Georgia Dream Peach Select VA

Overview: A Veterans Assistance loan program offering qualified military veterans an interest rate typically lower than market interest rates. Can not be used with the Georgia Dream Second Down Payment Assistance but can be stacked with another eligible down payment assistance program. See Seller Guide for full details.

Loan Type	VA
Term/Amortization	• 30 year fixed rate
Occupancy	• Primary residence only.
Purpose	• Purchase money transactions.
Credit Score	• 640 minimum; 660 minimum for manufactured housing. See Underwriting AUS for no credit score
Maximum Sales Price	• See Maximum Sales Prices by Program Type and MSA County in Lenders – Resources at https://dca.georgia.gov/affordable-housing/home-ownership/georgia-dream/georgia-dream-lenders/lenders-documents-downloads
Maximum LTV/CLTV	• 100.00% LTV (Follow VA Lenders Handbook requirements for maximum LTV/CLTV)
Rate	• Competitive first mortgage rates are typically published weekly each Thursday.
Reservations	• Lender must reserve funds via the Lender Portal at tpoconnect.dcaloans.com. • Reservations of funds required for a maximum of 75 calendar days which includes submission to DCA for compliance underwriting through disbursement of funds.
Eligible Borrowers	• Follow agency requirements.
Second Mortgages	• Not eligible for GA Dream Second Mortgage. • Allowed only for down payment assistance where veteran is obtaining a first mortgage VA loan less than the maximum allowed LTV. • Outside eligible second mortgages may be applied to closing costs or prepaids. • Must meet VA Lender Handbook requirements including but not limited to, Chapter 9, Secondary Financing.
Underwriting AUS	• DU Approve/Eligible or LPA Accept/Eligible • Manually underwritten VA loans are allowed when a credit score does not exist. • Alternative credit is acceptable. Georgia DCA will not accept manually underwritten loans when derogatory credit or high ratios exist. VA loans must comply with the manual underwriting requirements as set forth in the VA Lender Handbook. » For all manually underwritten loans, the maximum total Expense ratio may not exceed exceed 41%. • Lender assumes full responsibility for compliance of agency requirements.

Maximum Ratios & Residual Income	<table><tr><th>Credit Score*</th><th>Housing Expense Ratio</th><th>Debt to Income Ratio</th></tr><tr><td>≥ 640</td><td>Per AUS Approval</td><td>Per AUS Approval</td></tr></table> *Manufactured housing minimum credit score is 660.
Maximum Loan Amount	• Follow VA maximum loan amount requirements and Seller Guide maximum sales prices based on MSA/county.
Derogatory Credit	• Follow applicable VA Lender Handbook requirements for waiting periods and collection/judgement requirements.
Other Income	• Sections 304.5 through 304.8 provides information on how GA Dream expects the type of income to be calculated such as overtime, self-employed applicants, etc.
Co-Signers	• Co-signers' credit and ratios must meet the requirements of the applicable Mortgage Insurer. » Co-signers cannot take title to the property or live in the property securing the loan. Co-signers who live in the mortgaged property or who will take title to the property are considered co-Applicants. » Co-signers must sign the Note, but may not sign the Security Deed or DCA forms. » The co-signers' income is not included in Household Annual Income, but may be used as qualifying income.
Min. Contribution	• Applicant must contribute a minimum of $500 to the purchase transaction either prior to closing or prior to and funds brought to closing. • To be counted payment must be in the form of a check, money order, or debit card. NO credit card.
Reserves	• Follow VA Lenders Handbook requirements for reserves and funds to close.
Other Down Payment Assistance Sources	• Allowed. » Borrower must meet minimum contributions. » Other down payment assistance source in the form of a lien must take a subordinate lien position to DCA's liens. » Borrowers may not receive cash back on the closing disclosure. » Total of all liens may not exceed the Notice of Value.
Interested Party Contributions	• Follow VA Lenders Handbook requirements for interested party contributions.
Assets	• Follow VA Lenders Handbook requirements. • Georgia Dream Liquid Asset Limitations per Seller Guide 303.6 are waived.
Income/Employment	• Follow VA Lenders Handbook requirements. • Georgia Dream requirements also include: » Most recent 3 years IRS tax transcripts for each applicant is required and the most recent W2 » Most recent year signed and executed tax returns when requested by a DCA underwriter.
Mortgage Insurance	• Funding Fee per VA requirements.

Tax Transcripts	• Most recent 3 years IRS tax transcripts for each applicant is required.
First-Time Homebuyer & Subsequent Homebuyers	• Allowed. Both first time homebuyers and subsequent homebuyers are eligible. • Follow VA Lenders Handbook for subsequent homebuyers and available entitlement/eligibility. • Documentation: » A signed SF 60-12 form (required by Georgia Dream) » The most recent 3 consecutive years IRS transcripts » The most recent signed complete personal tax returns » Credit Report » Fraud Report » Signed letter of explanation addressing all prior addresses and no prior homeownership or a copy of the no-record results to the IRS request for the prior 3 years 1098 transcripts
Homebuyer Education	• Homebuyer education is required by a HUD approved housing counseling agency. • Complete the online course at www.ehomeamerica.org/dca. The online course cost $50.00 using the DCA link.
Property	• Private Wells & Septic Systems require clear certification at closing. Refer to Selling Guide for details. • Termite reports are required in accordance with the requirements of the Mortgage Insurer. » If the sales contract states a termite inspection is required, the termite report must be included in the purchase package. • Single family (1 unit) detached, attached, manufactured (requirements in the Seller Guide), agency approved condominium (lender to certify condo approval and provide documentation). • Ineligible Properties: » 2-4 Unit Properties » Appraisal waivers are not permitted » Property may not be used to conduct a trade or business ▪ If business tax transcripts show same address as current residence, then property may not be eligible for GA Dream
Program Seller Guide	https://dca.georgia.gov/affordable-housing/home-ownership/georgia-dream/georgia-dream-lenders/lenders-documents-downloads
Hazard Insurance	• Term of no less than one (1) year coverage as of the date of closing. • Coverage amount equal to at least the lesser of: » the outstanding principal loan balance at closing, or » the maximum insurable value per the appraised value less the land value per the URAR • Maximum deductible is 5% of the property insurance coverage amount. • HO-6 or an all-inclusive master hazard policy on all condominium loans.

Other Residential Property Ownership	The Borrower may not own any other residential real estate, domestically or internationally, at the time of closing. If the borrower owns a property used solely as a rental and not as a primary residence in the past three years, they must divest their interest before closing. **Exception:** The requirement may be waived for active-duty U.S. Military veterans restationed due to military service, provided the other property being vacated was their primary residence, and the borrower is purchasing another primary residence. The vacated property may not have existing bond-financed mortgage assistance.