



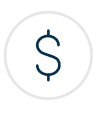





HomeReady Mortgage

Fast facts for lenders

HomeReady® mortgage is an affordable low-down payment mortgage product designed for creditworthy low-income borrowers, with **no first-time homebuyer requirement**.

Borrower Benefits

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|  <p>Low down payment
Up to 97% LTV financing for home purchases.</p> |  <p>Homeownership education
Education and housing counseling options empower borrowers to succeed.</p> |
|  <p>Flexible sources of funds
No minimum borrower contribution required (for 1-unit properties).</p> |  <p>Expanded qualifying options
Rental and boarder income may be considered for qualifying.</p> |
|  <p>Favorable pricing
Most competitive with credit scores \geq 680 and LTV ratios above 80%.</p> |  <p>High CLTV flexibility
CLTV up to 105% for loans with an eligible Community Seconds® transaction.</p> |
|  <p>Affordable and cancellable MI
Reduced MI coverage for LTVs above 90% (up to 97%); cancellable once borrower reaches 20% equity (restrictions apply).</p> |  <p>Supports renovation and refresh
Eligible for HomeStyle® Refresh, manufactured housing, and HomeStyle Renovation (with approved lenders).</p> |

Underwriting Tip

Remember, Desktop Underwriter® (DU®) does not indicate HomeReady eligibility for FHA scenarios. That's why it's a good idea to rerun FHA applications as HomeReady to see if LLPA savings and cancellable MI may benefit your borrower. And, when running conventional loan applications, check the first page of the DU findings for HomeReady eligibility. If your borrower is eligible, you can simply rerun the scenario through DU and select "Community Lending" and "HomeReady" to see potential savings.

Resources

Visit the [HomeReady Mortgage page](#) for more helpful resources:

- Use the [HomeReady Matrix](#) as quick reference for eligibility and requirements.
- See key differences and benefits with the [HomeReady vs. Standard Mortgage Comparison](#).
- Learn to use additional income sources for qualifying through [rental and boarder income flexibilities](#).

NOTE: All criteria are subject to the formal terms and conditions of the Fannie Mae Selling Guide and Servicing Guide. In the event of any conflict with this document, the Selling Guide and/or Servicing Guide will govern.