



HOMESMART² LOAN PROGRAM

The HomeSmart² loan program offers low- and moderate-income individuals the opportunity to purchase market rate housing with a below market rate mortgage.

FEATURES

- First-time home buyer is not a requirement
- Eligible for individuals purchasing a single-family residence as a primary residence
- Fixed 2% interest rate for life of the loan
- 100% Maximum Loan to Value – no down payment required

BORROWER BENEFITS

- Access to affordable housing in neighborhoods of choice
- No PMI (Private Mortgage Insurance)
- Minimal closing costs
- Outside reserves not required

PROGRAM REQUIREMENTS

- Homebuyer Education Course – All borrowers applying for the loan are required to complete online Homebuyer education course at no cost to the buyer, via this website: www.fanniemae.com/education

*borrowers may not be required to take HBE if a previous homeowner in the last 3 years

MAXIMUM INCOME GUIDELINES BY HOUSEHOLD SIZE

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
80%	\$51,150	\$58,450	\$65,750	\$73,050	\$78,900	\$84,750	\$90,600	\$96,450

HOMESMART² GEOGRAPHICAL AREA:

Martindale-Brightwood

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PRIMARY RESIDENCE FIXED RATE MORTGAGE	
LOAN TYPE	Conventional (non-government)
INTEREST RATE	2% fixed for life of the loan and locked at the time of receiving accepted sales agreement
TERM	30 year / 360 months
AFFORDABILITY PERIOD	10 Year Affordability Period
ELIGIBLE USES	Purchase of a primary residence in Marion County First-time homebuyer not required
ELIGIBLE PROPERTIES	Single family detached, condominiums, townhomes
ELIGIBLE BORROWERS	Individuals, US citizens or legal resident alien Non-occupying coborrowers are not eligible
LOAN-TO-VALUE	100% Maximum CLTV
DTI RATIO	30% front end housing ratio / 43% total debt to income ratio
RESTRICTIONS	Household income is limited to 80% of the area median income (AMI) Refer to max income guideline chart for Marion County above No remaining interest in real estate at time of closing
GEOGRAPHY	Martindale-Brightwood
FIRST-TIME HOMEBUYER	Not required; IF first-time homebuyer all borrowers applying for loan MUST take online or in person home buyer education (HBE), at no cost to the buyer via this website: www.fanniemae.com/education
CREDIT	Minimum 600 credit score At least 1 borrower must have a qualifying credit score

**SPECIAL
CONDITIONS**

No bankruptcy or foreclosure in the last 3 years
All collections/judgements/charge-offs cannot have balance greater than \$5,000

Student Loan Debt Requirements

- If a student loan monthly payment is provided on the credit report, use that amount for qualification purposes.
- If the credit report does not reflect a correct monthly payment, or the report shows 0.0 monthly payment, the lender must document the correct payment and/or that the payment is 0.0 with a current statement from the student loan provider.

If the student loan is in deferment the lender must determine a monthly payment using documentation from the student loan provider projecting what the student loan payment(s) will be when the loan(s) are no longer deferred, including Income-Driven Repayment plans.

**CONFLICT OF
INTEREST**

Borrowers must disclose any potential conflicts of interest with Renew, City of Indianapolis, or HUD

LEAD BASED PAINT

Any home chosen by a potential borrower built prior to 1978 is required to undergo Lead Base Paint testing. The cost associated with testing and/or remediation will be at the borrowers' expense

**AUTOMATED
UNDERWRITER**

Fannie Mae Desktop Underwriting system (DU)
Manual Underwrite is available

