



# Fannie Mae HomeReady

## 10, 15, 20 and 30 Year Fixed Rate

### PRODUCT MATRIX

Fannie Mae HomeReady Selling Guide link:

<https://www.fanniemae.com/singlefamily/homeready>

	# of Units	Conforming Loan Limits	High Balance Loan Limits
Loan Limits	1	\$510,400	\$765,600
	2	\$653,550	\$980,325
	3	\$789,950	\$1,184,925
	4	\$981,700	\$1,472,550

### Primary Residence Only

	# of Units	LTV/CLTV <sup>1</sup>	Minimum Credit Score
Purchase and Limited Cash Out Refinance	1	97% <sup>2</sup> /105%	620
	2 <sup>3</sup>	85%/105%	
	3-4 <sup>3</sup>	75%/105%	

<sup>1</sup> CLTV up to 105% with eligible community seconds (Refer to Fannie Mae guidance for details).

<sup>2</sup> Rate and Term Refinance with LTV > 95%. Lender must verify the existing loan being refinanced is owned by Fannie Mae.

<sup>3</sup> Purchase or No Cash out Refinance

AUS Desktop Underwriter® (DU)	• DU Approve/Eligible only
	• Manual underwriting not permitted
	Based on the census tract and borrower income, DU will notify users when a loan casefile appears to be eligible for HomeReady but the lender has not underwritten the loan casefile as HomeReady. Resubmit the loan casefile as a HomeReady loan to obtain the appropriate HomeReady messaging. New Additional Data screen field will allow entering census tract information if DU is unable to geocode the property address.
Ratio's	• Determined by AUS
Reserves	• Determined by AUS
Borrower Income Limits	• 80% of area median income (AMI)
Minimum Borrower Contribution	1 Unit - \$0.00
	2 to 4 Units - 3% for LTV/CLTV/HCLTV >80%
Acceptable Sources of Funds for Down Payment and Closing Costs	• Gifts, grants, and Community Seconds®. Cash-on-hand for 1 -unit properties only.
	• Any eligible loan may have more than one Community Seconds (i.e., third lien) up to the maximum 105% CLTV. See Community Seconds fact sheet.
Multiple Financed Properties	• Occupant borrower(s) may own one other financed residential property (in addition to the subject property) at the time of closing.
Non-Occupant Borrowers	• Non-occupant borrowers permitted to maximum 95% LTV in DU; DTI for occupying borrower. Income considered as part of qualifying income and subject to income limits. No limitation on ownership of other property for non-occupant borrower.
Mortgage Insurance (MI) Coverage	• 25% MI coverage for LTVs 90.01–97%
	• Standard MI coverage for LTVs of 90% or less
	• MI may be financed up to the maximum LTV for the transaction, including the financed MI
Property Types	• 1-4 units, Condo's and Puds.
	• Manufactured Housing and Co-ops are not permitted



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Other Income	<p><u>1 Unit:</u></p> <ul style="list-style-type: none"> <li>• Boarder income (relatives or non-relatives): Up to 30% of qualifying income; documentation for at least 9 of the most recent 12 months (averaged over 12 months) and documentation of shared residency for the past 12 months.</li> <li>• Accessory dwelling units: Rental income may be used as qualifying income per rental income guidelines.</li> </ul>
Homeownership Education	<p><u>2-4 Units:</u></p> <ul style="list-style-type: none"> <li>• Boarder income not eligible.</li> <li>• Rental income may be used as qualifying income per rental income guidelines.</li> </ul> <p>For HomeReady purchase transactions, if all occupying borrowers are first-time homebuyers, then at least one borrower must do one of the following, regardless of LTV:</p> <ul style="list-style-type: none"> <li>- complete the Framework homeownership education course prior to closing; or</li> <li>- complete a homeownership education course required by a Community Seconds or Down Payment Assistance Program that is provided by a HUD-approved agency prior to closing, if the HomeReady loan involves a Community Seconds or down payment assistance program; or</li> <li>- receive housing counseling from a HUD-approved nonprofit housing counseling agency (as evidenced by a signed Certificate of Completion of Housing Counseling (Form 1017)) prior to the borrower signing a purchase contract; or</li> <li>- have already completed housing counseling (as evidenced by a completed Fannie Mae Form 1017).</li> </ul>
Special Borrower Considerations for Online Homeownership Education	<p>Framework's online education may not be appropriate for all potential home buyers. The presence of a disability, lack of Internet access, and other issues may indicate that a consumer is better served through other education modes (e.g., in-person classroom education, telephone conference call, etc.). In these situations, consumers should be directed to Framework's toll-free customer service line (855-659-2267), from which they can be directed to a HUD-approved counseling agency that can meet their needs. The counseling agency that handles the referral must provide a certificate of completion, and the lender must retain a copy of the certificate in the loan file.</p>