

**Keystone Advantage Loan Program – Needs Assessment Form
Keystone Government Loan**

Date: _____ LTV: _____

Borrower: _____ SS#: _____

Co-Borrower: _____ SS#: _____

Purchase Price: _____

ASSET VERIFICATION

****Round All Amounts Off To the Nearest Dollar****

Total Borrower Assets (excluding gifts, grants, retirement accounts)	1.	\$	_____
Asset Allowance	(-)	2.	\$ 5,000.00
Additional Assets Available (Enter -0- if negative)	(=)	3.	\$ _____

CASH REQUIRED FOR TRANSACTION

Total Funds Needed from Borrower for Closing (Total amount required from line "P" on Page 3 of the Mortgage Application under Details of Transaction section including Advantage Assistance Loan.) (1) \$ _____

Gifts, Grants and/or other, not included in Details of Transaction (-) (2) \$ _____

Additional Assets Available (from Line 3 above) (-) (3) \$ _____

Total Amount of Assistance Needed: (=) (4) \$ _____
(If negative, borrower not eligible for CCA from PHFA)

Total Amount of Assistance Loan: (5) \$ _____
May not be less than \$500; or exceed the 2% of the purchase price or \$4,000, whichever is less.

*** PLEASE NOTE:** No Assistance will be granted on less than maximum financed loans. Any additional dollars the borrower has must go towards closing costs before additional downpayment. For FHA, RD and VA loans; PHFA assistance may be considered part of the borrower's investment. Note: Funds from a matching assistance program such as the FHLB's First Front Door program or the Family Saving Accounts can be considered as borrowers own funds.

If PHFA's assistance does not cover the total amount needed, borrower(s) are required to document additional sources of funds needed to cover the difference. Cash back to the borrower is limited to \$100 in excess of reimbursement for POC items. Any additional funds must be reimbursed to the lender, and the PHFA Advantage Loan must be reduced accordingly. The HUD1 Settlement Sheet will be used to verify the actual amount of assistance disbursed at loan closing in order to determine the amount of reimbursement due to the lender at the time of purchase.

Instructions for Completing the Needs Assessment Form

ASSET VERIFICATION

1. Enter the Borrower(s) liquid assets including:
 - Funds in Borrower(s) (and any additional household members) bank accounts. Include any Earnest or Hand Money deposits that have not cleared the Borrower's accounts. (Do not include any gifts in this section or the assets of a non-occupying co-borrower).
 - CD's regardless of maturity dates.
 - Profit Sharing if funds can be withdrawn without a penalty.
 - Prepayment of the Participation Fee, Qualifying Fee, and any other closing costs (POC's) not deducted in Line "P" of the Details of Transaction section on page 3 of the Mortgage Application.
2. Deduct the \$5,000 Asset Allowance.
3. PHFA's Advantage Assistance Loan can be considered as part of the borrower's required investment; therefore, this line may be less than -0-. **In all cases, we will require verification that the borrower(s) have sufficient funds to cover their minimum required investment and closing costs from an acceptable source.**

CASH REQUIRED FOR TRANSACTION

These costs must come from the Good Faith Estimate of Closing Costs issued to the Borrower by the Lender. This estimate is NOT to include any monthly PITI reserves. **Please Note: The VA Funding Fee, the RD Guarantee Fee and the FHA Upfront MIP are NOT eligible closing costs because they can be financed in the Mortgage.**

Eligible closing costs include the following:

- | | | |
|--|---------------------------------------|------------------------------|
| • Origination Fee | • First Year Hazard Insurance Premium | • Survey |
| • Application Fee or Credit/Appraisal Fees | • Title Insurance | • Realtor Fees |
| • Interest for First of the month | • Administrative Fee | • Tax Escrow |
| • First Year Mortgage Insurance Premium | • Notary Fees | • Insurance Escrow |
| | • Recording Fees | • Mortgage Insurance Escrow |
| | • Transfer Tax | • Pro-rata Tax Reimbursement |

1. Enter the total cash required from Page 3 of the Mortgage Application; Line "P" under the Details of Transaction section. Any costs other than those listed above must be approved by the Agency prior to inclusion.
2. Subtract any gifts, grants or other assistance the Borrower(s) is/are going to receive that was not included in the Details of Transaction total.
3. List the Additional Assets Available from Line B above. (Only required when this amount is greater than 0.)
4. Enter the Total Amount of Assistance needed. If this is a negative number, the borrower(s) will not need any assistance from PHFA.
5. Enter the actual amount of the Advantage Assistance being requested. The maximum loan is 2% of the purchase price or \$4000 whichever is less, and it cannot be less than \$500.