

Home Possible Reference Guide

General Eligibility	Yes	No
Is the Home Possible program limited to first time homebuyers?		X
Are 1-4 unit owner-occupied properties eligible * *see guides for 2-4 unit LTV limits	X > 95% LTV 1-unit only	
Are 1-unit manufactured homes eligible?	X Max. 95% LTV	
Are second home or investment properties eligible?		X
Is 97% LTV eligible?	X	X
Are 95.01% to 97% LTV purchase transactions limited to first time homebuyers?		X
When doing a refinance at 97% LTV does the current loan have to be owned by Freddie Mac?		X
Are super conforming loan amounts eligible?	X ≤ 95% LTV	X >95% LTV
Income	Yes	No
Do the program income limits apply to all areas, including low-income census tracts?	X	
Is rental income (aka boarder income) allowed for qualifying on a 1-unit property?	X (see guides)	
Is rental/boarder income eligible on both purchase and rate/term refis?	X	
Is rental income allowed for qualifying on a 2-4 unit property?	X	
Subordinate Financing	Yes	No
Is 105% CLTV eligible when using an Affordable Second program?	X	
Are standard subordinate financing options eligible (including HELOC)	X Up to 97% LTV	
Cash-on-Hand	Yes	No
Is cash-on-hand eligible?	X	
Is cash-on-hand eligible for 2-4 unit properties?	X	
Is cash-on-hand eligible for down payment, funds to close, prepaid items, and reserves (if required)?	X	
Can cash-on-hand be borrowed funds?		X
Is cash-on hand that is not deposited into a financial institution/escrow prior to closing eligible?		X
Unsecured Loan as Borrower Funds	Yes	No
Are proceeds from an unsecured loan eligible for borrower funds?	X (see guides)	

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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 to 85%?	X (3%)	
Miscellaneous	Yes	No
Is manual underwriting eligible?		X (LPA "Accept" only)
Is a non-occupant co-borrower eligible?	X	
Are transactions where no borrower has a credit score eligible?		X
Is housing education required for first time homebuyers on purchase transactions?	X	
Is landlord counseling required on a 2-4 unit purchase transaction?	X	
Is the MI coverage at 90.01% - 97% LTV lower than standard loans?	X (25%)	
Can the borrower have an ownership interest in any other residential property?	X	
Is sweat equity eligible?		X