



**City Home Buyer Assistance Program  
Master Program Term Sheet**

**General Parameters (All Loans)**

<b>Effective Date</b>	7.20.2017.
<b>Program Sponsor</b>	Chicago Infrastructure Trust (“CIT”), an Illinois not-for-profit corporation established by the City of Chicago (“City”).
<b>Program Purpose</b>	Provide down payment and closing cost assistance for qualified Borrowers in connection with FHA, VA and Freddie Mac eligible loan financing for properties within the City limits. <u>Grant based off of total loan amount.</u>
<b>Program Administrators</b>	Collectively, George K. Baum & Company, Cabrera Capital Markets, LLC, Melvin Securities LLC.
<b>Program Funding</b>	Continuous funding to all eligible Borrowers. The City reserves the right to suspend the Program at any time with no impact to reserved loans and with notice to Lenders.
<b>Eligible Lenders</b>	Wintrust will purchase loans from Correspondent Lenders approved by and in good standing with Wintrust Mortgage. Each Correspondent Lender must sign a Lender Participation Agreement and Economic Disclosure Statement with the City. Approved Lenders may participate as a Correspondent Lender through Wintrust Mortgage.
<b>Wintrust Mortgage as Servicer</b>	All Qualified Mortgage Loans must be sold to and serviced by Wintrust Mortgage.
<b>Eligible Area</b>	Program is available for properties located throughout the City limits.
<b>Eligible Loans</b>	See attached Addendums for loan type details and terms.
<b>Rate Locks</b>	Rate locks are available through Optimal Blue. Different Grant options at different loan rates.
<b>Occupancy</b>	Primary residence only. Borrowers and spouses must permanently reside in the U.S. and must occupy the property as their principal residence within 60 days of closing.
<b>Borrower Eligibility</b>	<p>Borrowers must meet the Program income limits. Only the qualifying income of Borrowers on the Note – the income to be used for underwriting – will be applied against the program income limits to determine eligibility.</p> <p>Borrowers must have a minimum representative/indicator credit score 620.</p> <p>If any Borrowers on the Note is employed by the City’s Department of Finance, the Department of Planning and Development, or the Chicago Infrastructure Trust, the Lender should contact CIT or the Administrator to determine if the City employee had or has a “financial interest” in the City’s Program. If the City employee is deemed to have a financial interest, then the City employee is an ineligible applicant.</p> <p>Borrowers need <u>not</u> be a first-time homebuyer. If Borrowers are first-time homebuyers, they must complete a City approved HUD-certified Homebuyer Education Course and receive a Certificate of Completion.</p> <p>Non-occupant co-borrowers, non-occupant co-signers are not permitted.</p> <p>As of the Note Date, the Borrower may not own an ownership interest in another residential property. Trailers and mobile homes are not considered residential property.</p>
<b>Purchase Price Limits</b>	None.

<b>Program Income Limits</b>	<ul style="list-style-type: none"> <li>• <b>FHA/VA Loans:</b> Currently, qualifying annualized income of up to <u>\$88,435</u>, regardless of family size, as reported in the FHA Underwriting and Transmittal Summary, or such other income limits approved by the Program Sponsor.</li> <li>• <b>Freddie Mac Loans:</b> Currently, qualifying annualized income of up to <u>\$131,775</u>, regardless of family size, as reported in the Freddie Mac Underwriting and Transmittal Summary, or such other income limits approved by the program Sponsor.</li> </ul> <p>Qualifying income must include all stable monthly income for all Borrowers on the Note. Household income does not apply. Income limits are subject to annual update and revision by the Program Sponsor.</p>
<b>Homebuyer Education</b>	<p>Required for Borrowers on the Note who are first-time home buyers. Borrowers must attend local home buyer education courses with counseling centers approved by the City. A Homebuyer Education Certificate of Completion in the Borrower's name is a condition for the loan to close. Please refer to the City's home buyer counseling web site at: <a href="http://www.cityofchicago.org/city/en/depts/dcd/supp_info/homeownership_housingcounselingcenters.html">http://www.cityofchicago.org/city/en/depts/dcd/supp_info/homeownership_housingcounselingcenters.html</a> for a list of approved home buyer counselors.</p>
<b>Use of Grant Proceeds</b>	<p>May be used to fund up to 100% of the cash to close, subject to any minimum Borrower investment as required herein. Other than earnest monies and certain prepaid mortgage related fees, there can be no cash back to the Borrower from the Grant proceeds. This cash back restriction has no impact on any tax, interest or any other credits due to the Borrower.</p>
<b>Lender and Servicer Fees</b>	<p>1% origination fee and "reasonable and customary" loan related fees. City Homebuyer Assistance Program qualifies as a Housing Finance Agency Program and is therefore exempt from Ability To Repay (ATR) restrictions, subject to a 5% cap on points and fees. Wintrust Mortgage Fees (Correspondent): Delegated \$405 and Non-Delegated \$560.</p>
<b>Credit and Underwriting Decisions</b>	<p>Unless otherwise specified in these Program Guidelines or in the attached Addendums, you must abide by and use FHA, VA and Freddie eligibility, credit and underwriting guidelines.</p>
<b>Pre-Close Compliance Review (All Loans)</b>	<p>Once a Loan Rate is locked in, Lender is required to obtain a signed Borrower Acknowledgment and to email it along with a completed and Lender signed Loan Information Form to the Administrator at <a href="mailto:hofherr@gkbaum.com">hofherr@gkbaum.com</a></p>
<b>Required Documents</b>	<ul style="list-style-type: none"> <li>✓ FHA or Freddie Mac Underwriting and Transmittal Summary</li> <li>✓ Signed and recorded Recapture Mortgage</li> <li>✓ Signed Borrower Acknowledgement</li> <li>✓ Homebuyer Education Course Certificate of Completion, if a first-time homebuyer.</li> </ul>
<b>Loan Programs</b>	<p>FHA/VA:      GN_FHA_30_Fxd_CHI_4.0% - GN_VA_30_Fxd_CHI_4.0%  GN_FHA_30_Fxd_CHI_5.0% - GN_VA_30_Fxd_CHI_5.0%  GN_FHA_30_Fxd_CHI_6.0% - GN_VA_30_Fxd_CHI_6.0%</p> <p><b>FHA LOAN PROGRAMS, NO NEW APPLICATIONS AS OF 9/12/16. ANY CURRENT LOANS MUST FUND ON OR BEFORE 10/12/16.</b></p> <p>Freddie Mac: SRT_FH_30_Fxd_CHI_3.0%  SRT_FH_30_Fxd_CHI_4.0%  SRT_FH_30_Fxd_CHI_5.0%  SRT_FH_30_Fxd_CHI_6.0%</p> <p>2<sup>nd</sup> Mortgage: CHI_2nd_3.0%  CHI_2nd_4.0%  CHI_2nd_5.0%  CHI_2nd_6.0%</p>



**City Homebuyer Assistance Program  
Government Loan Product Addendum**

<b>Eligible Loans</b>	FHA and VA- guaranteed. FHA and VA loan limits apply.
<b>Maximum LTV/TLTV</b>	LTV up to loan size permitted by FHA and VA. CLTV/TLTV is limited to 105%.
<b>Loan Purpose</b>	Purchases / Refinances “no cash out” / Fixed Rate / 30 year term.
<b>Eligible Properties</b>	1 - 4 unit, primary residence, Condominiums, PUDs, Townhomes.
<b>Rate or Price Adjustments</b>	Certain LLPAs may apply for lower credit scores.
<b>Debt-to-Income (DTI) Ratio Requirement</b>	Debt to income ratios are subject to AUS approval and FHA and VA underwriting guidelines.
<b>Minimum Borrower Investment</b>	The lesser of \$1,000 or 1% of the purchase price from the Borrower’s own personal funds from eligible sources defined by FHA and VA.
<b>Credit Score Requirement</b>	A minimum indicator score of 620 is required for all borrowers unless a higher score is required herein. If any of the borrowers do not have a usable credit score, the loan is NOT eligible.
<b>Underwriting Decisions</b>	Subject to Scorecard, DU or LP approval.
<b>Manual Underwriting</b>	Not allowed.
<b>Debt-to-Income (DTI) Ratio Requirements</b>	Debt to income ratios are subject to AUS approval and FHA and VA underwriting guidelines.
<b>Grant Repayment Terms</b>	The Grant is subject to repayment if the property is sold or refinanced within the first 5 years from the Note Date. Such repayment obligation is to be forgiven pro rata for each full month a Borrower resides in the home. The Borrower will be asked to sign a subordinate lien (“Recapture Mortgage”) and Borrower’s Acknowledgement to confirm that they understand the repayment terms. On the 5 year anniversary, the subordinate lien is released free and clear.
<b>Grant Funding</b>	Lenders must complete and submit to CIT a Wire Transfer Grant Request Form no less than 3 business days prior to the scheduled loan closing date. Funds will be wired to the loan closing by Amalgamated Bank as the City’s trustee. The Grant will be funded by CIT at the loan closing for the benefit of the Borrower.
<b>Seller Concessions</b>	Per FHA and VA guidelines.
<b>Temporary Buydowns</b>	Not allowed.
<b>Mortgage Insurance</b>	As required by FHA and VA.



**Freddie Mac HFA Advantage Loan Product Addendum**

See Freddie Mac HFA Advantage Eligibility guidelines <http://www.freddiemac.com/singlefamily/hfa.html>

<b>Eligible Loans</b>	Home Possible for HFAs (HFA Advantage SM) up to 97% LTV. Freddie Mac loan limits apply.
<b>Maximum LTV/TLTV</b>	Up to 97% LTV. Combined Affordable Seconds may not exceed 105% TLTV.
<b>Loan Purpose</b>	Purchases / Refinances “no cash out” / Fixed Rate / 30 year. There can be no cash back to the Borrower from the Grant proceeds (this cash back restriction does not apply to any cash back from tax credits or any other acceptable source).
<b>Eligible Properties</b>	1 unit primary residence, Condominiums, PUDs, Townhomes.
<b>Ineligible Properties</b>	2-4 unit and manufactured Homes are NOT permitted.
<b>Underwriting Decisions</b>	Risk Class: Accept/Purchase Eligibility: ineligible.
<b>Manual Underwriting</b>	Not allowed.
<b>Rate or Price Adjustments</b>	None. No delivery fees.
<b>Debt-to-Income (DTI) Ratio Requirement</b>	No maximum DTI ratio but subject to Loan Prospector approval.
<b>Minimum Borrower Investment</b>	The lesser of \$1,000 or 1% of the purchase price from the Borrower’s own personal funds per Freddie Mac guidelines or such greater amount as required by the Mortgage Insurers.
<b>Credit Score Requirement</b>	Minimum indicator score of 620 is required for any loan submitted through LP. If any of the borrowers do not have a usable credit score, the loan is NOT eligible per Freddie Mac guidelines.
<b>Mortgage Insurance</b>	Charter mortgage insurance coverage required: 18% coverage for 95.01-97%, 16% for 90.01-95%. Monthly and signal MI plans per Freddie Mac guidelines are permitted. Non-delegated may use Radian, Genworth, MGIC and United Guaranty (UG – max 100% CLTV). Delegated can use anyone approved by Freddie Mac.
<b>Mortgage Insurers</b>	Any mortgage insurer approved by Freddie Mac and offering to insure HFA Advantage.
<b>Reserves</b>	No minimum required.
<b>Grant Repayment Terms</b>	The Grant is subject to repayment if the property is sold or refinanced within the first 5 years from the Note Date. Such repayment obligation is to be forgiven pro rata for each full month a Borrower resides in the home. The Borrower will be asked to sign a subordinate lien (“Recapture Mortgage”) and Borrower’s Acknowledgement to confirm that they understand the repayment terms. On the 5 year anniversary, the subordinate lien is released free and clear.
<b>Assistance Funding</b>	The Grant must be advanced by the originating Lender at the loan closing on behalf of CIT. Lenders will be reimbursed for the advance when the loan is sold to and purchased by Wintrust Mortgage.
<b>Temporary Buydowns</b>	Not allowed.
<b>Seller Concessions</b>	Permitted subject to Freddie Mac and mortgage insurer guidelines.
<b>Program Identifier for LP</b>	251 Home Possible for HFAs. Grant may be entered into “Total Gift Fund” field.