



# NACA

Neighborhood Assistance Corporation of America



## NACA Overview

- **NACA Mortgage**
- **Housing Search**
- **Mortgage Process**



# NACA

## 25 Years of Victories & Results

**NACA** has set the national standard for affordable homeownership.

Best Mortgage in America  
Streamlined Mortgage Process  
*(28 Days Contract-to-Close)*





Non-profit HUD-Approved Community Advocacy and Homeowner Membership organization

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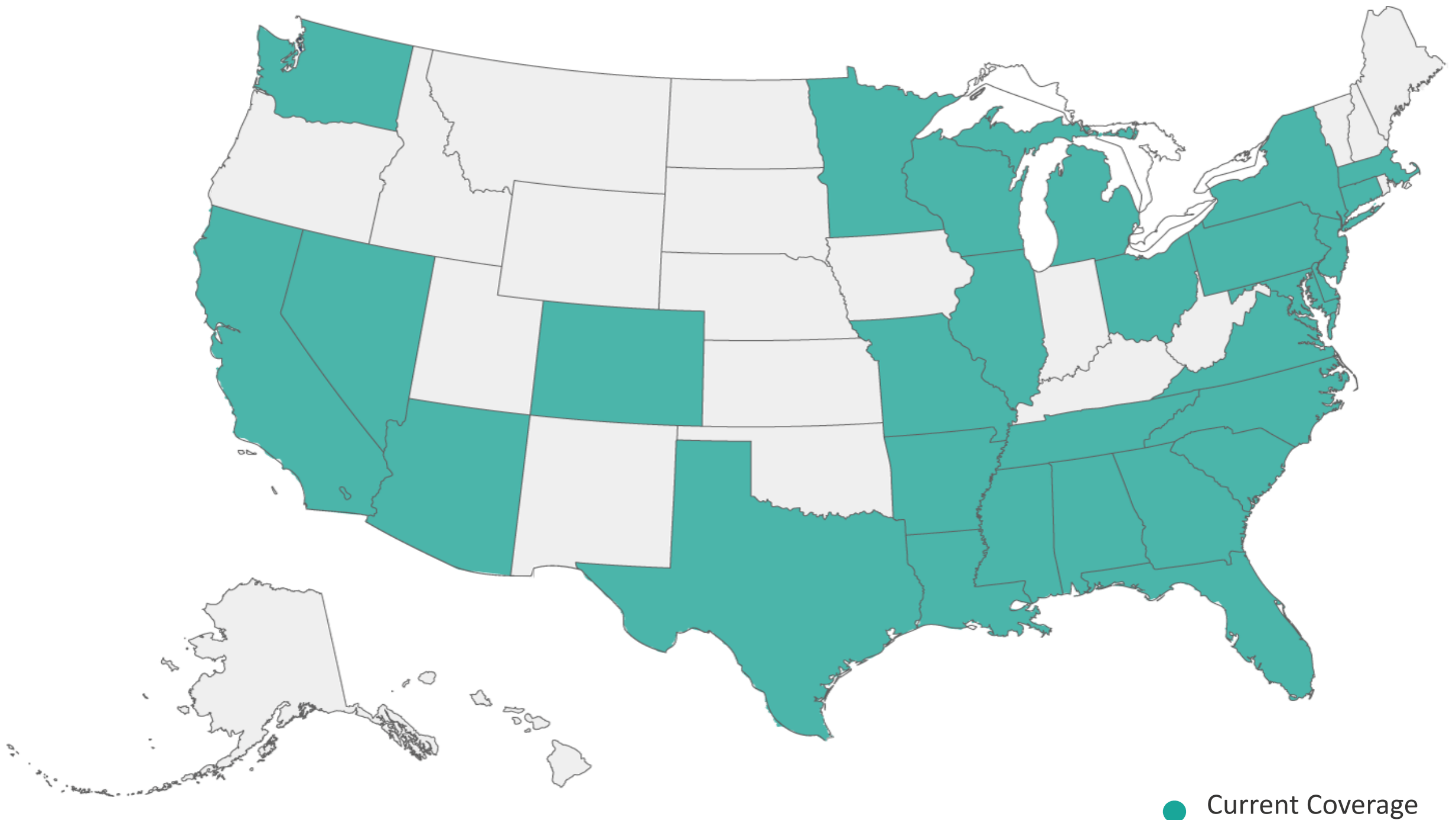
First to take on Predatory Lenders and Coined the term “**Predatory Lending**”

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NACA’s success is the result of active participation of thousands of Members over 30 years

# NACA is a Nationwide Organization

**40+ Offices and Rapidly Growing**



NACA's Best in America Mortgage  
over

**\$13 Billion**

committed from some of the  
country's largest lenders

**Bank of America.**





Making the American  
Dream a Reality

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# NACA Mortgage

## The Best Mortgage in America

No Down Payment Requirement

No Closing Costs (lender paid)

No Points or Fees

No Income Maximum or Minimum

No Perfect Credit Required

No Credit Score Consideration

No Private Mortgage Insurance

# NACA Mortgage

## No Costs or Fees

### Lender Pays

Appraisal Costs

Attorney Fees

Settlement Agent Fees

Title Insurance

Transfer Tax

Customary Buyer Closing Costs

### No

Origination Fee

Application Fee

Underwriting Fee

Document Fee

Processing Fees

Private Mortgage Insurance



# NACA Mortgage

## Below Market Interest Rate

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Today's Incredible Low Fixed Rate is available at **NACA.com**



# **NACA Mortgage**

## **Interest Rate Buy-Down**

Most effective for reducing a Member's mortgage payment and/or, increasing the purchase price while keeping the monthly mortgage payment affordable.

**No other mortgage product permanently reduces the rate as much as NACA's mortgage.**

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# NACA Mortgage

## Interest Rate Buy-Down Details

### 30 Year Mortgage

Every 1% of the loan amount permanently reduces the Interest Rate by One-quarter percent (.25%)

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### 15 Year Mortgage

Every 1% of the loan amount permanently reduces the Interest Rate by one-half of one percent (.50%)

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Low and moderate income Members can permanently buy-down their interest rate to virtually zero percent. Buy-down amounts above the HOEPA limits are matched with a lender grant. Members with income above 100% of the median income may have the amount of their buy-down limited by the HOEPA threshold.



# NACA Freedom Mortgage

## 15 Year Mortgage

### Benefits

Lower starting interest rate

Twice the buy-down rate

Generate Equity quickly

Free from debt in half the time

### Downside

Higher Mortgage Payment

Qualified for lower priced home

# Housing Search

## Property Types

(existing or new construction)



### Single Family

Detached, attached row houses, PUDs, and townhouses.



### Condo

Condo project must be at least 50% owner-occupied and HOA financially sound.



### Mixed-Use

Commercial unit with minimum 50% residential.



### Multi-Family

Two, three or four family units; Owner unit vacant at close for owner-occupancy. Requires landlord training class to qualify for purchase.



### Co-Op

Limited to where participating lenders currently lend on Co-Ops. Confirm before signing a contract.



### Purchase-Rehab

Properties needing repairs or rehab can be purchased and renovated after closing using bids, evaluations and/or work write up.

# NACA Mortgage Requirements

- 01 Follow the NACA Process
- 02 There are NO Limits on Member's Income
- 03 Sale Price cannot exceed maximum purchase price for the region
- 04 Property condition to meet all code, safety, health, structural and system requirements for both affordable and livable standards.

# Next Steps

## Real Estate Agents



**Outside  
Real Estate Agent**



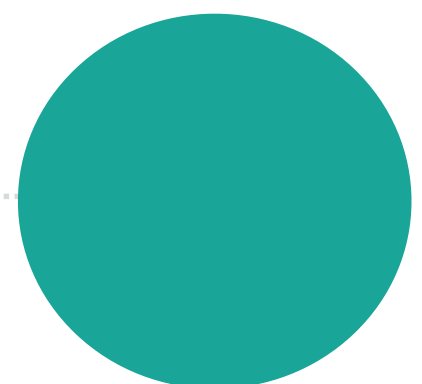
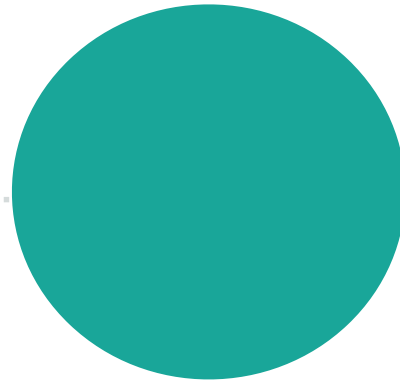
**NACA Referral  
Real Estate Agent**



**NACA In-House  
Real Estate Agent**

Members can utilize a real estate agent of their choice. For more information about NACA, real estate agents can attend a meeting on the first Tuesday of each month from 9:30 a.m. to 10:30 a.m. at the local office or attend a webinar every Wednesday at 6:00 p.m. EST. Contact NACA's Real Estate Department at 425-519-6222 to confirm your attendance or for questions.

# Agent Selections



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## Outside Real Estate Agents

Real estate agent selected by Member outside of NACA.

- Outside agents can notify NACA of the Members they are working with using the Vendor section of NACA's website.
- Once NACA Qualifies the Member, the agent is notified to begin the housing search with the Member.

# Agent Selections

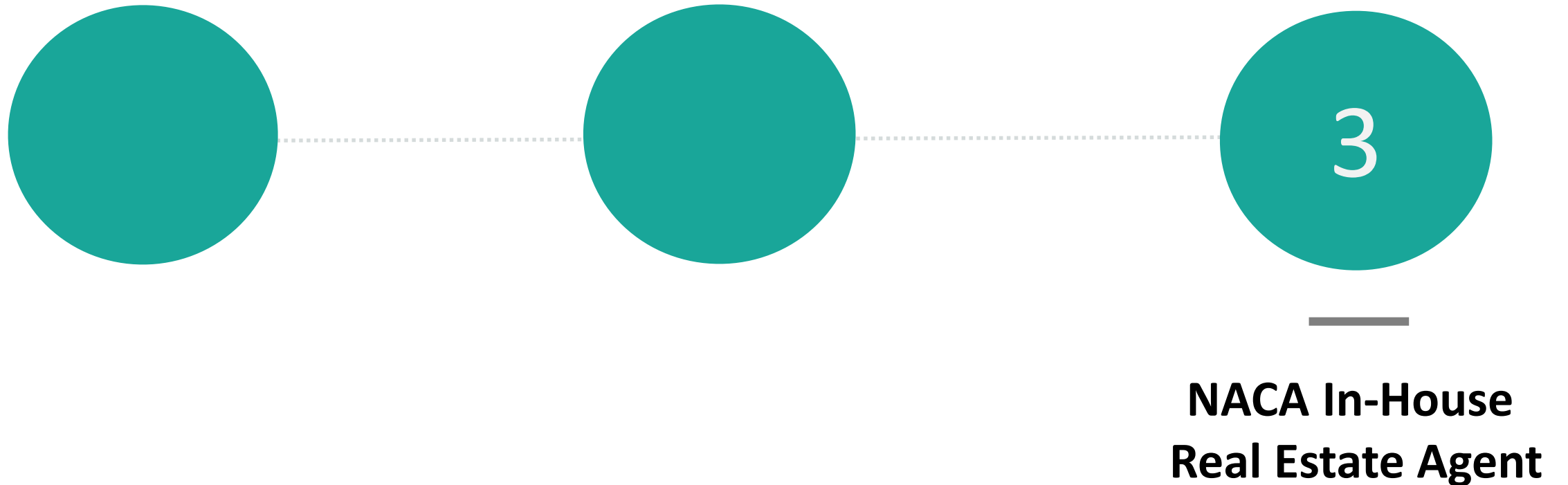


Real estate agent to whom NACA refers Members.

- A Member can request to be referred to a real estate agent familiar with the NACA product and process.
- If an agent is interested in becoming a NACA Referral agent, they should contact NACA's Real Estate Department at 425-519-6222.



# Agent Selections



Real Estate Agents who work solely with NACA Members.

- They are experts on the NACA product and program guidelines and are a resource for the real estate community.
- If an agent is interested in becoming an In-House R.E. Agent they should contact NACA's Real Estate Department at 425-519-6222.

# Housing Search

## Real Estate Agent Expectations

- ✓ NACA's policy for real estate agents is that all agents provide quality customer service and Members must be satisfied with their agents' performance.
- ✓ If an Exclusive Buyer's Agent Agreement is signed by a Member it should include verbiage allowing them to terminate the agreement, at any time, if they are not satisfied with their agent.
- ✓ If repairs are required, the R.E. Agent helps determine whether and how the seller can assist most effectively by making repairs before the loan closes.
- ✓ If seller is unwilling or unable to make the repairs, the R.E. Agent must make every effort to obtain seller concessions including a reduced sales price, obtain seller funds to complete the repairs after closing and/or buy-down the interest rate.  
If needed, the cost of repairs can be included in the Member's mortgage to be completed after closing.
- ✓ The R.E. Agent can advise the Member on the amount to offer and can assist in negotiating the terms, but the Member must decide if the house is right for them at the price that is being recommended.

# Property Qualification

## Property Qualification Letter

Prior to signing a Purchase & Sale Contract you must immediately contact the Mortgage Consultant to obtain a Property Qualification Letter confirming that the Member is NACA qualified for the Property. The amount the Member qualifies for may have changed due to changes in the interest rate or their finances.

To obtain the Property Qualification letter (Broker letter) provide the following:

- ✓ A copy of the MLS (which confirms the listing price)
- ✓ Property Tax Information
- ✓ Property Specific Qualification Form

# Property Qualification

## HAND – Repairs & Renovations

**Property Condition:** The **HOME AND NEIGHBORHOOD DEVELOPMENT (HAND)** team works with Members to ensure a home meets condition standards regarding code, safety, health, structure & systems issues. Repairs will be required if conditions exist affecting livability or affordability. Members may also add improvements for “Wish List” renovations as part of their NACA transaction. Mortgage cannot exceed 110% of the appraised value.

**Inspections:** A property inspection is required, with Member in attendance. Must be done by pre-approved property inspector who will upload report into Member’s file. A Wood Destroying Organism report is also required and can be faxed to the file for HAND to review.

### Before



# Property Qualification

## HAND – Repairs & Renovations

**NACA Repair List:** HAND will review both property inspection & WDO reports to determine if repairs are required. A repair list is emailed to Member & R.E. Agent to review for final negotiations with the seller. A HAND Coordinator is assigned as the point of contact until the loan is closed or the rehab project is complete.

**Seller Repairs:** A seller can have repairs done by professional trades as required. Reinspection is required with proof of invoices faxed to HAND, prior to close approval.

**Member Rehab:** A Member can include the cost of repairs/rehab from the seller, from the Member, by pre-approved grant or financed in the mortgage. Funds are escrowed at closing. Rehab approval requires bids, evaluations and/or work write for the Member, HAND and lender to approve a final rehab budget for work to take place after closing.

**After**



# Contract to Close Timeline

The NACA Timeline shows that a NACA loan should close within 28 days of the executed Purchase & Sales contract if you strictly follow all timeline tasks and adhere to the following:

- ✓ **Submit the P&S to NACA the same day it is signed by all parties.**
- ✓ Stay in contact with the Member's Mortgage Consultant in the local office and assigned HAND Relationship Coordinator in the HAND Department.
- ✓ The NACA Real Estate Department is also available to help assist you through out the process and resolve outstanding issues.

The Member needs to regularly review their NACA Web-file to stay up-to-date on the status of their loan application and additional items that may need their immediate attention to clear necessary lender and HAND property conditions for final loan approval.

# Contract to Close Timeline – 28 Days

## Member:

Member schedules property & termite inspections which can be done with same inspector. Ensures utilities will be on.

## MC:

Reviews file to identify any missing Member required documents and makes best effort to talk with Member as stated in Day 3.

## MC:

Reviews Member's uploaded documents and communicates with Member on outstanding items and loan terms.

## Member:

Attends property inspection with R.E. Agent.

## P&S:

### Member:

Completes executed P&S and submits through Web-file, email or hand deliver.

### R.E. Agent:

Can deliver P&S through web-site.

### NACA:

Locks participating lender interest rate of the day.

## MC:

Communicates with Member to select the settlement agent. Fees are ordered. Loan Estimate is completed. Discusses items needed for Credit Access submission and sends Member Action Plan on needed items.

## Member:

Uploads Action Plan documents.

### Inspector:

Uploads inspection to NACA.

01

02

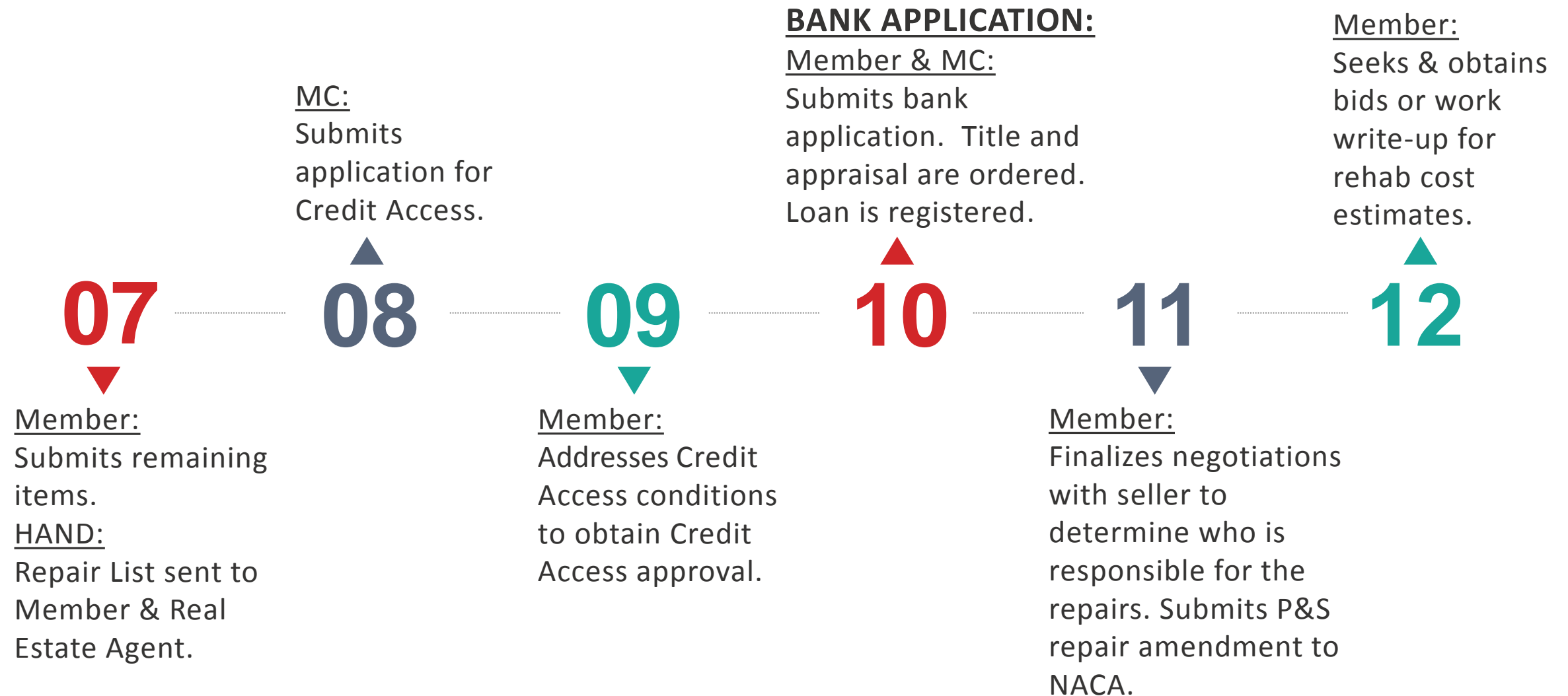
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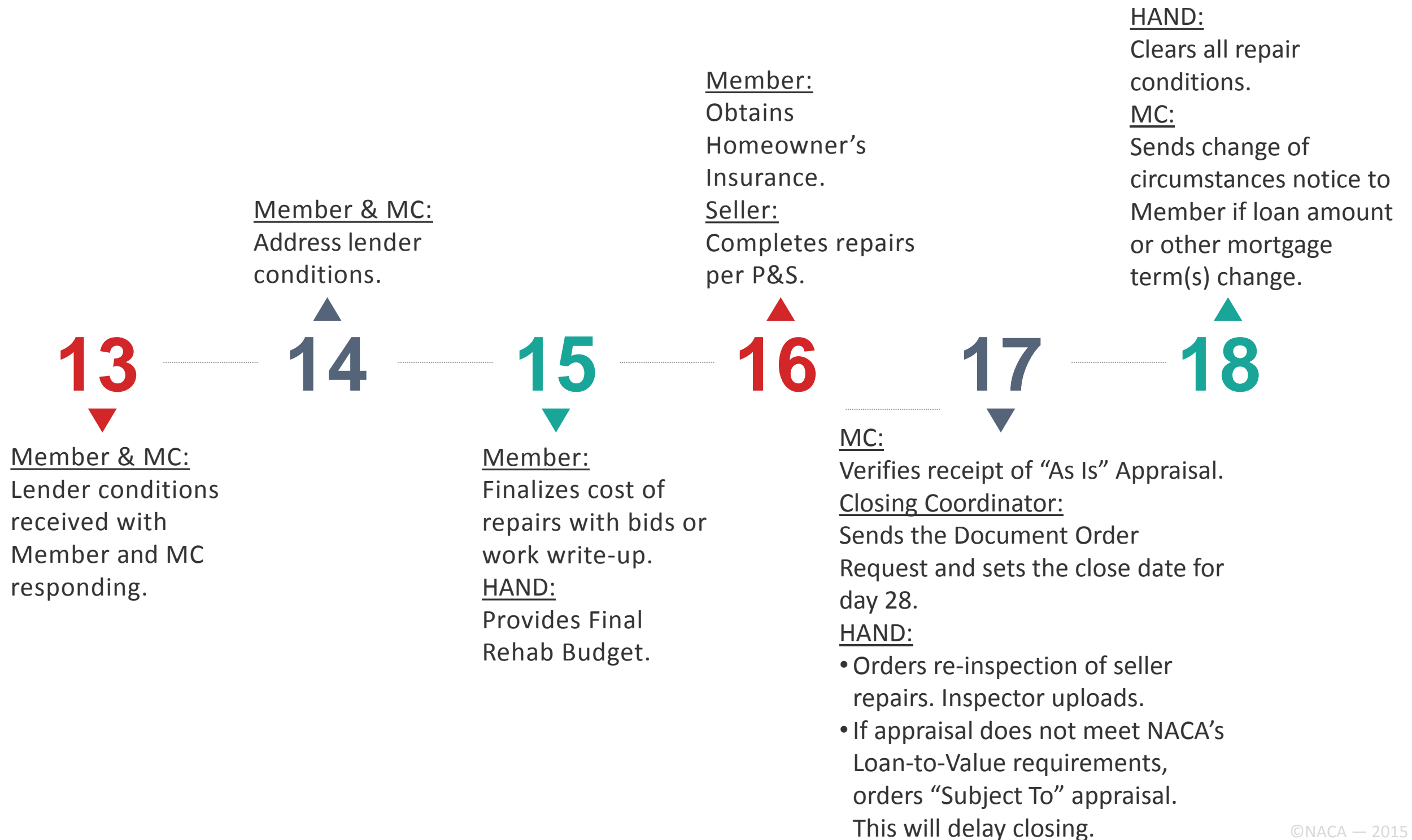
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# Contract to Close Timeline – 28 Days

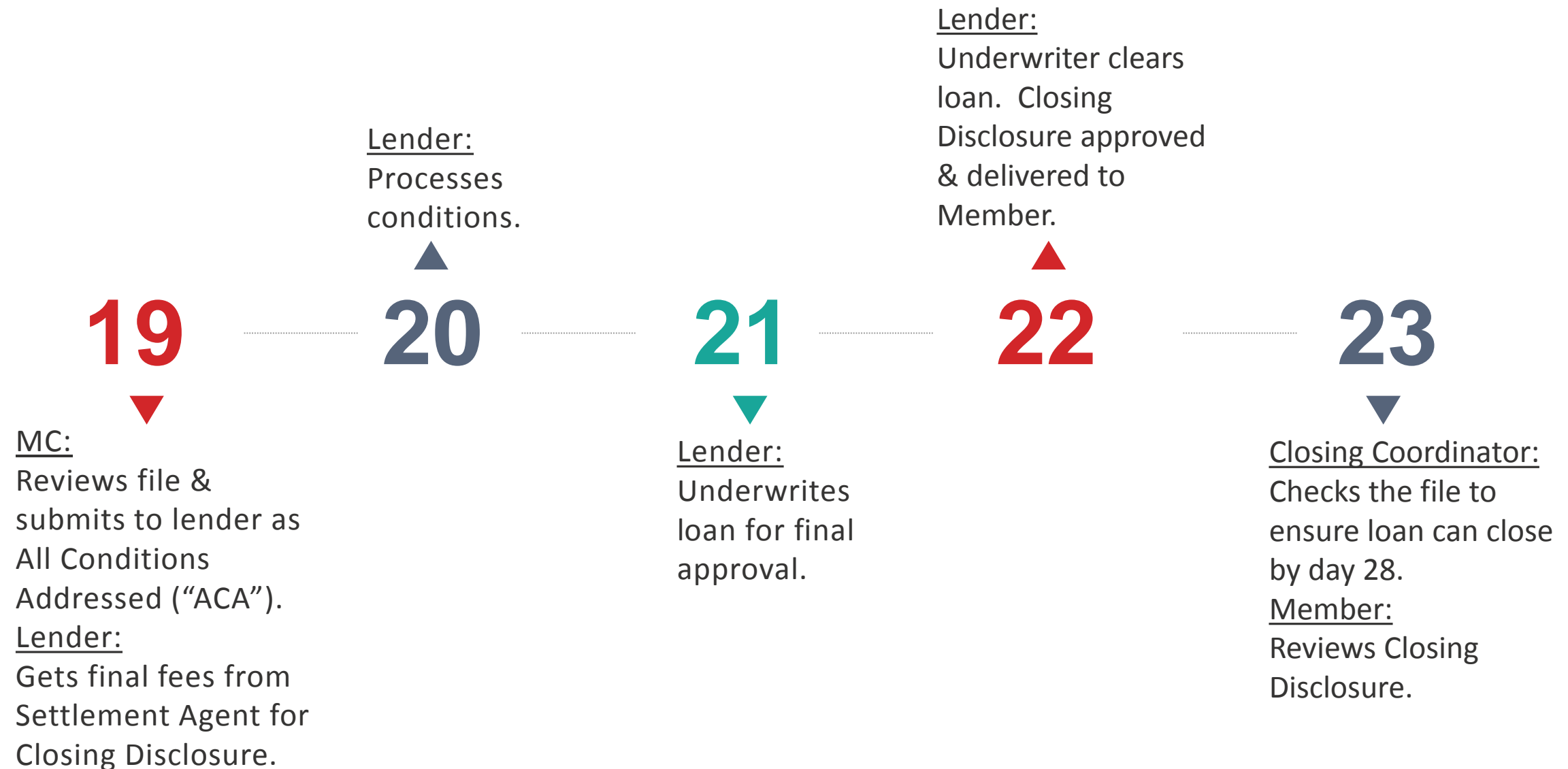




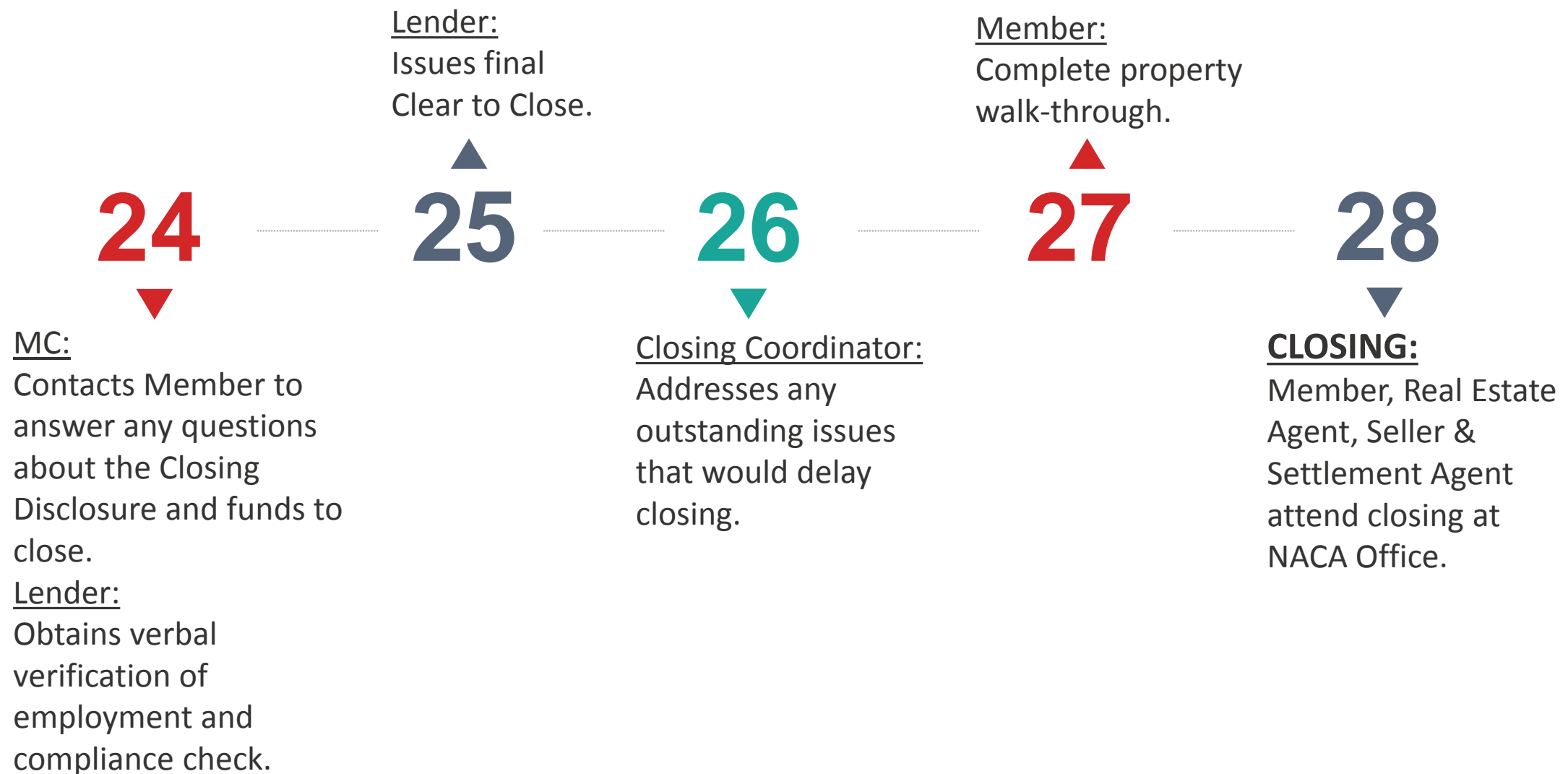
# Contract to Close Timeline – 28 Days



# Contract to Close Timeline – 28 Days



# Contract to Close Timeline – 28 Days





## Comments or Questions?

### General Questions:

Member Services - 425-602-6222

### Housing Search or Real Estate Questions:

NACA's Real Estate Department

Office: (425) 519-6222

Email: RED@naca.com

