

**Keystone Assistance Loan Program – Needs Assessment Form
All Loan Types**

Date: _____ LTV: _____
 Borrower: _____ SS#: _____
 Co-Borrower: _____ SS#: _____
 Purchase Price/Market Value: _____ Loan Amount: _____

Select Loan Type: Conventional Purchase Conventional Refinance FHA, VA, or RD New Construction

ASSET VERIFICATION

****Round All Amounts Off To the Nearest Dollar****

Total Borrower Assets (excluding gifts, grants, retirement accounts) 1. \$ _____
 Minimum Required Investment from Borrower's Funds
 (Conventional Loans only; otherwise enter -0-) (-) 2. \$ _____
Subtotal: (See instructions on page 2) (=) (A) \$ _____
 Asset Allowance (-) 3. \$ (5,000.00) _____
Additional Assets Available (Enter -0- if negative) (=) (B) \$ _____

CASH REQUIRED FOR TRANSACTION

Total Funds Needed from Borrower for Closing (Total amount required from line
 "P" on Page 3 of the Mortgage Application under Details of Transaction section
 PLUS Advantage Assistance Loan found in line "J".) (1) \$ _____
 Gifts, Grants and/or other, not included in Details of Transaction (-) (2) \$ _____
 Additional Assets Available (from Line B above) (-) (3) \$ _____
Total Amount of Assistance Needed: (=) (4) \$ _____
 (If negative, borrowers need no CCA from PHFA)
Total Amount of Assistance Loan: (5) \$ _____
 May not be less than \$500; or exceed 2% of the purchase price,
 Market value, or \$4,000, whichever is less (New Construction is based on need, with a maximum of \$6,000)

*** PLEASE NOTE:** No Assistance will be granted on less than maximum financed loans. Any additional dollars the borrower has must go towards closing costs before additional downpayment. Note: Funds from an approved EAH program; the FHLB's First Front Door program or matching assistance programs such as Family Saving Accounts can be considered as borrowers own funds.

If PHFA's Advantage loan plus the borrowers' Subtotal of Assets (A) does not cover the total amount needed, borrower(s) are required to document additional sources of funds needed to cover the difference. Cash back to the borrower is limited to \$100 in excess of reimbursement for POC items. Any additional funds must be reimbursed to the lender, and the PHFA Keystone Advantage Loan must be reduced accordingly. The HUD 1 Settlement Sheet will be used to verify the actual amount of assistance disbursed at loan closing in order to determine the amount of reimbursement due to the lender at the time of purchase.

If the 1st mortgage is a refinance of an existing mortgage under the HFA Preferred Risk Sharing Program or the HFA Preferred Program, the amount of maximum assistance must be calculated off of the loan amount. If the loan is a limited cash-out refinance of an existing mortgage (available only under the HFA Preferred Risk Sharing Program/ HFA Preferred Program), the total amount of cash-out being received by the borrower must be applied directly to the transaction.

Instructions for Completing the Needs Assessment Form

ASSET VERIFICATION

1. Enter the Borrower(s) liquid assets including:
 - Funds in Borrower(s) (and any additional household members) bank accounts. Include any Earnest or Hand Money deposits that have not cleared the Borrower's accounts. (Do not include any gifts in this section).
 - CD's regardless of maturity dates.
 - Profit Sharing if funds can be withdrawn without a penalty.
 - Prepayment of the Participation Fee, Qualifying Fee, and any other closing costs (POC's) not deducted in Line "P" of the Details of Transaction section on page 3 of the Mortgage Application.
2. Assets necessary for the minimum downpayment must be deducted from the total assets to determine the subtotal of assets available for closing costs.
 - ***For 95% Conventional loans, borrowers must have 3% of the purchase price (borrowers with credit scores greater than or equal to 660, only need \$1,000 of their own funds); the balance of the 5% can be from a gift or from this assistance.***
 - ***For 97% loans, borrowers only need \$1,000 of their own funds. The balance of the 3% can be from a gift or from this assistance.***
 - ***For FHA, VA and RD loans; -0- are to be listed on this line.***

A. SUBTOTAL of Liquid Assets. If this line is a negative, the borrower(s) do not have enough of their own funds to meet their minimum required investment as per the Conventional underwriting guidelines. Borrower(s) will be responsible for providing detailed information as to how they will save the additional funds needed to meet their minimum required investment prior to closing. Supporting documentation will be required in the Purchase Submission package.
3. Deduct the \$5,000 Asset Allowance.

B. PHFA's Advantage Assistance can be considered as part of the borrower's required investment; therefore, this line may be less than -0-. **In all cases, we will require verification that the borrower(s) have sufficient funds to cover their minimum required investment and closing costs from an acceptable source.**

CASH REQUIRED FOR TRANSACTION

These costs must come from the Good Faith Estimate of Closing Costs issued to the Borrower by the Lender. This estimate is NOT to include any monthly PITI reserves. **Please Note: The VA Funding Fee, the RD Guarantee Fee and the FHA Upfront MIP are NOT eligible closing costs because they can be financed in the Mortgage.**

Eligible closing costs include the following:

- Origination Fee
- Application Fee or Credit/Appraisal Fees
- Interest for First of the month
- First Year Mortgage Insurance Premium
- First Year Hazard Insurance Premium
- Title Insurance
- Administrative Fee
- Notary Fees
- Recording Fees
- Transfer Tax
- Survey
- Realtor Fees
- Tax Escrow
- Insurance Escrow
- Mortgage Insurance Escrow
- Pro-rata Tax Reimbursement

1. Enter the total cash required from Page 3 of the Mortgage Application; Line "P" under the Details of Transaction section. Any costs other than those listed above must be approved by the Agency prior to inclusion. The amount reflected on this line should represent the total amount needed before the Advantage loan is deducted.
2. Subtract any gifts, grants or other assistance the Borrower(s) is/are going to receive that was not included in the Details of Transaction total.
3. List the Additional Assets Available from Line B above. (Only required when this amount is greater than -0-).
4. Enter the Total Amount of Assistance needed. If this is a negative number, the borrower(s) will not need any assistance from PHFA.
5. Enter the actual amount of Advantage Assistance being requested. The Advantage Assistance loan cannot be for less than \$500. The maximum Advantage Assistance loan is 2% of the purchase price/market value or \$4,000 whichever is less. The only exception is on new construction loans where the Advantage Assistance loan is based on need and cannot exceed \$6,000.