

FNMA HomeReady

Program Codes: HR -30, -20, -15, -10 & HRHB 30

Min FICO	Property Type	Max LTV/CLTV/HCLTV	Note
620	1 Unit	97%	<ul style="list-style-type: none"> LTV > 95%: Non Occupant Borrowers NOT Permitted. Maximum CLTV up to 105% with Community Seconds Only.
	2 Units	85%	
	3-4 Units	75%	
Product Guidelines			
Income Restriction	Borrower income must be below or equal to 80% Area Median Income (AMI) Please click here to look up AMI		
Occupancy	Primary		
Product Type	HR: 30-Yr Fixed, 20-Yr Fixed, 15-Yr Fixed, 10-Yr Fixed HR HB: 30-Yr Fixed		
Loan Purpose	Purchase, Rate/Term		
Property Type	Single Family 2-4 Units Condo PUD *Manufactured Housing		
State Restrictions	FL Condo: Upto 7 Stories. No High Rise Condo (8+)		
*Manufactured Housing	In accordance with standard MH guidelines (DU required; Max LTV/CLTV 95%; FRMs only; no buydowns) Only 1 unit allowed Only 30, 20, 15 Yr Fixed allowed		
AUS	Must have DU recommendation of Approve/Eligible.		
Mortgage Insurance	Standard MI Coverage for LTVs of 90% or less 25% MI Coverage for LTVs 90.01 - 97 %		
Minimum Borrower Contribution	1 unit : None 2-4 units : 3% Minimum Borrower Contribution required		
Homeownership Education	At least one borrower on each Purchase Transaction must do one of the following: <ul style="list-style-type: none"> complete the Framework homeownership education course (\$75 paid by borrower to Framework) prior to closing go to https://homeready.frameworkhomeownership.org/ complete a homeownership education course required by a Community Second or Down Payment Assistance Program that is provided by a HUD-approved agency prior to closing, if the HomeReady loan involves a Community Second or Down Payment Assistance Program 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 NOTE: Homeownership education certificate or Form 1017 must be retained in the mortgage file		
Room Boarder Income	Rent from a Boarder(relative or non-relative) may be considered as acceptable stable income for 1 Unit Properties. The amount of rental income used may not exceed 30% of the total monthly gross income of the borrower and must meet the following considerations: <ul style="list-style-type: none"> The Boarder must provide documentation to demonstrate a history of shared residency (such as copy of driver's license, bills, or bank statement to show the boarder's address as being the same as the borrower's address) AND Document Rental Payments for the last 12 months. (If 9 of most recent 12 months rent is provided, the rental income may be averaged over 12 months) 		