

Aurora DPA (Down Payment Assistance)

Introduction

Aurora is a leading Down Payment Assistance Program offered at Orion Lending, fulfilling the Orion vision to assist in homeownership opportunities for creditworthy individuals for down payment funds.

The Aurora product is an FHA DPA program in the form of 2nd mortgages with 3.5% or 5% DPA options, which can be used for both down payment and/or closing costs.

Aurora Highlights

- Minimum Credit Score 600
- Underwritten in-house by Orion and does not require additional approval or review
- Manual Underwrites Allowed
- Borrow Paid Compensation only, no cap as long as it meets the QM points and fees test.
- No AMI Income Limits for Repayable DPA
- No DTI overlays
- First Time Homebuyers are allowed, but are not required
- No Homeownership Education required
- 2-Unit properties allowed
- 3.5% or 5% Repayable and 3.5% Forgivable DPA Options
- Gift Funds allowed for Down Payment & Closing costs
- Doublewide Manufactured Homes are allowed (620 Min FICO)
- Non-Occupant Co-Borrowers allowed
- Seller Contributions up to 6%
- DACA allowed

Submission Process

- Click *Upload a Loan* at the top of the screen in the STAR Portal.
- Upload your 3.4 file for the 1st lien, and select the desired Aurora DPA product under the *Loan Purpose* section. The STAR Portal will automatically create the 2nd lien for you.
- Import credit and run AUS within the STAR Portal. STAR populates the appropriate data points automatically for both liens.
- Enter the broker and title loan fees into STAR, choose the rate, and request disclosures from Orion.
- Upload all your required documents and complete the file submission.

Aurora Repayment Options and Terms

- **Repayable 2nd**
 - 2nd mortgage has monthly payments: 10-year term with a rate 2% higher than the 1st mortgage
 - 3.5% or 5% Assistance (5% option includes 1.5% towards closing costs)
- **Forgivable 2nd**
 - 2nd mortgage has **NO** monthly payments: 30-year term with 0% interest rate
 - 3.5% only available on High Balance loans
 - 3.5% Assistance only - Forgiven at borrower's request after 36 consecutive on-time payments

Aurora AMI Limits

- **Repayable 2nd**
 - No income limits
- **Forgivable 2nd**
 - Qualifying income must be ≤ 160% of the higher of the AMI or SMI, based on the state & county, or MSA of the property to be purchased

Aurora Payment Shock Guides

- Loans with Credit Scores ≤ 620 or Manual Underwriting have a 225% Payment Shock cap **UNLESS**:
 - Housing Ratio ≤ 36%; OR
 - 1 month PITI in Reserves

Aurora Minimum and Maximum Loan Amounts

- Minimum: \$55,000
- Maximum: Lessor of National or County Limits on the 1st lien only

Aurora Subordination Requirements

- **Repayable & Forgivable 2nd**
 - Subordination is not allowed within the first 36 months of origination. Forgiven at borrower's request after 36 consecutive on-time payments.

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