# FHA HAWAIIAN HOMELANDS

| PROGRAM SPECIFICATIONS | |
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| **Description** | FHA section 247 Hawaiian Homelands insures Mortgages made to Native Hawaiians to purchase or refinance one- to four-family dwellings located on Hawaiian Homelands, which are owned by the State of Hawaii, Department of Hawaiian Homelands (DHHL) and leased to Native Hawaiians for 99-year lease terms. **Reminder:** eLEND does not permit 3–4-unit dwellings. |
| **Channels** | • Correspondent Delegated UW (CDE) only, no other channels permitted |
| **FICO** | Minimum Qualifying Credit Scores:<br>• Correspondent Delegated UW: 580<br>• 1 credit score required for all qualifying borrowers,<br>• Use the middle score if 3 credit scores, or<br>• The lowest of the two if 2 credit scores.<br>• Lowest representative score from all borrowers will be used for qualification purposes.<br>**Reminder:** 580-619 must score an Approve Eligible or Accept on AUS findings; eLEND does not permit <620 FICOs on Refers or Manual Underwrites. |
| **UW Method** | • Desktop Underwriter (DU)<br>• Loan Product Advisor (LPA) |
| **AUS Recommendation** | • Approve/Eligible - DU<br>• Refer/Eligible - DU<br>• Risk Class Accept - LPA<br>• Risk Class Refer - LPA |
| **Eligible Terms** | • 15Yr. and 30Yr. Fixed |
| **Eligible Transaction Types** | • Purchase<br>• Rate/Term Refinance<br>• Cash Out Refinance |
| **Eligible Property Types** | The property must be the Borrower's Principal Residence (Leased Land, Condominiums, and Townhomes are allowed).<br>• 1-2 Unit<br>• Manufactured Housing<br>• FHA HRAP Approved Condominiums<br>• Townhouses<br>• PUDs<br>• FHA Approved Condos<br>  ○ Single-unit approvals (SUA) that have already been approved by HUD and are reflected on the FHA case number assignment are permitted.<br>  ○ eLEND will not complete the SUA approval process with HUD.<br>The mortgaged Property must be located within the Hawaiian Homelands covered under a homestead lease issued under Section 207(a) of Hawaiian Homes Commission Act, 1920. |
| **Maximum LTV/CLTV/HCLTV** | • Purchase 96.50%<br>• Rate/Term Refinance 97.75%<br>• Cash-Out Refinance:<br>  ○ The maximum LTV ratio for refinance loans is 75%<br>  ○ The maximum LTV may be increased to 85% when the Borrower is paying off an existing Mortgage and all remaining proceeds are used for documented home improvements.<br>  ○ Cash-out refinancing for the purpose of debt consolidation is not allowed.<br>• Existing Mortgage Seasoning:<br>  ○ at least six full months must have passed since the first payment due date of the Mortgage that is being refinanced;<br>  ○ at least 210 Days must have passed from the closing date of the Mortgage that is being refinanced; and<br>  ○ If the Borrower assumed the Mortgage that is being refinanced, they must have made six payments since the time of assumption. |
| **Maximum DTI** | • Approve/Eligible - Follow AUS<br>• Refer/Eligible or Manual Underwrites – Follow FHA Guidelines |
| **Mortgage Insurance Premium** | • The Mortgage Insurance Premium (MIP) payment on a Section 247 Mortgage is a one-time upfront MIP of 380 basis points (bps).<br>• Annual or periodic MIPs are not assessed on Section 247 Mortgages. |
| **Borrower Eligibility** | A Borrower must be a native Hawaiian who is at least 18 years of age and certified as eligible to hold a Hawaiian Home Lands Lease, or possesses a lease of Hawaiian Homelands issued under Section 207(a) of the Hawaiian Homes Commission Act, 1920, that has been certified by the Department of Hawaiian Home Lands as being a valid current lease, and not in default. |
| **4000.1** | http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/handbook_4000-1<br>4000.1 II A.8.h |
| **Forms** | See FORMS Section in the Resource Center |

## OVERLAYS

Follow all overlays outlined in FHA 203(b) Program Matrix and:

- Program permitted for Correspondent Delegated UW Channel only
- Program cannot be used in conjunction with: FHA Limited 203(k) Rehabilitation Mortgage, FHA Standard 203(k) Rehabilitation Mortgage, FHA $100 Dollar Down or FHA 203(b) Repair Escrow
- ARMs not permitted
- **Reminder:** 580-619 must score an Approve Eligible or Accept on AUS findings; eLEND does not permit <620 FICOs on Refers or Manual Underwrites.

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EQUAL HOUSING LENDER