



# HomeReady 1% Down

Purpose	Unit	<sup>1</sup> Max LTV/CLTV/HCLTV with Community Second	<sup>1</sup> Max LTV/CLTV/HCLTV w/o Community Second	Minimum FICO	Occupancy
Purchase	1 Unit	97/105/97%	97/97/97%	720	Primary

<sup>1</sup> All loans over 80% LTV must refer to UWM's Mortgage Insurance Matrices.

## ELIGIBILITY

Borrower Income Limits	No income limits in low-income census tracts 100% of area median income (AMI)
Borrower Eligibility	Non-occupant borrowers are not permitted
Income Eligibility	<a href="#">HomeReady Income Eligibility Look-up Tool</a>
Mortgage Insurance	25% coverage for 97% LTV Only BPMI and Pay Advantage mortgage insurance options are eligible
Subordinate Financing	Eligible Community Seconds allowed to 105% CLTV
Underwriting	Must receive DU Approve/Eligible AUS findings
Business Channel	Brokered loans only. Correspondent channel ineligible.
Homeownership Education (Purchases only)	Homeownership education is required prior to close for at least one borrower. <a href="#">Fannie Mae Framework Counseling</a> must be utilized unless the borrower meets the requirements for an exception. Exceptions: (1) If the borrower has a disability or lack of internet access that requires classroom or telephone training, a HUD-approved nonprofit housing counseling agency can be used. (2) If the borrower has completed counseling prior to signing the sales contract, a <a href="#">HUD-approved nonprofit housing counseling agency</a> can be used as long as form 1017 is dated prior to the sales contract. (3) If the borrower has completed counseling through a HUD-approved counseling agency as required by their Community Second or Down Payment Assistance Program, the HUD-approved counseling is acceptable.

## INCOME

Debt-to-Income Ratios	As approved by Desktop Underwriter (DU)
-----------------------	---

## ASSETS

Reserves	As required by Desktop Underwriter (DU)
Lender Contributions	2% Lender Paid Down Payment up to \$5,000
Borrower Contributions	1% borrower contribution cannot be gifted. However, gifts are allowed to cover any additional down payment, closing costs, or reserves.

## PROPERTY

Eligible Properties	Owner occupied, 1-unit only. 2-4 units not eligible
Manufactured Homes	Not eligible
State Requirements	Florida Condos- New attached condos must be on FNMA approved project list Texas 50(a)(6) is not permitted
Appraisals	Appraisal must be done by an UWM approved AMC

**\*\* Please refer to the current Fannie Mae and UWM Overlay Sheet for detailed underwriting guidelines and documentation requirements \*\***