



**Idaho Housing
and Finance**
Association



PROGRAM UPDATE

Changes to the Good Credit Rewards Second Mortgage

In response to your feedback, we are adjusting the Good Credit Rewards seconds interest rate to 2% above the note rate for all loan programs. This is effective with reservations made on or after 8/23/16.

Requirements

- The Good Credit Rewards seconds interest rate is 2% above the note rate for all loan programs.
- May be used with Advantage, Preferred, and First loan products.
- Maximum amount of second mortgage is 3.5%, or \$8,000, whichever is less not to exceed 100% combined loan-to-value, or the maximum approved by mortgage insurance guidelines.
- First-time homebuyer income limits apply for all FHA loans with Good Credit Rewards 2nds.
- Finally Home!® Homebuyer Education is required if both borrowers are first-time homebuyers. Only one certificate is required for both borrowers.
- Borrowers with credit scores of lower than 680 will not be able to obtain this second mortgage.
- Borrowers must contribute at least .5% of the purchase price of their OWN funds toward the transaction.
- Good Credit Rewards funds are based on need. Borrowers' liquid assets are limited to three months payments, or \$5,000, whichever is greater. For borrowers 62 years or older, the liquid assets are limited to three months payments, or \$10,000, whichever is greater.
- This second mortgage is fixed rate over 10 years, making the monthly payment low so borrowers can easily qualify for the loan amount they need.

For more information or assistance, please contact us at resloan@ihfa.org or call 1.800.219.2285.

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