

HomeReady Quick Reference Guide

General Eligibility	Yes	No
Is the HomeReady program limited to first time homebuyers?		X
Are 1-4 unit owner-occupied properties eligible	X	
Are 1-unit manufactured homes eligible?	X	
Are second home or investment properties eligible?		X
Is 95.01% to 97% LTV limited to first time homebuyers?		X
Are high balance loan amounts eligible at 95.01% to 97% LTV?		X
Are high balance loan amounts eligible < 95% LTV?	X	
Do specific requirements apply at 95.01% to 97% LTV?	X (refer to guides)	
Can a HomeReady loan be combined with a HomeStyle loan?	X	
Income	Yes	No
Do the program income limits apply to all areas, including low-income census tracts?	X	
Is boarder income (if applicable) considered when determining program income limit eligibility?	X	
Is boarder income eligible on both purchase and rate/term refis?	X	
Is accessory unit income (if applicable) considered when determining program income limit eligibility?	X	
Is accessory unit income eligible on both purchase and rate/term refis?	X	
Is boarder/accessory unit income paid to third party and not the borrower eligible for qualifying?		X
Is a non-borrower household member's income considered when determining income limit eligibility?		X
Is a non-occupant co-borrower's income allowed for qualifying?	X	
Subordinate Financing	Yes	No
Is 105% CLTV eligible when not using a Community Seconds program?		X (max. 97% CLTV)
Is seller-held subordinate financing eligible?		X
Cash-on-Hand	Yes	No
Is cash-on-hand eligible?	X	
Is cash-on-hand eligible for 2-4 unit properties?		X (1-unit properties only)
Is cash-on-hand eligible for down payment, funds to close and prepaid items?	X	
Is cash-on-hand eligible to satisfy reserve requirements (if required)?		X
Can cash-on-hand be borrowed funds?		X
Is cash-on hand that is not deposited into a financial institution/escrow at least 30 days prior to the Note date eligible?		X

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Borrower Own Funds Contribution	Yes	No
Is there a borrower own funds minimum contribution on a 1-unit property regardless of LTV?		X
Is there a borrower own funds requirements on 2-4 unit properties with an LTV > 80?	X (3%)	
Miscellaneous	Yes	No
Is manual underwriting eligible?		X (DU "Approve/Eligible" only)
Are transactions where no borrower has a credit score eligible?		X
Are transactions where only one borrower has a credit score, traditional credit and is contributing > 50% of qualifying income eligible?	X	
Is pre-purchase housing education required on purchase transactions?	X	
Is the MI coverage at 90.01% - 97% LTV lower than standard loans?	X (25%)	