

# MINNESOTA HOME OWNERSHIP CENTER

## AFFORDABLE LOAN PRODUCT MATRIX

*Single Sheet Product Matrix – September 2009*

**PURPOSE:** Produced by the Minnesota Home Ownership Center, this tool is intended to inform housing counselors and industry professionals of affordable loan programs available to their clients. It is not designed to be distributed to consumers/clients. Loan programs included in the Matrix generally have flexible underwriting guidelines, allow higher LTV limits, lower buyer investment and require homebuyer education and/or counseling.

This Matrix is updated by the Center twice annually. Please note loan criteria may change prior to the next scheduled update. Questions regarding programs should be directed to the lender. If you have specific questions about the Matrix please contact Brooke Walker at 651-659-9336 x 106 or by email at [brooke@hocmn.org](mailto:brooke@hocmn.org)

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## Bremer – Gateway to Homeownership

	Information	Comments
<b>Geographic area</b>	Charter Areas: Alexandria, Brainerd, Grand Forks, International Falls, Twin Cities Metro Area, Moorhead, St. Cloud, Marshall and Willmar.	
<b>Ratios</b>	45%	
<b>Maximum income</b>	80% HUD Area Median	Adjusted by household size. Contact lender for details.
<b>Income not considered</b>	Food Stamps	
<b>Rental income</b>	Yes	Consider 25% vacancy rate
<b>Gross up non-taxable income</b>	Yes	
<b>Adjustment to gross income</b>	No	
<b>Maximum loan amount</b>	Home Price (New and Existing): \$298,125 (11 County Metro) \$237,031 (Balance of State)	Applicable when using ECHO funds; otherwise maximum conforming limits
<b>First time homebuyer only</b>	No	
<b>Eligible properties</b>	1-2 units, single family, townhouse or condo. Mobile homes permanently affixed, acreage limited to 15 miles.	
<b>Refinance</b>	Yes, provided that the transaction is a referral from a Credit counseling agency where the purpose is to assist the applicants with retaining their home.	Private Mortgage Insurance required must follow MGIC requirements.
<b>Interest rate</b>	Market Rate, Fixed.	
<b>Down payment and/or closing cost assistance program</b>	Allowable from acceptable sources	
<b>Buyer's minimum investment</b>	\$500	Must document down payment funds for 2 months.
<b>Mortgage insurance</b>	No, for a purchase transaction	
<b>Additional closing costs</b>	No	
<b>Work history</b>	Documented for two years through employment, schooling, etc. If self-employed must have 2 years personal tax returns.	Self-employed must have 2 years personal tax returns.
<b>Credit history</b>	Minimum 575 credit score, with 12 months clean credit. Alternative credit accepted according to FNMA guidelines.	Non-traditional credit: must have three sources: rent receipts, utility payments, telephone or cable bills, or other sources of credit or services for which the borrower has/had a regular financial obligation.
<b>Chapter 7</b>	At least 2 full years since discharged	
<b>Chapter 13</b>	At least 2 full years in good repayment and must have court approval.	
<b>Liens</b>	Paid in full	
<b>Foreclosure</b>	3 years from foreclosure sale	
<b>Judgments</b>	Paid in full, third-party verification required of reason for default (default must be beyond borrower's control)	
<b>Collection accounts</b>	Paid in full	
<b>Education requirements</b>	Yes, one borrower must complete.	Home Stretch Only.
<b>Amortization</b>	30 years	Escrow required.
<b>Cash reserves</b>	Not required	
<b>Purchase rehab option</b>	No	

## CityLiving – Minneapolis/ St. Paul

	Information	Comments
<b>Geographic area</b>	City of Minneapolis & St Paul	Must be within city limits
<b>Ratios</b>	Conventional - AU approval or 41% back if manual UW FHA - 35/34	Expanded ratios may be available. Contact a participating lender staff for details.
<b>Maximum income</b>	Minneapolis: Target Area \$88,990- 1,2 &3+ persons Non Target \$80,900- 1-2 person; \$88, 990 - 3+ persons St Paul: \$77,600 – 1-2 persons \$85,360 – 3+ persons	
<b>Income not considered</b>	No food stamps or rental income	
<b>Rental income</b>	Yes, on multi-family homes	75% Rental Income can be used
<b>Gross up non-taxable income</b>	Yes, usually 15-25% depending on tax rate	
<b>Adjustment to gross income</b>	None	
<b>Maximum loan amount</b>	Mpls. 1 unit Target \$355,960; Non Targeted \$266,970 St. Paul 1 unit Target \$341,440; Non Targeted \$256,080	Higher Sale Price Limits for 2-4 Units
<b>First time homebuyer only</b>	Yes, except in targeted areas, rehab or contract for Deed	Contract for Deed must have income below \$39,250
<b>Eligible properties</b>	1-4 unit , townhome and condominium	St Paul 2-4 unit bldg must be at least 5 years old
<b>Refinance</b>	Only with substantial rehab and Contract for Deed	
<b>Interest rate</b>	Contact lender for current rate	
<b>Down payment and/or closing cost assistance program</b>	Minneapolis grant 2-4% of mortgage amount; requires higher interest rates - St. Paul offers affordable gap financing	
<b>Buyer's minimum investment</b>	Conventional - \$500 FHA/VA - \$500	Property can be subject to "declining value" rules
<b>Mortgage insurance</b>	Yes VA – Funding Fee	Conventional – If LTV is over 80% VA- all unless an exempt rules vet
<b>Additional closing costs</b>	\$225 City Living Bond application fee and possible tax service fee \$75	
<b>Work history</b>	Conventional, FHA or VA underwriting criteria	Usually 2 years full time
<b>Credit history</b>	Non-traditional credit may be accepted properly documented	4 sources including rent
<b>Chapter 7</b>	Conventional – 4 years re-established FHA/VA – 2 Years re-established	
<b>Chapter 13</b>	Conventional – 4 years re-established FHA/VA – 2 Years re-established	
<b>Liens</b>	Paid in full	
<b>Foreclosure</b>	3 years from foreclosure sale	
<b>Judgments</b>	Must be paid in full	
<b>Collection accounts</b>	Underwriters discretion	Usually \$2500 total
<b>Education requirements</b>	Home Stretch Required	Must be completed and get certificate prior to closing
<b>Amortization</b>	30 years	
<b>Cash reserves</b>	Depends on Product Guidelines	
<b>Purchase rehab option</b>	Yes. Acquisition + Rehab cannot exceed 100% of excepted property value; rehab must start 45days after closing and completed with 6months	

## CNHS – Neighborhood Housing Services of America, Recourse Loans

	Information	Comments
<b>Geographic area</b>	Primarily Metro	Can broker statewide
<b>Ratios</b>	33 / 38 with some flexibility	Higher if excepted by LP (Freddie Mac)
<b>Maximum income</b>	None	80% of county median for below market rate loans
<b>Income not considered</b>	Food Stamps, Foster Care	Must be verifiable
<b>Rental income</b>	Yes	75% included in borrower's income
<b>Gross up non-taxable income</b>	Yes	
<b>Adjustment to gross income</b>	25%	
<b>Maximum loan amount</b>	\$417,000	
<b>First time homebuyer only</b>	No	
<b>Eligible properties</b>	Residential 1-4 units	
<b>Refinance</b>	Yes	
<b>Interest rate</b>	Below and Market Rate	No income limit. Below market for first time buyers only
<b>Down payment and/or closing cost assistance program</b>	MN HOUSING HAF \$3,000; Home Help \$14,999	20% Second Loan available in St Paul only
<b>Buyer's minimum investment</b>	\$500 - \$2,000	
<b>Mortgage insurance</b>	Required when LTV > 80%	Not required if LTV under 80%
<b>Additional closing costs</b>	Post purchase counseling fee \$250	
<b>Work history</b>	Verifiable income	
<b>Credit history</b>	Non-traditional accepted	Must have 12 months proof of timely rent payments plus three additional sources i.e., utility payments, telephone, cable or other sources of credit or service for which the borrower has regular financial obligation.
<b>Chapter 7</b>	At least 4 full years since discharged	Re-establish good credit 12-month history.
<b>Chapter 13</b>	At least 4 full years since discharged	Re-establish good credit 12-month history.
<b>Liens</b>	Paid in full	No exceptions.
<b>Foreclosure</b>	4 years from foreclosure sale	Re-establish good credit or non-traditional credit. 12-month history.
<b>Judgments</b>	Paid in full	Satisfied prior to application.
<b>Collection accounts</b>	Paid in full	Paid prior to application.
<b>Education requirements</b>	Yes	Approved NCHC
<b>Amortization</b>	Full amortized fixed rate	Rare exceptions
<b>Cash reserves</b>	No minimum	May be required if rental income used to qualify for 2-4 unit properties
<b>Purchase rehab option</b>	No	

## Fannie Mae – MyCommunityMortgage

	Information	Comments
<b>Geographic area</b>	National	List of lending partners visit <a href="http://www.efanniemae.com">www.efanniemae.com</a>
<b>Ratios</b>	43% with some flexibility	Requires manual underwriting
<b>Maximum income</b>	100% of AMI with some flexibility	Up to 30% of qualified income can be borrower or occupying co-borrower without credit history
<b>Income not considered</b>	Food Stamps, Foster Care	
<b>Rental income</b>	Yes; 75% 2 units, 65% 3-4units	Borrower may not own other property at time of closing.
<b>Gross up non-taxable income</b>	No	
<b>Adjustment to gross income</b>	No	
<b>Maximum loan amount</b>	\$417,000	105% CLTV with Community Seconds only; 97% CLTV with all other subordinate financing
<b>First time homebuyer only</b>	No	
<b>Eligible properties</b>	Owner occupied 1unit, eligible condos, co-ops and PUDs – no manufactured housing	2-4 units owner occupied, no condos, co-ops or manufactured housing
<b>Refinance</b>	No	
<b>Interest rate</b>	Market Rate	
<b>Down payment and/or closing cost assistance program</b>	Acceptable source of funds include family gift, grant or loan from non profit, municipality or employer.	
<b>Buyer's minimum investment</b>	\$0; Max LTV 97% 1-2 units	Max LTV 2 -4 units 97%; Max LTV 3-4 unit 95%
<b>Mortgage insurance</b>	Required when LTV > 80%	Up to 97% LTV including financed MI
<b>Additional closing costs</b>		
<b>Work history</b>	Verifiable income	
<b>Credit history</b>	Minimum 640 credit score for 1-2 units; Alternative credit allowed max LTV reduced to 95%	Minimum 680 credit score for 3-4 units
<b>Chapter 7</b>	Depends on product guidelines	
<b>Chapter 13</b>	Depends on product guidelines	
<b>Liens</b>	Depends on product guidelines	
<b>Foreclosure</b>	Depends on product guidelines	
<b>Judgments</b>	Depends on product guidelines	
<b>Collection accounts</b>	Depends on product guidelines	
<b>Education requirements</b>	First time buyers or if all buyers have nontraditional credit	At Least one buyer must attend.
<b>Amortization</b>	Full amortized fixed rate	Up to 40 year fixed rate mortgage term
<b>Cash reserves</b>	No minimum	2 months PITI for 2-4 unit properties
<b>Purchase rehab option</b>	No	

## FHA - 203b, 203(k) Streamlined

	Information	Comments
<b>Geographic area</b>	Nationwide	To find lenders visit <a href="http://www.hud.gov/ll/code/llscrit.cfm">/www.hud.gov/ll/code/llscrit.cfm</a>
<b>Ratios</b>	31 / 43	Must demonstrate compensating factors to exceed percentages.
<b>Maximum income</b>	None	
<b>Income not considered</b>	Food Stamps	
<b>Rental income</b>	Yes	With proper documentation
<b>Gross up non-taxable income</b>	Yes	
<b>Adjustment to gross income</b>	None	
<b>Maximum loan amount</b>	\$365,000 Metro Area until 12/31/2009	Cook County 296,250; all others \$271,050 until 12/31/2009
<b>First time homebuyer only</b>	No	Borrower cannot own other property as primary residence.
<b>Eligible properties</b>	1-4 units, condos, townhomes, manufactured housing	Must meet FHA appraisal standards
<b>Refinance</b>	Yes	Streamline and cash-out refinance (85% limit).
<b>Interest rate</b>	Market Rate	
<b>Down payment and/or closing cost assistance program</b>	American Dream Down Payment Initiative See <a href="http://www.hud.gov">www.hud.gov</a> , Lenders, Keywords, and Closing Costs.	Pre-approved programs are allowed; must have HUD approval letter. Gifts OK per guidelines. Funds from instrumentality of Governments per HB 4155. IRS Tax Credit see ML 2009-15 expires 12/1/09.
<b>Buyer's minimum investment</b>	See handbook 4155.1 Rev-5 & Mortgagee letter 2008-23	Minimum cash investment to be 3.5% effective 1/1/09
<b>Mortgage insurance</b>	Upfront 1.75 %, 1.50% Monthly .50%, .55% and .25% See mortgagee letter 2008-22	To cancel monthly payment, pay minimum 5 years and achieved 78% LTV.
<b>Additional closing costs</b>	Yes	The seller may contribute up to six percent of the property's sales price toward closing costs and pre-paid.
<b>Work history</b>	2 years verifiable income	Salaries and wage income must be verifiable and stable over the past two years.
<b>Credit history</b>	Non-traditional accepted	Non-traditional credit: must have three sources: rent receipts, utility payments, telephone or cable bills, or other sources of credit or services for which the borrower has/had a regular financial obligation.
<b>Chapter 7</b>	At least 2 full years since discharged	Re-establish good credit 12-month history.
<b>Chapter 13</b>	At least 1 full year into established repayment plan.	Re-establish good credit 12-month history.
<b>Liens</b>	Paid in full.	No exceptions.
<b>Foreclosure</b>	36 months from date claim was paid.	Extenuating circumstances can grant exception.
<b>Judgments</b>	Paid in full	Satisfied prior to endorsement.
<b>Collection accounts</b>	Explanation of collection account required	
<b>Education requirements</b>	No	Encouraged
<b>Amortization</b>	15 to 30 year fixed rate	Maximum term is 30 years; other shorter loan terms are available.
<b>Cash reserves</b>	1-2 units: \$0. 3-4 units: 3 months PITI	
<b>Purchase rehab option</b>	Yes. 203(k) Streamlined allows up to \$35,000 added to the loan balance, placed in escrow. Acquisition + plus rehab cannot exceed 110% expected market value.	To be used for repairs outline in Mortgagee Letter 2005-50. Rehab more than \$15k must be inspected by lender prior to draw.

## Freddie Mac - Home Possible (97/100 Mortgages & 97/100 Neighborhood Solutions)

	Information	Comments
<b>Geographic area</b>	National	<a href="http://www.freddiemac.com">www.freddiemac.com</a>
<b>Ratios</b>	43% with some flexibility	
<b>Maximum income</b>	100% of AMI; higher for high cost area	
<b>Income not considered</b>	Food Stamps, Foster Care	
<b>Rental income</b>	Yes; boarder	Borrower may not own other property at time of closing.
<b>Gross up non-taxable income</b>	No	
<b>Adjustment to gross income</b>	No	
<b>Maximum loan amount</b>	\$417,000	1 unit 97% LTV; CLTV 105% with secondary financing. 2-4 units 95% LTV; CLTV 100% with secondary financing
<b>First time homebuyer only</b>	No	
<b>Eligible properties</b>	1-4 units primary residences included condos and PUDs; restrictions for manufactured homes	
<b>Refinance</b>	Yes. No cash out refinance	
<b>Interest rate</b>	Market Rate	
<b>Down payment and/or closing cost assistance program</b>	1 unit 3% of value; 2-4 units of value	Allows affordable seconds and gifts.
<b>Buyer's minimum investment</b>	\$0; 100% -97% LTV ; 100% requires 700 credit score	2-4 units 95% LTV; 2-4 units 3% borrower contribution
<b>Mortgage insurance</b>	Required when LTV > 80%	
<b>Additional closing costs</b>		
<b>Work history</b>	Verifiable income	
<b>Credit history</b>	CLTV greater than 97% must have 700 credit score	Nontraditional credit accepted. Less than perfect credit accepted
<b>Chapter 7</b>	Depends on product guidelines	
<b>Chapter 13</b>	Depends on product guidelines	
<b>Liens</b>	Depends on product guidelines	
<b>Foreclosure</b>	Depends on product guidelines	
<b>Judgments</b>	Depends on product guidelines	
<b>Collection accounts</b>	Depends on product guidelines	
<b>Education requirements</b>	First time buyers	At least one borrower must attend. 2-4 units at least one borrower must attend landlord education program.
<b>Amortization</b>	Full amortized fixed rate	Up to 40 year fixed rate mortgage term
<b>Cash reserves</b>	0-1 month depending on product guidelines; may be gifted funds.	Required for 2-4 unit properties
<b>Purchase rehab option</b>	No	

## Minnesota Housing - Community Activity Set Aside Program (CASA)

The Community Activity Set Aside (CASA) program provides partnerships with access to pools of Minnesota Housing funds that enables these partnerships to meet specific local homeownership credit needs. The partnerships consist of lenders, local government and nonprofit housing providers. Homebuyers can obtain CASA loans through Minnesota Housing participating lenders. The CASA program requires partnerships receiving CASA funds to target the funds and/or provide subsidies to complement the program efforts.

### Eligibility Requirements:

Borrowers are eligible for CASA if they meet the following criteria:

- Are a first-time homebuyer
- Have federal income tax return copies for the last 3 years
- Have acceptable credit
- Have an income at or below prescribed Minnesota Housing income limits and want to buy a qualifying home
- Qualify as an eligible targeted market for one of the CASA Community Initiatives in either the Twin Cities Metro Area or Greater Minnesota
- Home Stretch Workshop training or its equivalent required

### Income & Purchase Price Limits

Visit Minnesota Housing's website at [http://www.mnhousing.gov/consumers/home-buyers/loans/MHFA\\_000469.aspx](http://www.mnhousing.gov/consumers/home-buyers/loans/MHFA_000469.aspx) and click on Minnesota Housing Mortgage Loan Programs Income and Home Cost Limits to determine the maximum income limits and purchase price limits.

### Twin Cities Metro Area

Target Counties: Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, Wright.  
For Lenders in Twin Cities Metro Area supported by CASA Initiatives visit:

[http://www.mnhousing.gov/idc/groups/homes/documents/webcontent/mhfa\\_002214.pdf](http://www.mnhousing.gov/idc/groups/homes/documents/webcontent/mhfa_002214.pdf)

### Greater Minnesota

Target Counties: Aitkin, Beltram, Benton, Blue Earth, Cass, Clay, Crow Wing, Douglas, Goodhue, McLeod, Morrison, Nicollet, Olmsted, Ottertail, Pine, Rice, St. Louis, Stearns, Steele

For Lenders in Greater Minnesota supported by CASA Initiatives visit:

[http://www.mnhousing.gov/idc/groups/homes/documents/webcontent/mhfa\\_002214.pdf](http://www.mnhousing.gov/idc/groups/homes/documents/webcontent/mhfa_002214.pdf)

## Minnesota Housing - Minnesota Mortgage Program (MMP)

	Information	Comments
<b>Geographic area</b>	Statewide	
<b>Ratios</b>	Depends on product guidelines (FHA, VA, Etc.)	
<b>Maximum income</b>	11 Co Metro - \$67,200 Olmstead Co. - \$62,300 Balance of State - \$58,400	1 – 4 in household
<b>Income not considered</b>	Food stamps, foster care	Food stamps and foster care may be used for qualifying / underwriting depending on product guidelines (FHA, VA, Etc.)
<b>Rental income</b>	Yes	Eligibility only, net income after expenses.
<b>Gross up non-taxable income</b>	No	
<b>Adjustment to gross income</b>	No	
<b>Maximum loan amount</b>	Maximum Home Price: 11 Co Metro - \$298,125 Balance of State - \$237,031	Purchase price (new and existing) in 11-county metro. Maximum appraised value: \$344,531 in the 11 county metro.
<b>First time homebuyer only</b>	Yes	
<b>Eligible properties</b>	Single family homes, duplexes, condos and townhomes	No mobile homes. Duplexes must have been used as a residence for five years. Cannot use more than 15% exclusively for business.
<b>Refinance</b>	No	
<b>Interest rate</b>	Based on MMP Government/ MMP Conventional rates	Visit: <a href="http://www.mnhousing.gov">http://www.mnhousing.gov</a>
<b>Down payment and/or closing cost assistance program</b>	Entry cost assistance	Entry cost: \$3,000 maximum.
<b>Buyer's minimum investment</b>	Depends on product guidelines (FHA, VA, Etc.)	\$500 for borrowers receiving HAF
<b>Mortgage insurance</b>	Yes	If LTV>80%
<b>Additional closing costs</b>	None	
<b>Work history</b>	Depends on product guidelines (FHA, VA, Etc.)	
<b>Credit history</b>	Depends on product guidelines (FHA, VA, Etc.)	Non-traditional credit: rent receipts, utility payments, telephone or cable bills, or other sources of credit or services for which the borrower has/had a regular financial obligation.
<b>Chapter 7</b>	Depends on product guidelines (FHA, VA, Etc.)	
<b>Chapter 13</b>	Depends on product guidelines (FHA, VA, Etc.)	
<b>Liens</b>	Depends on product guidelines (FHA, VA, Etc.)	
<b>Foreclosure</b>	Depends on product guidelines (FHA, VA, Etc.)	
<b>Judgments</b>	Depends on product guidelines (FHA, VA, Etc.)	
<b>Collection accounts</b>	Depends on product guidelines (FHA, VA, Etc.)	
<b>Education requirements</b>	Yes, if Fannie Mae MyCommunity Mortgage or Freddie Mac Home Possible	One buyer required. Additional buyers dependent on program. Highly recommended for all borrowers.
<b>Amortization</b>	15, 20, 25 or 30 years	
<b>Cash reserves</b>	Depends on product guidelines (FHA, VA, Etc.)	If receiving HAF, no more than the lesser of 6 months PITI or \$5,000 in liquid assets after closing.
<b>Purchase rehab option</b>	No	

## Minnesota Housing – Homeownership Opportunity Program (HOP)

HOP provides short-term, temporary financing for the acquisition and rehabilitation of vacant properties in, or in imminent danger of foreclosure, and for properties in a foreclosure impacted area. These loans are taken out by standard first mortgage products when the rehabilitation is completed.

### Borrower Eligibility:

An owner occupant with a total income less than \$93,100 and pre-approved for a first mortgage sufficient to take out the HOP loan.

### Property Eligibility:

Not in mortgageable condition and a single family detached, zero lot line town home, owner occupied duplex, manufactured home on a permanent foundation, AND be vacant as the result of foreclosure or be in imminent danger of foreclosure with a negotiated short sale or be in a foreclosure impacted area.

### Homeownership Opportunity Program (HOP) Lenders:

Lending Partner	Contact Name	Telephone Number	Area
Greater Metropolitan Housing Corporation	Suzanne Snyder	612-339-0601, ext. 23	11-County Metro
Dayton's Bluff Neighborhood Housing Services	Zong Vang	651-774-9064	11-County Met

## M&I Bank – Neighborhood Home Loan Program (NHLP)

	Information	Comments
<b>Geographic area</b>	Statewide	
<b>Ratios</b>	>680= 45% <680 = 40%	Based on credit score
<b>Maximum income</b>	100% of HUD Median Income adjusted for household size.	Contact lender for specific requirements.
<b>Income not considered</b>	Food stamps, foster care	Child support considered if it will continue for three or more years.
<b>Rental income</b>	Not allowed	Rental not considered as income, but up to 75% may be used to reduce PITI.
<b>Gross up non-taxable income</b>	Yes, up to 25%	
<b>Adjustment to gross income</b>	100% of HUD Median Income adjusted for household size.	Contact lender for specific requirements.
<b>Maximum loan amount</b>	None	
<b>First time homebuyer only</b>	No	Cannot own other real estate.
<b>Eligible properties</b>	1-4 Family units, primary residence, Condos, PUDs	
<b>Refinance</b>	Limited basis, based on hardship	
<b>Interest rate</b>	Market Rate	
<b>Down payment and/or closing cost assistance program</b>	Grants, gifts from family members or seller paid allowed.	
<b>Buyer's minimum investment</b>	3%, 5% for multi family	Does not have to come directly from buyer (can be non-profit grant or gifted.)
<b>Mortgage insurance</b>	None	
<b>Additional closing costs</b>	None	
<b>Work history</b>	Minimum 2 years verifiable	
<b>Credit history</b>	Non-traditional credit history accepted.	Twelve-month history from at least four sources (rental, insurance, utilities, or other source of credit or service for which the borrower(s) have regular financial obligation.)
<b>Chapter 7</b>	Minimum of 4 years since discharge.	Must have reestablished credit.
<b>Chapter 13</b>	Minimum of 4 years since discharge.	Must have reestablished credit.
<b>Liens</b>	Paid in full.	
<b>Foreclosure</b>	Not allowed	
<b>Judgments</b>	Paid in full.	Written explanation required.
<b>Collection accounts</b>	Paid in full.	Written explanation required.
<b>Education requirements</b>	No	Education weighs positively as a compensating factor.
<b>Amortization</b>	15 or 30 years	
<b>Cash reserves</b>	None	If receiving HAF, no more than the lesser of 6 months PITI or \$5,000 in liquid assets after closing.
<b>Purchase rehab option</b>	No	

## US Bank Home Mortgage – American Dream

	Information	Comments
<b>Geographic area</b>	Statewide	
<b>Ratios</b>	41% single family; 36% on duplex	Higher housing ratio may be considered.
<b>Maximum income</b>	80% of median, total household income.	No income limit if purchasing in a low/mod census tract. Maximum may vary if using assistance.
<b>Income not considered</b>	Self-employed, part-time income over one year.	
<b>Rental income</b>	Yes	75% can be used with history
<b>Gross up non-taxable income</b>	Yes	
<b>Adjustment to gross income</b>	25%	
<b>Maximum loan amount</b>	Standard Fannie / Freddie conforming limits	Maximum conforming limits.
<b>First time homebuyer only</b>	No	Cannot own other property
<b>Eligible properties</b>	1-2 units, condos, townhomes	Primary residence only
<b>Refinance</b>	Yes, rate and term only. Contract for Deed allowed with 1 year of on time payment history	Case by case basis only.
<b>Interest rate</b>	At or below market rate.	Contact Lender for details.
<b>Down payment and/or closing cost assistance program</b>	\$3,000 USBHM assistance	\$3000 Acquisition Assistance, \$2,500 Rehab Gap Assistance.
<b>Buyer's minimum investment</b>	\$1,000	Minimum investment must be from borrower's own sources.
<b>Mortgage insurance</b>	No	Portfolio loan
<b>Additional closing costs</b>	No	Seller can pay on behalf of the buyer up to 5%
<b>Work history</b>	Minimum 1 year continuous stable income	Minimum 1 yr. continuous stable income, 1 yr. self-employment or commissioned income. Bank will evaluate likelihood of the continuation of public assistance & part-time income.
<b>Credit history</b>	Non-traditional credit history accepted. FICO < 575 requires 2years clean credit history	Non-traditional credit: must have three sources: rent receipts, utility payments, telephone or cable bills, or other sources of credit or services for which the borrower has/had a regular financial obligation
<b>Chapter 7</b>	At least 2 full years since discharge	Must have re-established credit & current situation is such that the events that led to the bankruptcy are <b>not</b> likely to reoccur.
<b>Chapter 13</b>	At least 1 full year since discharge	CCCS will be considered after one year in the program with no late payments and all other credit current.
<b>Liens</b>	Paid in full	No exceptions
<b>Foreclosure</b>	3 years from foreclosure sale	A letter of explanation is required and borrower must prove credit has been re-established
<b>Judgments</b>	Paid in full	Third party verification required.
<b>Collection accounts</b>	Paid in full	Paid in full prior to application or documentation proving participation in a repayment plan for 6 months with creditor.
<b>Education requirements</b>	Yes, all borrowers	
<b>Amortization</b>	15 to 30 years	
<b>Cash reserves</b>	Not required	
<b>Purchase rehab option</b>	Yes. Rehab inspection required. Acquisition + rehab cannot exceed 97% of excepted market value. Rehab must be complete within 60days of closing.	Repair Escrow Feature available: Health/safety repairs equaling at or below \$5,000 may be financed into the loan amount.

## US Bank Home Mortgage – Barrier Buster

	Information	Comments
<b>Geographic area</b>	Statewide	
<b>Ratios</b>	45%	45% verified income. 41% using a combination of verified and stated income, or when non-occupant co-borrower income is used.
<b>Maximum income</b>	120% of median	No income limit if purchasing in a Concentrated Area (non-white population of 50% or more)
<b>Income not considered</b>	Trailing spouse income, stated income	
<b>Rental income</b>	Yes	75% can be used with history
<b>Gross up non-taxable income</b>	Yes	
<b>Adjustment to gross income</b>	25%	
<b>Maximum loan amount</b>	Standard Fannie / Freddie conforming limits	
<b>First time homebuyer only</b>	No	Cannot own other property
<b>Eligible properties</b>	1-2 primary residences, condos & townhomes	Co-ops, manufactured homes and unwarranted Condo's are ineligible.
<b>Refinance</b>	Yes	First loan must have been purchase money "A" quality
<b>Interest rate</b>	MI included in rate	Contact Lender for details.
<b>Down payment and/or closing cost assistance program</b>	Allowed	Funds for down payment / closing cost assistance may be from gift, agency grant or affordable seconds.
<b>Buyer's minimum investment</b>	\$0;	
<b>Mortgage insurance</b>	Required if LTV < 80%	
<b>Additional closing costs</b>	No	
<b>Work history</b>	Minimum 2 years continuous stable income	Emphasis is placed on income stability versus employment stability.
<b>Credit history</b>	Must have traditional credit history.	
<b>Chapter 7</b>	At least 4 full years since discharge	Must have re-established credit & current situation is such that the events that led to the bankruptcy are <b>not</b> likely to reoccur.
<b>Chapter 13</b>	At least 2 full years since discharge	Re-established credit history
<b>Liens</b>	Paid in full	No exceptions
<b>Foreclosure</b>	4 years from foreclosure sale	A letter of explanation is required and borrower must prove credit has been re-established
<b>Judgments</b>	Paid in full	Third party verification required.
<b>Collection accounts</b>	Paid in full	Paid in full prior to application or documentation proving participation in a repayment plan for 6 months with creditor.
<b>Education requirements</b>	First time buyer; at least one buyer must attend before closing.	All borrowers purchasing 2 unit dwellings must participate in landlord education/counseling.
<b>Amortization</b>	20, 30, 40 years	Fixed Rate Only
<b>Cash reserves</b>	Single unit: none; 2 unit: 1 month	Must come from borrowers own funds
<b>Purchase rehab option</b>	No	

## USDA Rural Development 502 Direct

	Information	Comments
<b>Geographic area</b>	Statewide, Non-metro	Eligible communities: population >20,000 Go to <a href="http://www.rurdev.usda.gov/rhs/">http://www.rurdev.usda.gov/rhs/</a> and click on "Income and Property Eligibility"
<b>Ratios</b>	29 / 41	Must be unable to obtain mortgage loan elsewhere
<b>Maximum income</b>	80% of median income for low; 50% of median income for very low	Go to <a href="http://www.rurdev.usda.gov/mn/index.htm">http://www.rurdev.usda.gov/mn/index.htm</a> and click on "Direct Single Family Housing Loans."
<b>Income not considered</b>		
<b>Rental income</b>	Property must be owner occupied	
<b>Gross up non-taxable income</b>	Compensating factor up to 120%	Requires next level supervisor approval.
<b>Adjustment to gross income</b>	See comments. Adjusted for household size	Deduct \$400 for elderly household and a portion of medical expenses; \$480 per child under 18 years old and daycare expenses; to qualify
<b>Maximum loan amount</b>	MN area loan limits vary, check with respective area office	Can be participation loan (second) with another lender as first
<b>First time homebuyer only</b>	No	
<b>Eligible properties</b>	Single family modest homes, new manufactured homes, townhouses	
<b>Refinance</b>	No	
<b>Interest rate</b>	Currently 4.625 (can change monthly)	Subsidy subject to recapture
<b>Down payment and/or closing cost assistance program</b>	100% of appraised value can be financed: Zero down, closing costs may be financed	Payment subsidy may be available
<b>Buyer's minimum investment</b>	None	
<b>Mortgage insurance</b>	No	
<b>Additional closing costs</b>	No	
<b>Work history</b>	Minimum 2 years continuous stable income	Self-employment income with 2-year history.
<b>Credit history</b>	Non-traditional credit history accepted.	Must be unable to obtain mortgage loan elsewhere, but have reasonable credit history
<b>Chapter 7</b>	At least 3 full years since discharge	Mitigating circumstances are considered, waivers allowed
<b>Chapter 13</b>	At least 3 full years since discharge	Mitigating circumstances are considered, waivers allowed
<b>Liens</b>	None	
<b>Foreclosure</b>	3 years from foreclosure sale	
<b>Judgments</b>	Paid in full	Paid in full, 12 months before application
<b>Collection accounts</b>	Paid in full	Paid in full, 6 months before application
<b>Education requirements</b>	Required for first time buyer	
<b>Amortization</b>	33 years; 30years for manufactured homes	Other terms depending on qualifications.
<b>Cash reserves</b>	Excess assets above \$20,000 for elderly; \$15,000 for non-elderly used towards home / closing costs	
<b>Purchase rehab option</b>	Yes. Acquisition + rehab cannot exceed 100% of the expected market value. Rehab must be complete within 12 months of closing.	Only necessary repairs allowed. Lender must approve home, scope of work and contractor.

## USDA Rural Development 502 Guaranteed Loans

	Information	Comments
<b>Geographic area</b>	Statewide, Non-metro	Eligible communities: population of >20,000 Go to <a href="http://www.rurdev.usda.gov/rhs/">http://www.rurdev.usda.gov/rhs/</a> and click on "Income and Property Eligibility"
<b>Ratios</b>	29 / 41	
<b>Maximum income</b>	115% of the median income for the area	Go to <a href="http://www.rurdev.usda.gov/mn/index.htm">http://www.rurdev.usda.gov/mn/index.htm</a> and click on Guaranteed Single Family Housing Loans"
<b>Income not considered</b>		
<b>Rental income</b>	Property must be owner occupied	
<b>Gross up non-taxable income</b>	15% to 25%	Check with investor
<b>Adjustment to gross income</b>	\$480 per dependent child plus child care expenses	
<b>Maximum loan amount</b>	No maximum amount; loan is based on affordability ratios	
<b>First time homebuyer only</b>	No	
<b>Eligible properties</b>	Single family dwelling, new manufactured, townhouses and condos	Can be used to build, repair, renovate or relocate a home, or to purchase and prepare sites, including providing water and sewage facilities.
<b>Refinance</b>	Only on loans that are currently Guaranteed or 502 Direct	
<b>Interest rate</b>	May not exceed Fannie Mae 90-day + 6/10 <sup>th</sup>	
<b>Down payment and/or closing cost assistance program</b>	100% of appraised value can be financed; zero down, closing costs can be financed	
<b>Buyer's minimum investment</b>	No minimum	
<b>Mortgage insurance</b>	No	
<b>Additional closing costs</b>	2% guarantee fee	
<b>Work history</b>	Minimum 2 years continuous stable income	
<b>Credit history</b>	Non-traditional credit history accepted.	
<b>Chapter 7</b>	At least 3 full years since discharge	Mitigating circumstances are considered; waivers allowed
<b>Chapter 13</b>	At least 3 full years since discharge	Mitigating circumstances are considered; waivers allowed
<b>Liens</b>	None	No liens can appear on credit report. Mortgage must have first lien, seconds are allowed
<b>Foreclosure</b>	3 years from foreclosure sale	
<b>Judgments</b>	Paid in full or subordinated	Mortgage requires first lien
<b>Collection accounts</b>	Paid in full, unless FICO is 620+	No accounts turned to collection in last 12 months
<b>Education requirements</b>	Homebuyer education not required	May be required by other agencies if using HOA funds
<b>Amortization</b>	30 years	
<b>Cash reserves</b>	None	
<b>Purchase rehab option</b>	No	

## Wells Fargo Bank – Community Development Mortgage Program

	Information	Comments
<b>Geographic area</b>	Statewide	
<b>Ratios</b>	42 %	
<b>Maximum income</b>	80% of median income, based on family size	Use specific county median
<b>Income not considered</b>	Rental income	
<b>Rental income</b>	No	
<b>Gross up non-taxable income</b>	Yes	25% for child support, Social Security, SSI, Public Assistance, Workers Comp and Food Stamps.
<b>Adjustment to gross income</b>	25% on non-taxable income	
<b>Maximum loan amount</b>	None	
<b>First time homebuyer only</b>	No	Applicants who presently own real estate not eligible unless they sell the property and transfer title. No investment property allowed.
<b>Eligible properties</b>	One and two family residences, Condos, Townhouses, Manufactured Homes	Must be owner-occupied and principal residence of all buyers. No twin-homes.
<b>Refinance</b>	No	
<b>Interest rate</b>	Market Rate	
<b>Down payment and/or closing cost assistance program</b>	Wells Fargo approved DAPS	Max – CLTV: 105%
<b>Buyer's minimum investment</b>	HCFG Market Class 2: 98% LTV; Market Class 3: 97% LTV; Market Class 4: 96%LTV	Gift or down payment loan. Max CLTV: 105% Contact WF Mortgage Consultant for County Status.
<b>Mortgage insurance</b>	No	
<b>Additional closing costs</b>	No	Maximum sellers' contribution is 6%. Cannot be used for down payment.
<b>Work history</b>	Minimum 1 year continuous stable income	Jobs held do not require similar or direct relation employment
<b>Credit history</b>	Minimum score 620 consisting of at least 3 trade lines. Nontraditional accepted	Non-traditional credit: rent receipts, utility payments, telephone or cable bills, or other sources of credit or services for which the borrower has a regular financial obligation.
<b>Chapter 7</b>	At least 2 full year since discharge	Borrowers must have re-established credit in the past 12-18 months, and demonstrated that current situation is such that the events that led to the bankruptcy are not likely to reoccur.
<b>Chapter 13</b>	At least 2 full years since discharge	Discharged at least 2 year. See comment for Chapter 7
<b>Liens</b>	Maximum \$500 unpaid at application. Accounts over \$500 must be paid 24months prior to application.	Must be satisfied before closing. Wells Fargo charge off results in automatic denial.
<b>Foreclosure</b>	3 years since discharge	No exceptions
<b>Judgments</b>	Maximum \$500 unpaid at application. Accounts over \$500 must be paid 24months prior to application.	Must be satisfied before closing. Wells Fargo charge off results in automatic denial.
<b>Collection accounts</b>	Maximum \$500 unpaid at application. Account over \$500 must be paid 24months prior to application.	Must be satisfied prior to closing. Wells Fargo charge-off results in automatic denial.
<b>Education requirements</b>	Yes	At least one buyer must attend all sessions.
<b>Amortization</b>	30 years fixed	
<b>Cash reserves</b>	No	
<b>Purchase rehab option</b>	No	

## Wells Fargo Bank – Neighborhood Community Development Mortgage Program

	Information	Comments
<b>Geographic area</b>	Determined by <a href="http://www.ffiec.gov/geocode/default.aspx">www.ffiec.gov/geocode/default.aspx</a> Low to moderate census tract	HMC enters address to determine if in a LMI tract
<b>Ratios</b>	42 %	
<b>Maximum income</b>	No	
<b>Income not considered</b>	Rental income	
<b>Rental income</b>	No	
<b>Gross up non-taxable income</b>	Yes	25% for child support, Social Security, SSI, Public Assistance, Workers Comp and Food Stamps
<b>Adjustment to gross income</b>	25% on non-taxable income	
<b>Maximum loan amount</b>	\$250,000	
<b>First time homebuyer only</b>	No	Applicants who presently own real estate not eligible unless they sell the property and transfer title.
<b>Eligible properties</b>	One and two family residences, Condos and Townhouses, Manufactured Homes	Must be owner-occupied and principal residence of all buyers. No twin homes. No investment properties
<b>Refinance</b>	No	
<b>Interest rate</b>	Market Rate	
<b>Down payment and/or closing cost assistance program</b>	Wells Fargo Approved DAPS	Max – CLTV: 105%
<b>Buyer's minimum investment</b>	HCFG Market Class 2: 98% LTV; Market Class 3: 97% LTV; Market Class 4: 96%LTV	Gift or down payment loan. Max CLTV: 105% Contact WF Mortgage Consultant for County Status.
<b>Mortgage insurance</b>	No	
<b>Additional closing costs</b>	No	Maximum sellers' contribution is 6%. Cannot be used for down payment.
<b>Work history</b>	Minimum 1 year continuous stable income	Jobs held do not require similar or direct relation employment
<b>Credit history</b>	Minimum score 680 consisting of at least 3 trade lines. Nontraditional accepted	Non-traditional credit: rent receipts, utility payments, telephone or cable bills, or other sources of credit or services for which the borrower has a regular financial obligation.
<b>Chapter 7</b>	At least 2 full year since discharge	Borrowers must have re-established credit and demonstrated that current situation is such that the events that led to the bankruptcy are not likely to reoccur.
<b>Chapter 13</b>	At least 2 full year since discharge	Discharged at least 2 year. See comment for Chapter 7
<b>Liens</b>	Maximum \$500 unpaid at application. Accounts over \$500 must be paid 24months prior to application.	Must be satisfied before closing. Wells Fargo charge off results in automatic denial.
<b>Foreclosure</b>	3 years since discharge	No exceptions
<b>Judgments</b>	Maximum \$500 unpaid at application. Accounts over \$500 must be paid 24months prior to application.	Must be satisfied before closing. Wells Fargo charge off results in automatic denial.
<b>Collection accounts</b>	Maximum \$500 unpaid at application. Account over \$500 must be paid 24months prior to application.	Must be satisfied prior to closing. Wells Fargo charge-off results in automatic denial.
<b>Education requirements</b>	Yes, one borrower	At least one buyer must attend all sessions.
<b>Amortization</b>	30 years fixed	
<b>Cash reserves</b>	Yes	2 months PITI
<b>Purchase rehab option</b>	No	