

The "BOOST DPA" logo features the word "BOOST" in a large, white, bold, sans-serif font. The letter "O" is replaced by a white silhouette of a rocket launching from a launch pad, with smoke and fire at its base. To the right of "BOOST", the letters "DPA" are written in a smaller, white, bold, sans-serif font.

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PROGRAM GUIDELINES AND MATRICES

**Table of Contents**

Section 1 – Overview & Underwriting Criteria .....	2
Section 2 - Underwriting Criteria.....	2
Section 3 – Product Eligibility .....	3
3.1 Available Products .....	3
3.2 Available Buydown Products .....	3
3.3 Buydowns.....	4
3.4 Loan Purpose .....	4
3.5 Age of Credit Documents.....	4
3.6 Maximum Loan Amounts .....	4
3.7 Down Payment Assistance .....	5
3.8 Repayable Down Payment Assistance Terms .....	5
3.9 Forgivable Down Payment Assistance Terms .....	6
3.10 Origination Fee.....	6
3.11 Borrower Eligibility .....	6
3.12 Geographic Restrictions .....	6
3.13 AMI Limit.....	7
3.14 AUS .....	7
3.15 Max DTI .....	7
3.16 FHA Payment Shock.....	8
3.17 USDA Payment Shock .....	8
3.18 Non-Occupant Borrowers .....	8
3.19 Homeownership Education .....	8
3.20 Interest Credit Closings .....	8
Section 4 – Product Matrix .....	9
4.1 LTV/CLTV Matrix.....	9
Section 5 – Credit.....	9
5.1 Credit .....	9
5.2 Present Housing Expense & Verification .....	9
5.3 Concurrent Homeownership .....	10
Section 6 – Assets .....	10

6.1 FHA Reserve Requirements..... 10

6.2 USDA Reserve Requirements ..... 10

6.3 Real Estate Tax Credits ..... 10

Section 7 – Income..... 11

    7.1 Ineligible Income..... 11

Section 8 – Property ..... 11

    8.1 Eligible Properties..... 11

    8.2 Ineligible Properties ..... 11

Section 9 - Misc. Guidelines ..... 11

    9.1 Subordination ..... 11

    9.2 Maximum Seller Contributions..... 11

### Section 1 – Overview & Underwriting Criteria

The Boost DPA is 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 FHA’s Seller Guide (4000.1) or the USDA RD Handbook. Refer to the applicable guidelines for information concerning qualification requirements that are not specifically referenced in the product appendix.

[FHA 4000.1](#)

[USDA Handbook](#)

[Orion Lending FHA Guidelines](#)

[Orion Lending USDA Guidelines](#)

**Section 3 – Product Eligibility**

**3.1 Available Products**

Conforming Balance - FHA			
Product	Amort Term	Qualifying Rate	Program Codes
25 Yr. Fixed	300	Note Rate	FF25 DPA
30 Yr. Fixed	360	Note Rate	FF30 DPA

  

Conforming Balance - USDA			
Product	Amort Term	Qualifying Rate	Program Codes
30 Yr. Fixed	360	Note Rate	UF30 DPA

  

High Balance – FHA			
Product	Amort Term	Qualifying Rate	Program Codes
25 Yr. Fixed	300	Note Rate	FF25 HB DPA
30 Yr. Fixed	360	Note Rate	FF30 HB DPA

**3.2 Available Buydown Products**

Conforming Balance - FHA			
Product	Amort Term	Qualifying Rate	Program Codes
30 Yr. Fixed	360	Note Rate	FF30 DPA BD 2/1
30 Yr. Fixed	360	Note Rate	FF30 DPA BD 1/0

  

Conforming Balance - USDA			
Product	Amort Term	Qualifying Rate	Program Codes
30 Yr. Fixed	360	Note Rate	UF30 DPA BD 2/1
30 Yr. Fixed	360	Note Rate	UF30 DPA BD 1/0

<p><b>3.3 Buydowns</b></p>	<ul style="list-style-type: none"> <li>• Eligible Buydown Option             <ul style="list-style-type: none"> <li>○ 1/0 buydown</li> <li>○ 2/1 buydown</li> </ul> </li> <li>• Conforming loan limits only</li> <li>• All property types allowed</li> <li>• Repayable or Forgivable 2nds allowed</li> <li>• Seller or Builder paid buydowns allowed             <ul style="list-style-type: none"> <li>○ Borrower paid buydowns are not eligible</li> </ul> </li> <li>• Borrower must meet MRI (minimum required investment) of 3.50% or 5.00%</li> <li>• Borrower must qualify at the Note Rate             <ul style="list-style-type: none"> <li>○ If reserves are required, the reserves must be calculated using the permanent Note Rate payment</li> </ul> </li> <li>• The percentage of funds must be included in the interested party contribution limit             <ul style="list-style-type: none"> <li>○ To calculate the percentage of the buydown fund contribution, divide the buydown fund total by the purchase price</li> </ul> </li> <li>• <a href="#">Buydown calculator</a></li> </ul>
<p><b>3.4 Loan Purpose</b></p>	<ul style="list-style-type: none"> <li>• Purchase Only</li> </ul>
<p><b>3.5 Age of Credit Documents</b></p>	<ul style="list-style-type: none"> <li>• New and existing construction: All credit, income, and asset documentation must be <math>\leq</math> 120 days at the time of funding</li> </ul>
<p><b>3.6 Maximum Loan Amounts</b></p>	<ul style="list-style-type: none"> <li>• Conforming and High Balance loan limits allowed</li> </ul>

<p><b>3.7 Down Payment Assistance</b></p>	<ul style="list-style-type: none"> <li>• <b>Repayable 2<sup>nd</sup></b> <ul style="list-style-type: none"> <li>○ Conforming or High Balance loan limits allowed</li> <li>○ 3.50% and 5.00% of the Sales Price or Appraised Value (lessor of) <ul style="list-style-type: none"> <li>▪ 5.00% DPA <ul style="list-style-type: none"> <li>• Available for Conforming loan limits only</li> <li>• Not eligible for USDA</li> </ul> </li> </ul> </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> </ul> </li> <li>• <b>Forgivable 2<sup>nd</sup></b> <ul style="list-style-type: none"> <li>○ Conforming loan limits only</li> <li>○ 3.50% of the Sales Price or Appraised Value (lessor of)</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> </ul> </li> </ul>
<p><b>3.8 Repayable Down Payment Assistance Terms</b></p>	<ul style="list-style-type: none"> <li>• <b>3.50% or 5.00% Down Payment Assistance</b></li> <li>• 15-year fully amortizing loan – Monthly Payment required <ul style="list-style-type: none"> <li>○ Note rate of Second Mortgage is 2% higher than the rate on the 1<sup>st</sup> TD</li> <li>○ Permanent buydown available – 2<sup>nd</sup> Note rate will match the 1<sup>st</sup> – see rate sheet for details</li> </ul> </li> <li>• Conforming or High Balance loan limits allowed <ul style="list-style-type: none"> <li>○ 5% DPA is not eligible for High Balance or USDA</li> </ul> </li> <li>• Second loan amounts must be rounded up to nearest dollar</li> <li>• Proceeds may be used for down payment and/or closing costs. There must be no cash back to the borrower from the DPA proceeds</li> <li>• No subordination allowed</li> </ul>

<p><b>3.9 Forgivable Down Payment Assistance Terms</b></p>	<ul style="list-style-type: none"> <li>• <b>3.50% Down Payment Assistance</b> <ul style="list-style-type: none"> <li>○ Available for FHA and USDA</li> </ul> </li> <li>• 30- year term – No Payment required           <ul style="list-style-type: none"> <li>○ Note rate of Second Mortgage is 0%</li> <li>○ Forgiven at the borrower’s request after 60 consecutive, on-time payments on the first mortgage</li> </ul> </li> <li>• Conforming loan limits only</li> <li>• Second loan amounts must be rounded up to nearest dollar</li> <li>• Proceeds may be used for down payment and/or closing costs. There must be no cash back to the borrower from the DPA proceeds</li> <li>• No subordination allowed</li> </ul>
<p><b>3.10 Origination Fee</b></p>	<ul style="list-style-type: none"> <li>• LPC/BPC – per QM points and fees test</li> </ul>
<p><b>3.11 Borrower Eligibility</b></p>	<ul style="list-style-type: none"> <li>• U.S. Citizens</li> <li>• Permanent Resident Aliens</li> <li>• Non-permanent Resident Aliens</li> <li>• All borrowers must have a valid social security number</li> <li>• Non-Occupant Co-borrower (FHA Only)</li> <li>• DACA (FHA only)</li> <li>• First Time Homebuyer allowed, but not required</li> </ul>
<p><b>3.12 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> <li>• Kentucky           <ul style="list-style-type: none"> <li>○ Maximum rate for 2<sup>nd</sup> TD is 8.00%</li> </ul> </li> <li>• South Carolina &amp; Alaska           <ul style="list-style-type: none"> <li>○ The minimum second mortgage loan amount is \$5,000</li> </ul> </li> <li>• Michigan           <ul style="list-style-type: none"> <li>○ <a href="#">Second Lien License</a> required</li> </ul> </li> </ul>

<p><b>3.13 AMI Limit</b></p>	<ul style="list-style-type: none"> <li>• <b>FHA</b> <ul style="list-style-type: none"> <li>○ Not Applicable</li> </ul> </li> <li>• <b>USDA</b> <ul style="list-style-type: none"> <li>○ Per <a href="#">USDA State Income Limits</a></li> </ul> </li> </ul>																					
<p><b>3.14 AUS</b></p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #333; color: white;"> <th style="width: 50%;">FHA</th> <th style="width: 50%;">USDA</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">DU Approve/Eligible or LPA Accept</td> <td style="text-align: center;">GUS Accept</td> </tr> <tr> <td style="text-align: center;">Refer/Eligible/Manual UW – Min 640 FICO Required</td> <td style="text-align: center;">GUS Refer/Manual UW</td> </tr> </tbody> </table>				FHA	USDA	DU Approve/Eligible or LPA Accept	GUS Accept	Refer/Eligible/Manual UW – Min 640 FICO Required	GUS Refer/Manual UW												
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<p><b>3.15 Max DTI</b></p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #333; color: white;"> <th colspan="2" style="width: 50%;">FHA<sup>1</sup></th> <th colspan="2" style="width: 50%;">USDA</th> </tr> </thead> <tbody> <tr> <td style="width: 25%; text-align: center;">AUS Approve/Eligible or Accept</td> <td style="width: 15%; text-align: center;">600+ FICO</td> <td style="width: 15%; text-align: center;">DTI per AUS</td> <td style="width: 45%; text-align: center;">640+ FICO Per GUS or USDA Manual UW guidelines</td> </tr> <tr> <td></td> <td style="text-align: center;">580-599 FICO</td> <td style="text-align: center;">45% DTI Max</td> <td rowspan="3" style="text-align: center; vertical-align: middle;">Not Applicable</td> </tr> <tr> <td style="text-align: center;">Refer/Eligible/Manual UW</td> <td style="text-align: center;">640-679 FICO</td> <td style="text-align: center;">31/43 DTI Max</td> </tr> <tr> <td></td> <td style="text-align: center;">680+ FICO</td> <td style="text-align: center;">Per 4000.1</td> </tr> </tbody> </table> <p><sup>1</sup>See section <a href="#">3.16 Payment Shock</a> for additional guidance</p>				FHA <sup>1</sup>		USDA		AUS Approve/Eligible or Accept	600+ FICO	DTI per AUS	640+ FICO Per GUS or USDA Manual UW guidelines		580-599 FICO	45% DTI Max	Not Applicable	Refer/Eligible/Manual UW	640-679 FICO	31/43 DTI Max		680+ FICO	Per 4000.1
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<p><b>3.16 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> (Use combined current housing for all borrowers) <ul style="list-style-type: none"> <li>○ FICO ≥ 640 and &lt; 680 <ul style="list-style-type: none"> <li>▪ Payment shock must be ≤ 100%</li> <li>▪ If current housing is \$0.00 or living rent free not eligible</li> </ul> </li> <li>○ FICO ≥ 680 <ul style="list-style-type: none"> <li>▪ Per 4000.1</li> </ul> </li> </ul> </li> </ul>
<p><b>3.17 USDA Payment Shock</b></p>	<ul style="list-style-type: none"> <li>• Not Applicable</li> </ul>
<p><b>3.18 Non-Occupant Borrowers</b></p>	<ul style="list-style-type: none"> <li>• FHA - Allowed per 4000.1</li> <li>• USDA - Not permitted</li> </ul>
<p><b>3.19 Homeownership Education</b></p>	<ul style="list-style-type: none"> <li>• <b>Required for at least one (1) occupying borrower</b> <ul style="list-style-type: none"> <li>○ Any HUD-approved counseling course may be used; in addition, <a href="#">Framework®</a> and <a href="#">Homeview®</a> are also accepted</li> </ul> </li> </ul>
<p><b>3.20 Interest Credit Closings</b></p>	<ul style="list-style-type: none"> <li>• <b>Not Permitted</b></li> </ul>

**Section 4 – Product Matrix**

**4.1 LTV/CLTV Matrix**

FHA PURCHASE			
NUMBER OF UNITS	MAXIMUM LOAN AMOUNT	LTV/CLTV	MIN CREDIT SCORE
1-2	Per county loan limits	96.5/No Max	580 <sup>1,2</sup>

  

USDA PURCHASE			
NUMBER OF UNITS	MAXIMUM LOAN AMOUNT	LTV/CLTV <sup>3</sup>	MIN CREDIT SCORE
1	Per county conforming limits	100/No Max	640

<sup>1</sup>580-599 – 45% Max DTI – AUS Approval Required

<sup>2</sup>FHA Manual UW – Minimum 640 FICO Required

<sup>3</sup>Exclusive of Guarantee Fee

**Section 5 – Credit**

**5.1 Credit**

- All borrowers must have a minimum of 1 credit score. Qualifying FICO as per [Section 4.1](#)

**5.2 Present Housing Expense & Verification**

- All applications must contain “present” housing payment, unless the borrower is not currently making a housing payment, which requires:
  - \$0.00 should be entered into the “present” housing payment field on the loan application
  - LOE is required for borrowers with \$0.00 housing payment
- VOR requirements determined by AUS
- Borrowers renting from a family member must provide a copy of the executed lease agreement and 12 months canceled checks or bank statements
- Refer/Eligible/Manual Underwritten loans
  - 640 – 679 FICO – Borrower must have a verifiable housing history for at least 9 of the most recent 12 months

<p><b>5.3 Concurrent Homeownership</b></p>	<table border="1"> <thead> <tr> <th data-bbox="386 212 1188 272">FHA</th> <th data-bbox="1188 212 2022 272">USDA</th> </tr> </thead> <tbody> <tr> <td data-bbox="386 272 1188 451"> <ul style="list-style-type: none"> <li>Allowed per 4000.1</li> <li>Letter of Explanation (LOE) is required to explain the motivation to keep current residence while purchasing new Primary residence</li> </ul> </td> <td data-bbox="1188 272 2022 451"> <ul style="list-style-type: none"> <li>Allowed per 3555</li> <li>Letter of Explanation (LOE) is required to explain the motivation to keep current residence while purchasing new Primary residence and the reasons the current residence is no longer sufficient</li> </ul> </td> </tr> </tbody> </table>		FHA	USDA	<ul style="list-style-type: none"> <li>Allowed per 4000.1</li> <li>Letter of Explanation (LOE) is required to explain the motivation to keep current residence while purchasing new Primary residence</li> </ul>	<ul style="list-style-type: none"> <li>Allowed per 3555</li> <li>Letter of Explanation (LOE) is required to explain the motivation to keep current residence while purchasing new Primary residence and the reasons the current residence is no longer sufficient</li> </ul>
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<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 USDA Reserve Requirements</b></p>	<ul style="list-style-type: none"> <li>Not required, but may improve the eligibility</li> <li>Gifts are not allowed for reserves</li> <li>Cash on hand is not permitted as reserves</li> <li>Borrower funds from a retirement account (401k, IRA) are not eligible for reserves</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 during the underwriting process, the borrower is short funds to close, exclusive of the MRI or down payment, 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**

**7.1 Ineligible Income**

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.

**Section 8 – Property**

**8.1 Eligible Properties**

- Single Family Residences
- 1-2 Units (FHA only)
- Leased Land (Manufactured Homes not allowed)
- PUDs
- Townhouses
- Condominiums (Must not be in litigation)
- Doublewide manufactured housing (Singlewides are not eligible)
  - USDA Requirements:
    - Build on own land not eligible
    - Current guidelines only allow for new manufactured homes. Orion Lending is participating USDAs pilot program to allow the financing of existing construction through the 502 Direct Loan Program / 502 Pilot
    - Available states for pilot include:
      - CO, IA, LA, MI, MT, NV, NH, NY, ND, OH, OR, PA, SD, TN, TX, UT, VT, VA, WA, WI, WY

**8.2 Ineligible Properties**

- Condotels/Hotel Conversions
- Cooperatives
- Geodesic Domes
- Mobile Homes
- Singlewide Manufactured Homes
- Manufactured Homes on Leased Land
- Timeshares
- Unimproved Land and property currently in litigation
- Working Farms and Ranches
- C5 condition ratings
- 3-4 Units

**Section 9 - Misc. Guidelines**

**9.1 Subordination**

- Subordination is not allowed

**9.2 Maximum Seller Contributions**

- 6%