

Brightpoint Home Advantage

Frequently Asked Questions

1. Eligibility

- a. Who is eligible to apply for the Brightpoint Home Advantage program?
 - i. Eligible applicants are individuals referred by Brightpoint who are seeking to purchase a primary residence and who meet MidWest America Federal Credit Union's underwriting guidelines. Applicants must meet income, credit, and affordability requirements and complete required homebuyer counseling.
- b. Are there income limits or requirements?
 - i. Yes. Household income may not exceed 120% of Area Median Income (AMI). Current limits include:
 1. \$73,900 for a one-person household (Fort Wayne MSA)
 2. \$84,500 for a two-person household (Fort Wayne MSA)Income limits are based on household size and location.
- c. Are there restrictions based on age, family size, or citizenship status?
 - i. Applicants must be legally able to enter into a mortgage agreement and must be U.S. citizens, permanent residents, or non-permanent residents with a valid work visa. Household size is considered only for income qualification purposes.
- d. Can someone with a past eviction or criminal record apply?
 - i. A past eviction or criminal history does not automatically disqualify an applicant. All applications are evaluated individually based on creditworthiness, income stability, and overall readiness for homeownership.
- e. Do applicants need to be residents of a specific area?
 - i. The home being purchased must be located in Indiana. At least 84% of loans are reserved for homes in Allen County, with up to 16% available statewide.
- f. What is the minimum credit score?
 - i. The minimum credit score is 580. Applicants with lower scores may be eligible after completing credit counseling arranged by Brightpoint. In some

cases, non-traditional credit (such as rent, utilities, or insurance payments) may be considered.

2. Application Process

- a. How do I apply for a mortgage?
 - i. Applicants begin by working with Brightpoint, which may refer eligible clients to MidWest America Federal Credit Union. MidWest takes and processes all mortgage applications.
- b. How long does it take to process my application?
 - i. Processing times vary based on document completion and underwriting review. MidWest will contact applicants directly if additional information is needed.
- c. How are applicants prioritized?
 - i. Applications are reviewed based on eligibility, underwriting standards, income limits, and program capacity.
- d. What happens after I submit my application?
 - i. MidWest evaluates the application using its underwriting guidelines. If approved and all conditions are met, MidWest will close, fund, and service the loan.
- e. Is homebuyer counseling required?
 - i. Yes. Homebuyer counseling is required as a condition of the loan. Homebuyer counseling is offered through the program.

3. Required Documents

- a. What documents are needed for the application?
 - i. Applicants should expect to provide standard mortgage documentation, including proof of income, employment history, assets, identification, and housing history.
- b. Do I need proof of income or employment?
 - i. Yes. Applicants must demonstrate at least two years of stable income history.
- c. Is identification (ID) required for all household members?
 - i. Identification is required for all adult borrowers on the mortgage.
- d. How recent do my documents need to be?

- i. Most documents must be current, generally within the last 30–90 days, depending on document type.
- e. Can I submit documents digitally, or do I need to provide physical copies?
 - i. MidWest may accept digital documents, subject to its standard lending policies.

4. Housing Unit

- a. What types of housing units are eligible for the mortgage?
 - i. Single-family homes (1–2 units)
 - ii. Condominiums
 - iii. Planned Unit Developments (PUDs)
- b. Can I choose my preferred location?
 - i. Yes, as long as the property is in Indiana and meets program and underwriting requirements.

5. Financial Questions

- a. What is the maximum loan amount?
 - i. The maximum loan amount is \$225,000.
- b. What is the interest rate?
 - i. Loans are issued at MidWest’s standard market rate plus 1%. Example pilot rates include:
 - 1. 7.00% fixed (30-year) with no PMI*
 - 2. 6.50% 7/7 ARM with no PMI*
- *Rates are subject to change
- c. What is the required borrower contribution?
 - i. Borrowers must contribute at least \$1,500 of their own funds toward the purchase.
- d. What is the maximum loan-to-value (LTV)?
 - i. Up to 100% LTV for purchase
 - ii. Up to 105% LTV if approved renovations are included
 - iii. Up to \$2,500 in closing costs may be included and are excluded from the LTV calculation.
- e. Are there additional fees or deposits required?

- i. Borrowers may be responsible for standard closing costs, though some costs may be financed as allowed.
- f. What is the maximum debt-to-income (DTI) ratio?
 - i. Total debt obligations may not exceed 48% of gross income.
- g. Are taxes and insurance included in the payment?
 - i. Yes. Escrow for taxes and insurance is required.
- h. Can I transfer the loan to another person?
 - i. No. Loans are not transferable.
- i. What happens if I default on my loan?
 - i. Loans follow MidWest's standard servicing practices. Brightpoint is notified of any default and may intervene under the program's guaranty provisions.

6. Support & Communication

- a. Who can I contact for questions about my application?
 - i. Applicants may contact Brightpoint for program questions or MidWest America Federal Credit Union for loan-specific questions.
- b. How will I be notified if my application is approved?
 - i. MidWest will notify applicants directly regarding approval or denial.
- c. How do I update my contact information or application details?
 - i. Applicants should notify MidWest or Brightpoint as soon as possible of any changes.