

VHFA First Mortgage Compliance Requirements	Advantage	MOVE	MOVE MCC
First Time Home Buyer	No If using ASSIST, must be a first time home buyer, no prior homeownership allowed.	Yes in 5 counties; no ownership interest in the prior 36 months for Addison, Bennington, Chittenden, Grand Isle & Windsor counties. <u>Exceptions</u> : Census Tract 4 & 10 in Burlington & Veterans that served in the last 25 years. If using ASSIST, must be a first time home buyer, no prior homeownership allowed.	
Income Limits	Yes	Yes	Yes
Purchase Price Limits	Yes	Yes	Yes
Occupancy	Primary; no non-occupant co-borrowers allowed.		
Loan Type	Purchase only; can be used to replace short term debt </=24 months (i.e. construction loan).		
Other Real Estate Owned	Borrower and Non-Borrowing Spouse cannot have ownership interest in any other real estate. Limited exceptions, refer to VHFA program guide for detail.		
Property	Eligible: Single family, condo, existing 2-unit (occupied as residence for at least 5 years), manufactured. Not eligible: New/newer 2-unit (<5 years as a residence), co-ops, >15 acres.		
Federal Recapture Tax	No	Yes	Yes
Mortgage Credit Certificate (MCC)	No	No	Yes
Home Buyer Pre-Purchase Education	Yes Landlord Education required for 2-unit	Yes Landlord Education required for 2-unit	Yes Landlord Education required for 2-unit
Fees	No VHFA Fees; Lender can pass on \$400 funding and \$80 tax service fees to borrower that U.S. Bank will net from loan purchase.		

VHFA ASSIST (Down Payment and Closing Cost Assistance Mortgage) Compliance Requirements

VHFA Program Eligibility	Must be used with a VHFA first mortgage, can be used with all VHFA 1 st mortgage programs.	CLTV Maximum	105%
Maximum Loan Amount	\$5,000	Eligible Closing Costs	Down payment and/or normal and customary closing costs (including POCs).
First Time Home Buyer	Yes, no prior homeownership ever for borrower and/or non-borrower spouse.	Closing and Funding	Note and Deed signed by borrower. Lender is responsible for funding, VHFA reimburses post-closing.
Asset Limit	\$30,000 (excludes intact retirement accounts)	Fees	No VHFA Fees; lender cannot assess any fees.

	Fannie Mae: HFA Preferred <u>No loan level pricing adjustments</u>		
Decision Type LTV/CLTV	DU Automated Decision 95% LTV/105% CLTV	DU Automated Decision 97% LTV/105% CLTV	Manual Underwrite (HomeReady) 95% LTV/105% CLTV
Acceptable Approval Level	DU Approve/Eligible	DU Approve/Eligible	N/A
Subordinate Financing	Defined Community Seconds	Defined Community Seconds	Defined Community Seconds
Credit Score	640 Min	640 Min	660 Min
DTI	50% Max	50% Max	36% Max
Reserves/Borrower Contribution	Per DU 2-Unit = 3% Borrower Contribution	Per DU	2 to 6 months PITIA depending on LTV and Credit Score (follow Fannie Mae eligibility matrix)
Eligible Properties	Single Family, Condo, Manufactured 2-Unit	Single Family & Condo	Single Family & Condo
MI Coverage %	95.01 – 97.00%: 18% 90.01 – 95.00%: 16% 85.01 – 90.00%: 12% 80.01 – 85.00%: 6%	95.01 – 97.00%: 18% 90.01 – 95.00%: 16% 85.01 – 90.00%: 12% 80.01 – 85.00%: 6%	95.01 – 97.00%: 18% 90.01 – 95.00%: 16% 85.01 – 90.00%: 12% 80.01 – 85.00%: 6%

	USDA Rural Development		FHA	Veterans Administration	
Decision Type LTV/CLTV	GUS Automated Decision 100% LTV/105% CLTV LTV can be increased to include Guarantee Fee.	Manual Underwrite 100% LTV/105% CLTV LTV can be increased to include Guarantee Fee.	LPA or DU Automated Decision 96.5% LTV/105% CLTV No manual underwrite. LTV can be increased to include the upfront MIP.	LPA or DU Automated Decision 100% LTV/105% CLTV LTV can be increased to include the upfront MIP.	Manual Underwrite (Delegated Authority only) 100% LTV/105% CLTV LTV can be increased to include the upfront MIP.
Acceptable Approval Level	GUS Accept/Eligible	N/A	LPA Accept or DU Approve/Eligible	LPA Accept or DU Approve/Eligible	Delegated authority only.
Subordinate Financing	Allowed	Allowed	Allowed	Allowed	Allowed
Credit Score	640 Min	640 Min	660 Min	640 Min	640 Min
DTI	45% Max	36% Max	45% Max	45% Max	36% Max
Reserves/Borrower Contribution	Per GUS	2 months reserves	Per LP or DU	Per LP or DU	2 months reserves
Eligible Properties	Single Family & Condo	Single Family & Condo	Single Family, Condo, 2-Unit	Single Family, Condo, 2-Unit	Single Family, Condo, 2-Unit