </li> </ul> </li> <li>• <b>Refer/Eligible/Manual Underwrite:</b> <ul style="list-style-type: none"> <li>○ &lt; 680 FICO           <ul style="list-style-type: none"> <li>▪ 3-months PITIA reserves (gift funds not allowed)</li> </ul> </li> <li>○ ≥ 680 FICO           <ul style="list-style-type: none"> <li>▪ 1-month PITIA (gift funds not allowed)</li> </ul> </li> </ul> </li> <li>• Borrower(s) with non-traditional/insufficient credit requires 2 months PITIA reserves (cannot use gift funds)</li> </ul>
<p><b>6.2 Conventional Reserve Requirements</b></p>	<ul style="list-style-type: none"> <li>• Determined by DU/LPA</li> </ul>
<p><b>6.3 Real Estate Tax Credits</b></p>	<p><b>Where real estate taxes are paid in arrears, the seller’s real estate tax credit may be used to meet the MRI (FHA) or down payment (USDA), if the underwriter documents that the borrower had sufficient assets to:</b></p> <ul style="list-style-type: none"> <li>• Meet the MRI (Minimum Required Investment) or down payment and,</li> <li>• Pay the borrower paid closing costs at the time of underwriting without consideration of the real estate tax credits.</li> </ul> <p>If the borrower has sufficient funds to meet the MRI, but is short funds to close, the prorated taxes can be used to offset the funds required for the establishment of their escrow account, not to exceed actual costs</p>

**Section 7 – Income**

<p><b>7.1 Ineligible Income</b></p>	<p>If the income or asset source is not acceptable under all laws, such as income generated through marijuana sales, then the loan is ineligible for Orion Lending; this includes both self-employed borrowers and wage earners working for a company. Likewise, all use of the subject property must be compliant with all laws. Properties that have mixed-use that do not meet all local, state, or federal laws are ineligible for Orion Lending.</p>
<p><b>7.2 Rental Income Home Possible</b></p>	<p>Rental Income from 1-unit Primary Residence may be considered stable monthly income, provided it meet the requirements below:</p> <ul style="list-style-type: none"> <li>• The person providing the rental income: <ul style="list-style-type: none"> <li>○ Must not be obligated on the Mortgage and must not have an ownership interest in the Mortgaged Premises</li> <li>○ Must have resided with the Borrower for at least one year</li> <li>○ Will continue residing with the Borrower in the new residence</li> <li>○ Must provide appropriate documentation to evidence residency with the Borrower (e.g., driver’s license, bill, bank statement, etc., showing their address matches the Borrower’s address)</li> <li>○ Cannot be the Borrower’s spouse or domestic partner</li> </ul> </li> <li>• Rental income from the person residing in the Mortgaged Premises: <ul style="list-style-type: none"> <li>○ Must have been paid to the Borrower for the past 12 months</li> <li>○ Can be verified through evidence showing receipt of regular payments of rental income to the Borrower for at least nine of the past 12 months (e.g., copies of canceled checks)</li> <li>○ Must be averaged over 12 months for qualifying purposes if fewer than 12 months of payments are documented</li> <li>○ Cannot exceed 30% of total income used to qualify for the Mortgage</li> </ul> </li> <li>• The Mortgage file must contain a written statement in the form of a signed letter or e-mail directly from the Borrower affirming: <ul style="list-style-type: none"> <li>○ The source of the rental income</li> <li>○ The fact that the person providing the rental income has resided with the Borrower for the past year and intends to continue residing with the Borrower in the new residence for the foreseeable future</li> </ul> </li> <li>• Rental income that meets the above requirements may be generated from an accessory unit</li> </ul>

**Section 8 – Property**

<p><b>8.1 Eligible Properties</b></p>	<ul style="list-style-type: none"> <li>• <b>Single Family Residences</b></li> <li>• <b>1-2 Units (FHA)</b></li> <li>• 1-4 Units (Conv)</li> <li>• Leased Land (Manufactured Homes not allowed)</li> <li>• PUDs</li> <li>• Townhouses</li> <li>• Condominiums (Must not be in litigation)</li> <li>• Multiwide manufactured housing (singlewide not allowed)</li> </ul>
<p><b>8.2 Ineligible Properties</b></p>	<ul style="list-style-type: none"> <li>• Condition Rating of C5/C6 or a Quality Rating of Q6</li> <li>• Condominium Conversions that were converted within the last three years</li> <li>• Condotels/Hotel Condominiums</li> <li>• Cooperatives</li> <li>• Geodesic Domes</li> <li>• Land Trust</li> <li>• Log Homes</li> <li>• Mobile Homes</li> <li>• Singlewide Manufactured Homes</li> <li>• Manufactured Homes – Leasehold estates (unless located in FNMA approved condo project)</li> <li>• Property currently in litigation</li> <li>• Timeshares</li> <li>• Unimproved Land</li> <li>• Working Farms and Ranches</li> <li>• Properties located in WA</li> <li>• 3-4 Units (FHA only)</li> </ul>

**Section 9 - Misc. Guidelines**

<p><b>9.1 Wisconsin Residents</b></p>	<ul style="list-style-type: none"> <li>• Orion Lending will credit up to \$700 on behalf of the borrower toward the following fees:             <ul style="list-style-type: none"> <li>○ The cost of any necessary appraisal, or</li> <li>○ Other borrower paid closing costs related to their loan</li> <li>○ Lender credit will be applied after all other seller and pricing credits</li> </ul> </li> </ul>
<p><b>9.2 Maximum Seller Contributions</b></p>	<ul style="list-style-type: none"> <li>• <b>FHA</b> <ul style="list-style-type: none"> <li>○ <b>6%</b></li> </ul> </li> <li>• <b>Conventional</b> <ul style="list-style-type: none"> <li>○ LTV &gt; 90%                 <ul style="list-style-type: none"> <li>▪ 3%</li> </ul> </li> <li>○ LTV 75.01 – 90%                 <ul style="list-style-type: none"> <li>▪ 6%</li> </ul> </li> <li>○ LTV 75% or less                 <ul style="list-style-type: none"> <li>▪ 9%</li> </ul> </li> </ul> </li> </ul>

Section 10 – Guideline Updates – Effective 08/18/2025

	Previous Guideline	Current Guideline
<b>4.1 LTV/CLTV Matrix</b>		Minimum credit score for FHA updated to 640