

HomeReady vs. 97%

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HomeReady

This program has more relaxed guidelines for borrowers with low to moderate income for purchase and refinance transactions

- Income cannot exceed 100% of the AMI (Area Median Income) for the county in which the property is located
- 1-4 Unit Primary Residences are eligible but only 1 Unit Properties are eligible for 97% LTV
- Refinances over 97% must pay off an existing Fannie held mortgage
- Non Occupant Co-Borrowers are not allowed over 95% LTV
- High Balance Loans are not allowed over 95% LTV
- At least 1 Borrower on the loan must complete a Homebuyer Education Course
- Borrowers are not required to be 1st time Homebuyers.
- Boarder Income can be used as qualifying income
- Mortgage Insurance is capped at 25%

Conforming 97%

This program is geared toward helping 1st time Homebuyers who are short the liquid assets for the standard 5% down payment.

- Refinances are available as long as the existing loan is a current Fannie held mortgage
- For Purchases, at least one borrower must be a 1st time homebuyer.
- Only 1 unit Primary Residences are available
- Non Occupant Co Borrowers are not allowed
- There are no Income limitations with this program
- Homebuyer Education is not required with this program
- High Balance Loans are not eligible with this program
- Mortgage Insurance is 35%



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