



MINNESOTA HOME OWNERSHIP CENTER

AFFORDABLE LOAN PRODUCT MATRIX

Single Sheet Product Matrix – February 2010

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 quarterly. 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

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Bremer – Gateway to Homeownership

	Information	Comments
Geographic area	Charter Areas: Alexandria, Brainerd, Grand Forks, International Falls, Twin Cities Metro Area, Moorhead, St. Cloud, Marshall and Willmar.	
Ratios	45%	
Maximum income	80% HUD Area Median	Adjusted by household size. Contact lender for details.
Income not considered	Food Stamps	
Rental income	Yes	Consider 25% vacancy rate
Gross up non-taxable income	Yes	
Adjustment to gross income	No	
Maximum loan amount	Home Price (New and Existing): \$298,125 (11 County Metro) \$237,031 (Balance of State)	
First time homebuyer only	No	
Eligible properties	1-2 units, single family, townhouse or condo. Mobile homes permanently affixed, acreage limited to 15 miles.	
Refinance	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.
Interest rate	Market Rate, Fixed.	
Down payment and/or closing cost assistance program	Allowable from acceptable sources	
Buyer's minimum investment	\$500	Must document down payment funds for 2 months.
Mortgage insurance	No, for a purchase transaction	
Additional closing costs	No	
Work history	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.
Credit history	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.
Chapter 7	At least 2 full years since discharged	
Chapter 13	At least 2 full years in good repayment and must have court approval.	
Liens	Paid in full	
Foreclosure	3 years from foreclosure sale	
Judgments	Paid in full, third-party verification required of reason for default (default must be beyond borrower's control)	
Collection accounts	Paid in full	
Education requirements	Yes, one borrower must complete.	Home Stretch Only.
Amortization	30 years	Escrow required.
Cash reserves	Not required	
Purchase rehab option	Not available	

CityLiving – Minneapolis/ St. Paul

	Information	Comments
Geographic area	City of Minneapolis City of St. Paul (temporarily unavailable) 2/2010	Must be within city limits www.cityliving.org
Ratios	Conventional - AU approval or 41% back if manual UW FHA - 35/34	Expanded ratios may be available. Contact a participating lender staff for details.
Maximum income	Target Area \$92,290 1-3+ household Non Target \$83,900- 1-2 household; \$92,290 – 3+ household	
Income not considered	No food stamps or rental income	
Rental income	Yes, on multi-family homes	75% Rental Income can be used
Gross up non-taxable income	Yes, usually 15-25% depending on tax rate	
Adjustment to gross income	None	
Maximum loan amount	Target Area: 1 unit \$369,160 Non Target: 1 unit \$276,870	Higher Sale Price Limits for 2-4 Units
First time homebuyer only	Yes, except in targeted areas, rehab or contract for Deed	Contract for Deed must have income below \$39,250
Eligible properties	1-4 unit , townhome and condominium	St Paul 2-4 unit bldg must be at least 5 years old
Refinance	Only with substantial rehab and Contract for Deed	
Interest rate	Contact lender for current rate	
Down payment and/or closing cost assistance program	2-4% of mortgage amount; requires higher interest rates	To qualify for 4% must meet additional criterion
Buyer's minimum investment	Conventional - \$500 FHA/VA - \$500	Property can be subject to "declining value" rules
Mortgage insurance	Yes VA – Funding Fee	Conventional – If LTV is over 80% VA- all unless an exempt rules vet
Additional closing costs	\$225 City Living Bond application fee and possible tax service fee \$75	
Work history	Conventional, FHA or VA underwriting criteria	Usually 2 years full time
Credit history	Non-traditional credit may be accepted properly documented	4 sources including rent
Chapter 7	Conventional – 4 years re-established FHA/VA – 2 Years re-established	
Chapter 13	Conventional – 4 years re-established FHA/VA – 2 Years re-established	
Liens	Paid in full	
Foreclosure	3 years from foreclosure sale	
Judgments	Must be paid in full	
Collection accounts	Underwriters discretion	Usually \$2500 total
Education requirements	Home Stretch Required	Must be completed and get certificate prior to closing
Amortization	30 years	
Cash reserves	Depends on Product Guidelines	
Purchase rehab option	Yes. Acquisition + Rehab cannot exceed 100% of excepted property value; rehab must start 45days after closing and completed with 6months	

Fannie Mae – MyCommunityMortgage

	Information	Comments
Geographic area	National	List of lending partners visit www.efanniemae.com
Ratios	43% with some flexibility	Requires manual underwriting
Maximum income	100% of AMI with some flexibility	Up to 30% of qualified income can be boarder or occupying co-borrower without credit history
Income not considered	Food Stamps, Foster Care	
Rental income	Yes; 75% 2 units, 65% 3-4units	Borrower may not own other property at time of closing.
Gross up non-taxable income	No	
Adjustment to gross income	No	
Maximum loan amount	\$417,000	105% CLTV with Community Seconds only; 97% CLTV with all other subordinate financing
First time homebuyer only	No	
Eligible properties	Owner occupied 1unit, eligible condos, co-ops and PUDs – no manufactured housing	2-4 units owner occupied, no condos, co-ops or manufactured housing
Refinance	No	
Interest rate	Market Rate	
Down payment and/or closing cost assistance program	Acceptable source of funds include family gift, grant or loan from non profit, municipality or employer.	CLTV max 105% with community seconds only; 97% with subordinate financing
Buyer's minimum investment	\$0; Max LTV 97% 1 units	Max LTV 95%f or 2, 3 or 4 units
Mortgage insurance	Required when LTV > 80%	Up to 97% LTV including financed MI
Additional closing costs		
Work history	Verifiable income	
Credit history	Minimum 660 credit score for 1 unit; Alternative credit allowed max LTV reduced to 95%	Minimum 680 credit score for 2-4 units
Chapter 7	Depends on product guidelines	
Chapter 13	Depends on product guidelines	
Liens	Depends on product guidelines	
Foreclosure	Depends on product guidelines	
Judgments	Depends on product guidelines	
Collection accounts	Depends on product guidelines	
Education requirements	First time buyers or if all buyers have nontraditional credit	At Least one buyer must attend
Amortization	Full amortized fixed rate	Up to 40 year fixed rate mortgage term
Cash reserves	Not required for single unit homes	2 months PITI for 2-4 unit properties
Purchase rehab option	Not available	

FHA - 203b, 203(k) Streamlined

	Information	Comments
Geographic area	Nationwide	To find lenders visit www.hud.gov/ll/code/llscrit.cfm
Ratios	31 / 43	Must demonstrate compensating factors to exceed percentages.
Maximum income	None	
Income not considered	Food Stamps	
Rental income	Yes	With proper documentation
Gross up non-taxable income	Yes	
Adjustment to gross income	None	
Maximum loan amount	\$365,000 Metro Area	Cook County 296,250; all others \$271,050
First time homebuyer only	No	Borrower cannot own other property as primary residence.
Eligible properties	1-4 units, condos, townhomes, manufactured housing	Must meet FHA appraisal standards
Refinance	Yes	Streamline and cash-out refinance (85% limit).
Interest rate	Market Rate	
Down payment and/or closing cost assistance program	American Dream Down Payment Initiative See www.hud.gov , 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.
Buyer's minimum investment	See handbook 4155.1 Rev-5 & Mortgagee letter 2008-23	Minimum cash investment to be 3.5% effective 1/1/09
Mortgage insurance	Upfront 2.25 % - Effective 4/5/10 Monthly .50%, .55% and .25% See mortgagee letter 2010-02	To cancel monthly payment, pay minimum 5 years and achieved 78% LTV.
Additional closing costs	Yes	The seller may contribute up to six percent of the property's sales price toward closing costs and pre-paid.
Work history	2 years verifiable income	Salaries and wage income must be verifiable and stable over the past two years.
Credit history	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.
Chapter 7	At least 2 full years since discharged	Re-establish good credit 12-month history.
Chapter 13	At least 1 full year into established repayment plan.	Re-establish good credit 12-month history.
Liens	Paid in full.	No exceptions.
Foreclosure	36 months from date claim was paid.	Extenuating circumstances can grant exception.
Judgments	Paid in full	Satisfied prior to endorsement.
Collection accounts	Explanation of collection account required	
Education requirements	No	Encouraged
Amortization	15 to 30 year fixed rate	Maximum term is 30 years; other shorter loan terms are available.
Cash reserves	1-2 units: \$0. 3-4 units: 3 months PITI	
Purchase rehab option	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
Geographic area	National	www.freddiemac.com
Ratios	43% with some flexibility	
Maximum income	100% of AMI; higher for high cost area	
Income not considered	Food Stamps, Foster Care	
Rental income	Yes; boarder	Borrower may not own other property at time of closing.
Gross up non-taxable income	No	
Adjustment to gross income	No	
Maximum loan amount	\$417,000	1 unit 97% LTV; CLTV 105% with secondary financing. 2-4 units 95% LTV; CLTV 100% with secondary financing
First time homebuyer only	No	
Eligible properties	1-4 units primary residences included condos and PUDs; restrictions for manufactured homes	
Refinance	Yes. No cash out refinance	
Interest rate	Market Rate	
Down payment and/or closing cost assistance program	1 unit 3% of value; 2-4 units of value	Allows affordable seconds and gifts.
Buyer's minimum investment	\$0; 100% -97% LTV ; 100% requires 700 credit score	2-4 units 95% LTV; 2-4 units 3% borrower contribution
Mortgage insurance	Required when LTV > 80%	
Additional closing costs		
Work history	Verifiable income	
Credit history	CLTV greater than 97% must have 700 credit score	Nontraditional credit accepted. Less than perfect credit accepted
Chapter 7	Depends on product guidelines	
Chapter 13	Depends on product guidelines	
Liens	Depends on product guidelines	
Foreclosure	Depends on product guidelines	
Judgments	Depends on product guidelines	
Collection accounts	Depends on product guidelines	
Education requirements	First time buyers	At least one borrower must attend. 2-4 units at least one borrower must attend landlord education program.
Amortization	Full amortized fixed rate	Up to 40 year fixed rate mortgage term
Cash reserves	0-1 month depending on product guidelines; may be gifted funds.	Required for 2-4 unit properties
Purchase rehab option	Not available	

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 promote and market the funds to targeted population groups or workforce housing initiatives. **You are not required to be a member of a targeted population group to be eligible for a CASA loan.**

Benefits:

- Minnesota Housing Interest Rate
- \$5,000-\$10,000 in Downpayment and Closing Cost Assistance
- FHA Streamlined 203 K purchase/repair product option available
- Fannie Mae EA1 credit accepted
- Program can incorporate a Housing Choice Voucher for Homeownership
- Lower private mortgage insurance rates and HFA MI guidelines for conventional insured loans

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
- 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 www.mnhousing.gov and click on: Homebuyers and Mortgage Loan Program Eligibility to determine the maximum income limits and purchase price limits.

Twin Cities Metro Area Initiatives

Target Counties: Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, Wright.

For Lenders in Twin Cities Metro Area participating in CASA Initiatives visit: www.mnhousing.gov and click on: Homebuyers, Mortgage Loan Programs, Community Activity Set Side, and Twin Cities Metro Area

Greater Minnesota Initiatives

For Lenders in Greater Minnesota participating in CASA Initiatives visit: www.mnhousing.gov and click on: Homebuyers, Mortgage Loan Programs, Community Activity Set Side, and Greater Minnesota

Minnesota Housing – Minnesota Mortgage Program (MMP)

The Minnesota Mortgage Program (MMP) is a first time homebuyer loan program that helps low to moderate income Minnesotans buy a home. The affordable, low, fixed interest rates are available to eligible homebuyers statewide.

Benefits:

- Minnesota Housing Interest Rate
- Up to \$3,000 in Downpayment and Closing Cost Assistance for Targeted Borrowers
- Lower private mortgage insurance rates and HFA MI guidelines for conventional insured loans

Eligibility Requirements:

Borrowers are eligible for MMP 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](#)
- Qualified Homebuyer Education required for some borrowers

Income & Purchase Price Limits

Visit Minnesota Housing's website at www.mnhousing.gov and click on: Homebuyers and Mortgage Loan Program Eligibility to determine the maximum income limits and purchase price limits.

Minnesota Housing: Community Activity Set Aside Program (CASA) Minnesota Mortgage Program (MMP)

	Information	Comments
Geographic area	MMP: Statewide CASA: Supports community based initiatives	The programs utilize industry standard loan products. Minnesota Housing provides a bond interest rate and access to entry cost assistance for eligible borrowers.
Ratios	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	Programs allow both automated and manual underwriting. The programs allow nontraditional credit underwriting per loan product guidelines.
Maximum income	11 Co. Metro - \$67,200 Olmstead Co. - \$62,300 Balance of State - \$58,400	Eligibility Income for the 1 – 4 person household. The website contains income limits for larger households. Note: each file contains both program eligibility and credit underwriting qualifying income. To calculate eligibility income, use the Eligibility Income Worksheet found on www.mnhousing.gov . To calculate qualifying income, use the loan product guidelines.
Income not considered	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	Qualifying income guidelines
Rental income	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	Qualifying income guidelines
Gross up non-taxable income	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	Qualifying income guidelines
Adjustment to gross income	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	Qualifying income guidelines
Maximum House Price	Maximum Home Price: 11 Co Metro - \$298,125 Balance of State - \$237,031	Home price includes the purchase price and any funds paid by the borrower to acquire the property. Use the Acquisition Cost Worksheet found on www.mnhousing.gov .
First time homebuyer only	Yes	
Eligible properties	Single family homes, duplexes, condos and townhomes	Community Land Trust properties are eligible
Refinance	No	
Interest rate	Visit: www.mnhousing.gov	
Down payment and/or closing cost assistance program	MMP: up to \$3,000 in Entry Cost Assistance for Targeted Borrowers CASA: \$5,000-\$10,000 in Entry Cost Assistance	
Buyer's minimum investment	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	\$1,000 for borrowers receiving Entry Cost Assistance
Mortgage insurance	Yes	If LTV>80%
Additional closing costs	None	
Work history	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	
Credit history	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	
Chapter 7	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	
Chapter 13	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	
Liens	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	
Foreclosure	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	
Judgments	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	
Collection accounts	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	
Education requirements	Required for conventional loan and CASA borrowers, recommended for all borrowers.	One borrower must attend Qualified Homebuyer Education prior to the loan closing. In addition, borrowers must meet any loan product requirements for homebuyer education.
Amortization	15 or 30 years	
Cash reserves	Depends on product guidelines (FHA, RD, Fannie, Freddie, Etc.)	If receiving Entry Cost Assistance, no more than the greater of 6 months PITI or \$5,000 in liquid assets after closing.
Purchase rehab option	MMP: no. A purchase repair option is available under the Community Activity Set Aside Program.	

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

	Information	Comments
Geographic area	Statewide	
Ratios	>700= 45% <700= 40%	Based on credit score
Maximum income	100% of HUD Median Income adjusted for household size.	Contact lender for specific requirements.
Income not considered	Food stamps, foster care	Child support considered if it will continue for three or more years.
Rental income	Not allowed	Rental not considered as income, but up to 75% may be used
Gross up non-taxable income	Yes, up to 25%	
Adjustment to gross income	100% of HUD Median Income adjusted for household size.	Contact lender for specific requirements.
Maximum loan amount	None	
First time homebuyer only	No	Cannot own other real estate.
Eligible properties	1-4 Family units, primary residence, Condos, PUDs	
Refinance	Limited basis, based on hardship	
Interest rate	Market Rate	
Down payment and/or closing cost assistance program	Grants, gifts from family members or seller paid allowed.	
Buyer's minimum investment	3%, 5% for multi family	Does not have to come directly from buyer (can be non-profit grant or gifted.)
Mortgage insurance	None	
Additional closing costs	None	
Work history	Minimum 2 years verifiable	
Credit history	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.)
Chapter 7	Minimum of 4 years since discharge.	Must have reestablished credit.
Chapter 13	Minimum of 4 years since discharge.	Must have reestablished credit.
Liens	Paid in full.	
Foreclosure	Not allowed	
Judgments	Paid in full.	Written explanation required.
Collection accounts	Paid in full.	Written explanation required.
Education requirements	No	Education weighs positively as a compensating factor.
Amortization	15 or 30 years	
Cash reserves	Not required	If receiving HAF, no more than the lesser of 6 months PITI or \$5,000 in liquid assets after closing.
Purchase rehab option	Not available	

US Bank Home Mortgage – American Dream

	Information	Comments
Geographic area	Statewide	
Ratios	41% single family	Higher housing ratio may be considered.
Maximum income	80% of median, total household income.	No income limit if purchasing in a low/mod census tract. Maximum may vary if using assistance.
Income not considered	Self-employed, part-time income less than 1 year.	
Rental income	Yes	75% can be used with history
Gross up non-taxable income	Yes	
Adjustment to gross income	25%	
Maximum loan amount	Standard Fannie / Freddie conforming limits	Maximum conforming limits.
First time homebuyer only	No	Cannot own other property
Eligible properties	1-2 units, condos, townhomes	Primary residence only
Refinance	Yes, rate and term only. Contract for Deed allowed with 1 year of on time payment history	Case by case basis only.
Interest rate	At or below market rate.	Contact Lender for details.
Down payment or closing cost assistance program	\$3,000 USBHM assistance	\$3000 Acquisition Assistance, \$2,500 Rehab Gap Assistance.
Buyer's minimum investment	FICO score of 640 or greater minimum investment of \$1,000 or 2% of the purchase price (whichever is less). FICO scores less than 640 or no, or limited credit, are minimum investment of 3% of the purchase price.	Minimum investment must be from borrower's own sources.
Mortgage insurance	No	Portfolio loan
Additional closing costs	No	Seller can pay on behalf of the buyer up to 5%
Work history	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.
Credit history	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
Chapter 7	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 not likely to reoccur.
Chapter 13	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.
Liens	Paid in full	No exceptions
Foreclosure	3 years from foreclosure sale	A letter of explanation is required and borrower must prove credit has been re-established
Judgments	Paid in full	Third party verification required.
Collection accounts	Paid in full	Paid in full prior to application or documentation proving participation in a repayment plan for 6 months with creditor.
Education requirements	Yes, all borrowers	
Amortization	15 to 30 years	
Cash reserves	Not required	
Purchase rehab option	Yes. Rehab inspection required. Acquisition + rehab cannot exceed 97% of expected 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.

USDA Rural Development 502 Direct

	Information	Comments
Geographic area	Statewide, Non-metro	Eligible communities: population >20,000 Go to http://www.rurdev.usda.gov/rhs/ and click on "Income and Property Eligibility"
Ratios	29 / 41	Must be unable to obtain mortgage loan elsewhere
Maximum income	80% of median income for low; 50% of median income for very low	Go to http://www.rurdev.usda.gov/mn/index.htm and click on "Direct Single Family Housing Loans."
Income not considered		
Rental income	Property must be owner occupied	
Gross up non-taxable income	Compensating factor up to 120%	Requires next level supervisor approval.
Adjustment to gross income	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
Maximum loan amount	MN area loan limits vary, check with respective area office	Can be participation loan (second) with another lender as first
First time homebuyer only	No	
Eligible properties	Single family modest homes, new manufactured homes, townhouses	
Refinance	No	
Interest rate	Currently 4.625 (can change monthly)	Subsidy subject to recapture
Down payment and/or closing cost assistance program	100% of appraised value can be financed: Zero down, closing costs may be financed	Payment subsidy may be available
Buyer's minimum investment	None	
Mortgage insurance	No	
Additional closing costs	No	
Work history	Minimum 2 years continuous stable income	Self-employment income with 2-year history.
Credit history	Non-traditional credit history accepted.	Must be unable to obtain mortgage loan elsewhere, but have reasonable credit history
Chapter 7	At least 3 full years since discharge	Mitigating circumstances are considered, waivers allowed
Chapter 13	At least 3 full years since discharge	Mitigating circumstances are considered, waivers allowed
Liens	None	
Foreclosure	3 years from foreclosure sale	
Judgments	Paid in full	Paid in full, 12 months before application
Collection accounts	Paid in full	Paid in full, 6 months before application
Education requirements	Required for first time buyer	
Amortization	33 years; 30years for manufactured homes	Other terms depending on qualifications.
Cash reserves	Limits available reverse to \$20,000 for elderly; \$15,000 for non-elderly used towards home / closing costs	
Purchase rehab option	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
Geographic area	Statewide, Non-metro	Eligible communities: population of >20,000 Go to http://www.rurdev.usda.gov/rhs/ and click on "Income and Property Eligibility"
Ratios	29 / 41	
Maximum income	115% of the median income for the area	Go to http://www.rurdev.usda.gov/mn/index.htm and click on "Guaranteed Single Family Housing Loans"
Income not considered		
Rental income	Property must be owner occupied	
Gross up non-taxable income	15% to 25%	Check with investor
Adjustment to gross income	\$480 per dependent child plus child care expenses	
Maximum loan amount	No maximum amount; loan is based on affordability ratios	
First time homebuyer only	No	
Eligible properties	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.
Refinance	Only on loans that are currently Guaranteed or 502 Direct	
Interest rate	May not exceed Fannie Mae 90-day + 6/10 th	
Down payment and/or closing cost assistance program	100% of appraised value can be financed; zero down, closing costs can be financed	
Buyer's minimum investment	No minimum	
Mortgage insurance	No	
Additional closing costs	2% guarantee fee	
Work history	Minimum 2 years continuous stable income	
Credit history	Non-traditional credit history accepted.	
Chapter 7	At least 3 full years since discharge	Mitigating circumstances are considered; waivers allowed
Chapter 13	At least 3 full years since discharge	Mitigating circumstances are considered; waivers allowed
Liens	None	No liens can appear on credit report. Mortgage must have first lien, seconds are allowed
Foreclosure	3 years from foreclosure sale	
Judgments	Paid in full or subordinated	Mortgage requires first lien
Collection accounts	Paid in full, unless FICO is 620+	No accounts turned to collection in last 12 months
Education requirements	Homebuyer education not required	May be required by other agencies if using HOA funds
Amortization	30 years	
Cash reserves	Not required	
Purchase rehab option	Not available	

Wells Fargo Bank – Community Development Mortgage Program

	Information	Comments
Geographic area	Statewide	
Ratios	42 %	
Maximum income	80% of median income, based on family size	Use specific county median
Income not considered	Rental income	
Rental income	No	
Gross up non-taxable income	Yes	25% for child support, Social Security, SSI, Public Assistance, Workers Comp and Food Stamps.
Adjustment to gross income	25% on non-taxable income	
Maximum loan amount	None	
First time homebuyer only	No	Applicants who presently own real estate not eligible unless they sell the property and transfer title. No investment property allowed.
Eligible properties	One and two family residences, Condos, Townhouses, Manufactured Homes	Must be owner-occupied and principal residence of all buyers. No twin-homes.
Refinance	No	
Interest rate	Market Rate	
Down payment and/or closing cost assistance program	Wells Fargo approved DAPS	Max – CLTV: 105%
Buyer's minimum investment	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.
Mortgage insurance	No	
Additional closing costs	No	Maximum sellers' contribution is 6%. Cannot be used for down payment.
Work history	Minimum 1 year continuous stable income	Jobs held do not require similar or direct relation employment
Credit history	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.
Chapter 7	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.
Chapter 13	At least 2 full years since discharge	Discharged at least 2 year. See comment for Chapter 7
Liens	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.
Foreclosure	3 years since discharge	No exceptions
Judgments	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.
Collection accounts	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.
Education requirements	Yes	At least one buyer must attend all sessions.
Amortization	30 years fixed	
Cash reserves	Not required	
Purchase rehab option	Not available	

Wells Fargo Bank – Neighborhood Community Development Mortgage Program

	Information	Comments
Geographic area	Determined by www.ffiec.gov/geocode/default.aspx Low to moderate census tract	HMC enters address to determine if in a LMI tract
Ratios	42 %	
Maximum income	No	
Income not considered	Rental income	
Rental income	No	
Gross up non-taxable income	Yes	25% for child support, Social Security, SSI, Public Assistance, Workers Comp and Food Stamps
Adjustment to gross income	25% on non-taxable income	
Maximum loan amount	\$250,000	
First time homebuyer only	No	Applicants who presently own real estate not eligible unless they sell the property and transfer title.
Eligible properties	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
Refinance	No	
Interest rate	Market Rate	
Down payment and/or closing cost assistance program	Wells Fargo Approved DAPS	Max – CLTV: 105%
Buyer's minimum investment	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.
Mortgage insurance	No	
Additional closing costs	No	Maximum sellers' contribution is 6%. Cannot be used for down payment.
Work history	Minimum 1 year continuous stable income	Jobs held do not require similar or direct relation employment
Credit history	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.
Chapter 7	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.
Chapter 13	At least 2 full year since discharge	Discharged at least 2 year. See comment for Chapter 7
Liens	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.
Foreclosure	3 years since discharge	No exceptions
Judgments	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.
Collection accounts	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.
Education requirements	Yes, one borrower	At least one buyer must attend all sessions.
Amortization	30 years fixed	
Cash reserves	Yes requires 2 months of PITI	
Purchase rehab option	Not available	