

Homeownership Program Parameters



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)

	FirstHome/FirstHome Plus/FirstHome w/2 nd *	Homes for lowans/Homes for lowans w/2 nd *
Income Limits	Annual Limits by County and Household Size ¹ See <i>Homeownership Program Income Limits and Purchase Price Limits</i>	\$163,800 Per Year
Purchase Price Limits	\$ 510,000 ¹	\$ 624,000
Eligible Properties	1-unit as principal residence	1-unit as principal residence
Permitted Transaction Type	New purchase only, no refinance; 25- or 30-year term	New purchase only, no refinance; 25- or 30-year term
First-Time Homebuyer Requirement	Required for all borrowers ²	None
Co-Signers	Co-signers not allowed	Co-signers not allowed
Homebuyer Education Requirement	<p>Homebuyer education (HBE) is required for all borrowers under FirstHome program, regardless of the program type (FHA, VA, RD, Fannie Mae, Freddie Mac). HBE must be completed prior to closing; certificate required with pre-close package. Course options:</p> <ul style="list-style-type: none"> • Finally Home!® • Fannie Mae HomeView™ • Freddie Mac CreditSmart® <p>If a borrower lacks access to the internet, in-person homebuyer education with a HUD-certified counselor is allowed. Additionally, if a provider of a community second program requires its own HUD-approved homebuyer education, this is acceptable.</p>	<p>Homebuyer education (HBE) is required for all borrowers under Homes for lowans program, regardless of the program type (FHA, VA, RD, Fannie Mae, Freddie Mac). HBE must be completed prior to closing; certificate required with pre-close package. Course options:</p> <ul style="list-style-type: none"> • Finally Home!® • Fannie Mae HomeView™ • Freddie Mac CreditSmart® <p>If a borrower lacks access to the internet, in-person homebuyer education with a HUD-certified counselor is allowed. Additionally, if a provider of a community second program requires its own HUD-approved homebuyer education, this is acceptable.</p>
Available Mortgage Products	FHA, VA, and RD HFA Preferred (Fannie Mae = DU) HFA Advantage (Freddie Mac = LPA)	FHA, VA, and RD HFA Preferred (Fannie Mae = DU) FA Advantage (Freddie Mac = LPA)
Credit Overlays		
➤ Minimum Credit Score	640 mid-point Non-traditional credit allowed in accordance with agency guidelines	640 mid-point Non-traditional credit allowed in accordance with agency guidelines
➤ Debt-to-Income (DTI)	50% with an approve/eligible (Manual underwriting remains at 45%)	50% with an approve/eligible (Manual underwriting remains at 45%)
Lender Compensation	Up to 1% + \$1,300	Up to 1% + \$1,300
Servicing Release Premium	See <i>Exhibit A of the Mortgage Origination Agreement</i> .	See <i>Exhibit A of the Mortgage Origination Agreement</i> .
Reasonable and Customary Costs	See <i>IFA Policy for Settlement & Financing Costs</i>	See <i>IFA Policy for Settlement & Financing Costs</i>
Qualified Mortgage/Ability to Repay	CFPB Exempts HFA; lender to confirm with their internal compliance.	CFPB Exempts HFA; lender to confirm with their internal compliance.
Title Coverage	Iowa Title Guaranty only	Iowa Title Guaranty only

- FirstHome programs may be paired with our "Plus" grant or 2nd Loan. Homes for lowans programs may be paired with 2nd Loan. The "Plus" grant provides homebuyers with a \$2,500 grant to assist with down payment and closing cost: no repayment due. The 2nd loan is up to 5% of the home's purchase price with no maximum and is repayable at time of sale, refinance, or first mortgage is paid in full; no monthly payment required. "Plus" Grant or 2nd Loan may not be used in same transaction.
- "Plus" grant or 2nd Loan may be layered with the Military Homeownership Assistance (MHOA) grant when home buyer is eligible for both programs.

¹ Income limits are increased (per Qualified Census Tract) and a purchase price limit of \$624,000 applies if the property to be purchased is located in a federally defined "Targeted Area". More information location of Targeted Area can be found on our Homeownership Program Income and Purchase Price limit form.

² 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 exemptions: 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.