

**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).

|  | <b>FirstHome/FirstHome Plus*/FirstHome w/2nd *</b>   | <b>Homes for Iowans/Homes for Iowans Plus*/Homes for Iowans w/2nd *</b>  |
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| <b>Income Limits</b>                       | Annual Limits by County and Household Size <sup>1</sup><br>See <i>Homeownership Program Income Limits and Purchase Price Limits</i>  | \$133,980 Per Year   |
| <b>Purchase Price Limits</b>               | \$283,000 <sup>2</sup>   | \$346,000  |
| <b>Eligible Properties</b>                 | 1-unit as principal residence  | 1-unit as principal residence  |
| <b>Permitted Transaction Type</b>          | New purchase only, no refinances; 25- or 30-year terms   | New purchase only, no refinances; 25- or 30-year terms   |
| <b>First-Time Homebuyer Requirements</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 homebuyer education FAQ.</p> <ul style="list-style-type: none"> <li>HFA Preferred (Fannie Mae) through Finally Home!® or FRAMEWORK® acceptable</li> <li>HFA Advantage (Freddie Mac) through Finally Home! or CreditSmart®</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 homebuyer education FAQ.</p> <ul style="list-style-type: none"> <li>HFA Preferred (Fannie Mae) through Finally Home!® or FRAMEWORK® acceptable</li> <li>HFA Advantage (Freddie Mac) through Finally Home! or CreditSmart®</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<br>HFA Preferred (Fannie Mae = DU)<br>HFA Advantage (Freddie Mac = LPA)  | FHA, VA, and RD<br>HFA Preferred (Fannie Mae = DU)<br>HFA Advantage (Freddie Mac = LPA)  |
| <b>Credit Overlays</b>                     | <p>Minimum Credit Score 640 mid-point</p> <p>Maximum Debt-to-Income (DTI) 45%</p>  | <p>640 mid-point</p> <p>45%</p>  |
| <b>Lender Compensation</b>                 | <p>Up to 1%</p> <p>Closing Agent/Settlement Fee Up to \$500</p> <p>Servicing Release Premium See Exhibit A of the Mortgage Origination Agreement.</p>  | <p>Up to 1%</p> <p>Up to \$500</p> <p>See Exhibit A of the Mortgage Origination Agreement.</p>   |
| <b>Other Transaction 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   |

- Both first mortgage programs provide the option of up to \$2,500 of “Plus” grant funds or a 2nd Loan that is 5% of the sale price up to \$5,000, whichever is less, to assist with down payment and closing costs. The “Plus” grant does not create a lien, nor require additional eligibility but does include an increased interest rate. The w/2<sup>nd</sup> loan is 0% interest and due upon sale, refinance, or when the first mortgage is paid in full. “Plus” grant and 2nd Loan may be layered with the Military Homeownership Assistance Grant when borrowers are eligible for both programs.

<sup>1</sup> Income Limits are increased (per Qualified Census Tract) and a purchase price limit of \$346,000 applies if the property to be purchased is located in a federally defined “Targeted Area”. More information regarding the location of Targeted Area can be found on our *Homeownership Program Income Limits 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 exceptions: 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.