

Enhanced Purchasing Power with Fannie Mae and Freddie Mac Low Downpayment Programs

Fannie Mae and Freddie Mac’s high LTV loan programs make it easier for your borrowers to qualify for a low downpayment loan... and Radian makes it even more affordable. Our coverage options under these programs can mean big savings for your qualifying borrowers.

Program	Financing Flexibility for Lower-income Borrowers		Financing Flexibility for First-time Borrowers	
	Fannie Mae HomeReady®	Freddie Mac Home Possible®	Fannie Mae 97% LTV Program	Freddie Mac Home One®
First-time Homebuyer	Not required		Required At least 1 borrower cannot have owned a property in the last three years	
Loan Purpose	Purchase, Rate/Term Refinance		Purchase, Rate/Term Refinance	
Property Type	1–4 Unit Properties, Condos, PUDs		1 Unit Properties, Condos, PUDs	
1 Unit LTV/CLTV	Fixed 97% / 105%		Fixed 97% / 105%	
2 Unit LTV/CLTV	Fixer, ARM 85% / 105%	Fixer, ARM 95% / 95%	Ineligible	
3–4 Unit LTV/CLTV	Fixer, ARM 75% / 105%	Fixer, ARM 95% / 95%	Ineligible	
FICO	620		620	
LLPA's	Waived with 680 score and LTV >80% Max LLPA — 1.5%		Normal LLPA's apply	
Occupancy	Must be owner occupied		Must be owner occupied	
Non-Occupant Co-borrower	Eligible to max 95% LTV with AUS Approve, Accept		Ineligible	
Income Limits	80% of area median income (AMI), this includes properties in low-income areas		No income limits	
Minimum Borrower Contribution	1 unit purchase — none required 2–4 units — 3%		1 unit purchase — none required	
Acceptable Sources of Funds for DP and Closing Costs	Gifts, Grants, Employer Programs, Community Seconds, Cash on Hand, Sweat Equity		Gifts, Grants, Employer Programs, Community Seconds	
Ownership of Other Property	Allowed		Not allowed	
Buydowns	Allowed	Allowed for mortgages secured by 1 to 2 unit properties, other than manufactured homes	Allowed	
Mortgage Insurance	90.01–97%, 25% coverage or less, standard coverage		95.01–97%, 35% coverage	
Boarder Income	Allowed		Allowed for borrowers with disabilities	Not allowed
Homeownership Education	Required		Not required	Required
MCC	Allowed		Allowed	

