

# Homeownership Program Parameters



**NOTE:** This table summarizes the program parameters set by IFA. Underwriting for IFA programs is delegated to the lender. When determining eligibility, a lender must apply the most restrictive of the requirements between IFA and the agency guidelines for the loan type (eg. FHA, VA, RD, Fannie Mae, Freddie Mac)

	FirstHome/FirstHome Plus/FirstHome w/2 <sup>nd</sup> *	Homes for lowans/Homes for lowans w/2 <sup>nd</sup> *
<b>Income Limits</b>	Annual Limits by County and Household Size <sup>1</sup> See <i>Homeownership Program Income Limits and Purchase Price Limits</i>	\$163,800 Per Year
<b>Purchase Price Limits</b>	\$ 510,000 <sup>1</sup>	\$ 624,000
<b>Eligible Properties</b>	1-unit as principal residence	1-unit as principal residence
<b>Permitted Transaction Type</b>	New purchase only, no refinance; 25- or 30-year term	New purchase only, no refinance; 25- or 30-year term
<b>First-Time Homebuyer Requirement</b>	Required for all borrowers <sup>2</sup>	None
<b>Co-Signers</b>	Co-signers not allowed	Co-signers not allowed
<b>Homebuyer Education Requirement</b>	<p>CONVENTIONAL LOANS: If all borrowers are first-time homebuyers, completion of homebuyer education is required. Refer to IFA homeowner education FAQ.</p> <ul style="list-style-type: none"> <li>HFA Preferred (Fannie Mae) through Finally Home!® or HomeView™ acceptable.</li> <li>HFA Advantage (Freddie Mac) through Finally Home!® or CreditSmart® acceptable.</li> <li>If a borrower lacks access to the internet, in person homebuyer education with a HUD certified counselor is allowed.</li> <li>A community second homebuyer education requirement is also acceptable.</li> </ul> <p>GOVERNMENT LOANS: refer to agency guidelines.</p>	<p>CONVENTIONAL LOANS: If all borrowers are first-time homebuyers, completion of homebuyer education is required. Refer to IFA homeowner education FAQ.</p> <ul style="list-style-type: none"> <li>HFA Preferred (Fannie Mae) through Finally Home!® or HomeView™ acceptable.</li> <li>HFA Advantage (Freddie Mac) through Finally Home!® or CreditSmart® acceptable.</li> <li>If a borrower lacks access to the internet, in person homebuyer education with a HUD certified counselor is allowed.</li> <li>A community second homebuyer education requirement is also acceptable.</li> </ul> <p>GOVERNMENT LOANS: refer to agency guidelines.</p>
<b>Available Mortgage Products</b>	FHA, VA, and RD HFA Preferred (Fannie Mae = DU) HFA Advantage (Freddie Mac = LPA)	FHA, VA, and RD HFA Preferred (Fannie Mae = DU) HFA Advantage (Freddie Mac = LPA)
<b>Credit Overlays</b>	<p><b>Minimum Credit Score</b> 640 mid-point                      &gt; <b>No score</b> Non-traditional credit allowed in accordance with agency guidelines  <b>Maximum Debt-to-Income (DTI)</b> 50% with an approve/eligible (Manual underwriting remains at 45%)</p>	<p>640 mid-point                      Non-traditional credit allowed in accordance with agency guidelines                      50% with an approve/eligible (Manual underwriting remains at 45%)</p>
<b>Lender Compensation</b> <b>Servicing Release Premium</b>	Up to 1% + \$1,300 See <i>Exhibit A of the Mortgage Origination Agreement</i> .	Up to 1% + \$1,300 See <i>Exhibit A of the Mortgage Origination Agreement</i> .
<b>Reasonable and Customary Costs</b>	See <i>IFA Policy for Settlement &amp; Financing Costs</i>	See <i>IFA Policy for Settlement &amp; Financing Costs</i>
<b>Qualified Mortgage/Ability to Repay</b>	CFPB Exempts HFA; lender to confirm with their internal compliance.	CFPB Exempts HFA; lender to confirm with their internal compliance.
<b>Title Coverage</b>	Iowa Title Guaranty only	Iowa Title Guaranty only

- FirstHome programs may be paired with our "Plus" grant or 2nd Loan. Homes for lowans programs may be paired with 2nd Loan. The "Plus" grant provides homebuyers with a \$2,500 grant to assist with down payment and closing cost: no repayment due. The 2<sup>nd</sup> loan is up to 5% of the home's purchase price with no maximum and is repayable at time of sale, refinance, or first mortgage is paid in full; no monthly payment required. "Plus" Grant or 2nd Loan may not be used in same transaction.
- "Plus" grant or 2<sup>nd</sup> Loan may be layered with the Military Homeownership Assistance (MHOA) grant when home buyer is eligible for both programs.

<sup>1</sup> Income limits are increased (per Qualified Census Tract) and a purchase price limit of \$624,000 applies if the property to be purchased is located in a federally defined "Targeted Area". More information location of Targeted Area can be found on our Homeownership Program Income and Purchase Price limit form.

<sup>2</sup> First-Time homebuyer is defined as not having an ownership interest in their primary residence in the past three years or meeting one of the following exemptions: 1) borrower is purchasing a home in a Targeted Area, OR 2) borrower is a military veteran, discharged other than dishonorably, who has not previously financed a home using a tax-exempt mortgage revenue bond program.