



HFA PREFERRED LOAN QUICK REFERENCE GUIDE

Purpose- conventional Fannie Mae mortgage loan product for the purchase or refinance of a principal residence.

DETAILS

- Must be owner occupied for a minimum one year after closing
- Not required to be a first-time homebuyer
- 30-year, fixed rate, **45-day** interest rate lock
- Loan type – conventional with PMI
- Manufactured homes are eligible
- Median average credit score of 620 required
- Homebuyer Education Requirements

HBE Table - Who Must Take Homebuyer Education?			
Number of First-Time Homebuyers on Note *			
One FTHB	Two or More FTHBs		
	All FTHBs	Only Some FTHBs	No FTHBs
Required	Required for one FTHB	Required for one FTHB	Not required

- Income limits apply, see chapter 6 of the WCDA Seller Guide
- Use qualifying income, not total family income
- Maximum DTI is 45% when using down payment assistance
- Minimum borrower Contribution \$1,500 required when using down payment assistance
- Maximum LTV
 - 97% for DU Approve/Eligible purchase and limited cash out refinance
 - 90% maximum for manual underwrites
 - 95% for manufactured homes
 - 95% maximum for loans with co-signers
- First mortgage product must be the maximum LTV prior to calculating loan amount for the DPA
- Maximum CLTV 105%
- Mortgage Insurance for loans with LTV greater than 80% are as follows:
 - 18% for LTV's > 95.01-97%
 - 16% for LTV's > 95.01-90%
 - 12% for LTV's > 85.01-90%
 - 6% for LTV's > 80.01-85%
- The applicable DU findings will establish the maximum allowable DTI if not using a DPA
- A manual underwrite under the HFA Preferred product must be underwritten by the MI company
- Required Documentations, see HFA Form 200 – Required Documents Checklist