

Job Aid HomeReady and Home Possible



Description	HomeReady	Home Possible	Home Possible Advantage
Agency Information Page	https://www.fanniemae.com/singlefamily/homeready	http://www.freddiemac.com/homepossible/	http://www.freddiemac.com/homepossible/
Programs	Purchase / Rate Term	Purchase / Rate Term	Purchase/Rate & Term
FICO	620	620	Home Possible Advantage – 620
Non-Traditional Credit	Not Allowed	Not Allowed	Not Allowed
AUS	DU – Approve/Eligible only	LP – LP Accept only	LP – LP Accept only
Product Code	30 Year Fixed 1021-00	30 Year Fixed 1022-00	30 Year Fixed 1023-00
Property Type	1-4 Units, Approved Condos, PUDs Manufactured Home – Not Allowed	1-4 Units, Approved Condos, PUDs Manufactured Home – Not Allowed	1 Unit, Approved Condos, PUDs Manufactured Home – Not Allowed
Minimum Loan Amount	\$60,000: \$75,000 for NY and TX	\$60,000: \$75,000 for NY and TX	\$60,000: \$75,000 for NY and TX
Occupancy	All borrowers must occupy the property as primary residence	All borrowers must occupy the property as primary residence	All borrowers must occupy the property as primary residence
First Time Home Buyer	Not Required	Not Required	Not Required
DTI	Up to 50 with compensating factors	Determined by LP – LP Accept Only	Determined by LP – LP Accept Only
LTV's	Up to 97% LTV/CLTV	Up to 95% LTV/CLTV	Up to 97% LTV/CLTV
MI Coverage	6% - 25% based on LTV	6% - 25% based on LTV	6% - 25% based on LTV
Reserves	Determined by DU	1 – Unit = None; 2-4 – Units = 2 months	N/A
Income Limits	Up to 100% of Area Median Income (AMI) No income limit for properties located in low-income census tracts, defined as those census tracts where the median tract income is <= 80% AMI	Up to 100% of Area Median Income (AMI). Borrowers with incomes above AMI may be eligible in high-cost areas. No income limits in underserved areas	Up to 100% of Area Median Income (AMI). Borrowers with incomes above AMI may be eligible in high-cost areas. No income limits in underserved areas
Non-Borrower Household Income	Permitted as compensating factor only, for 45-50% DTI	N/A	N/A
Rental Income	Ok, if subject property is 2-4 units. Allowed for one unit principal residence with <u>accessory</u> unit	Ok if the subject property is 2-4 units	N/A
Boarder Income	May be used as qualifying income for 1-unit property in an amount up to 30% of total gross income used to qualify the borrower. Other conditions and requirements apply.	Boarder/Rental income from 1-unit may be considered. Subject to other conditions and requirements.	Boarder/Rental income from 1-unit may be considered. Subject to other conditions and requirements.
Homebuyer Education Requirements	Required for at least one borrower when all are first time buyers.	Required for at least one borrower when all are first time buyers.	Required for at least one borrower when all are first time buyers.
Landlord Education Requirements	N/A	Required for one borrower on 2-4 unit primary residence purchase transactions	N/A
Conforming Loan Limits 2017			
1 – Unit	\$424,100	\$424,100	\$424,100
2 – Units	\$543,000	\$543,000	N/A
3 – Units	\$656,350	\$656,350	N/A
4 - Units	\$815,650	\$815,650	N/A

Job Aid is a quick reference Matrix and may ***not be used*** as guidelines. Programs subject to change without notice.
Mortgage Professional use ONLY. Refer to current program guides for the most up to date information. 07/27/2017