



**Idaho Housing
and Finance**
Association



PROGRAM UPDATES

Changes to the Good Credit Rewards 2nd Mortgage

More homebuyers applying for Advantage, Preferred, and First Loan products may be eligible for Idaho Housing's 10-year down payment and closing cost assistance second mortgage program. We will now offer one second mortgage program for all programs. This includes the First Loan, Advantage and Preferred loan programs. This new Good Credit Rewards second mortgage credit score minimum is now 680. Borrowers with a mid credit score of 680 or above will qualify for a Good Credit Rewards second mortgage. These changes are effective on all new applications beginning June 30th. The down payment assistance loan must be combined with an Idaho Housing product. The second mortgage will be offered at 3% above Idaho Housing's standard interest rates. See below for more details.

Requirements

- May be used with Advantage, Preferred, or 1st 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 using IHFA gift funds and 2nds. 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@jhfa.org or call 1.800.219.2285.

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