



MORTGAGE BANKERS  
ASSOCIATION  
*Greater Rochester*

# Welcome to Finance Friday

Conventional Low Down Payment

2/8/2019

# Program

- Conventional - Standard
  - PMI- monthly and/or upfront
  - Owner-Occupied or Non-Owner Occupied
  - 5% down payment MINIMUM
  - Loan Limits apply - \$484,350
  - Max 50% DTI
- HomeReady/HomePossible
  - Owner-Occupied only
  - 3% down payment
  - Income Limits apply – later slide
  - Location based
  - Discounted PMI
  - Homeownership Counseling requirement

# Credit

- Student loans – ICR plan allowed
- # of tradelines and Non-traditional tradelines
- Paying off debt to qualify
- Credit Score – risk based lending
- Bankruptcy/Foreclosure: 4/7, unless 20% down
- Paying Child Support/Alimony?

## Income Limits – HR/HP

- Monroe County           \$74,000
  - Genesee County         \$68,000
  - Ontario County         \$74,000
  - Wayne County           \$74,000
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- No income limit in low-income census tract

# Income

- Employment history/stability
- Rental Income (subject)
- Rental Income (other)
- Other income (Alimony, Child Support)
- Border Income (Home Possible Only)

# Assets

- Gifts – donor ability
- Borrowers' funds
- Earnest Money Deposits
- Seller concessions
- Community Seconds

# Property

- Repairs vs. credits
- Appraisal
  - Transfers?
  - Less stringent
- Inspections
- Personal property
- Additional forms