

## Our Family of Loans

Whether you're just starting your home search or ready to tackle home improvements, we've got you covered. Learn more by visiting [www.mnhousing.gov](http://www.mnhousing.gov).

**Start Up** *First-time homebuyer loans*

**MCC** *First-time homebuyer tax credit*

**Step Up** *Repeat homebuyer and refinance loans*

**Fix Up** *Home improvement loans*



## Our Mission

Housing is the foundation for success, so we collaborate with individuals, communities and partners to create, preserve and finance affordable housing.

**Step Up** *Repeat homebuyer and refinance loans*

## Program Reference Guide

for Housing Industry Professionals

This reference guide does not contain all information needed to originate loans for sale under Minnesota Housing programs. See the Minnesota Housing Step Up Procedural Manual at [www.mnhousing.gov](http://www.mnhousing.gov) for complete information.

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# Step Up *Repeat homebuyer and refinance loans from Minnesota Housing*

Step Up is our statewide mortgage loan program for low- and moderate-income repeat homebuyers to purchase or refinance a home. The program offers affordable, fixed-rate loans and access to Minnesota Housing Monthly Payment Loans for downpayment and closing costs for eligible borrowers.

## Borrower Eligibility

To be eligible for a Minnesota Housing Step Up loan, borrowers must meet the following requirements:

- Meet household income limits using qualifying income *(subject to change)*:
  - 11-county metro: \$124,000
  - Rochester MSA: \$124,000
  - Balance of state: \$110,600
- Meet loan or home cost limits *(subject to change)*:
  - 11-county metro: \$307,900
  - Balance of state: \$255,500
- Meet credit score and debt-to-income (DTI) ratios. See FICO/DTI requirements on website.

## Loan Requirements

- Fixed-rate, fully-amortized loans
- Escrows are required
- 15- and 30-year terms allowed
- Eligible products: FHA, FHA Streamlined Refinance, FHA 203(k) Streamlined, RD, VA, Conventional Products offered by Minnesota Housing\*  
*\*See product descriptions for additional requirements*
- Normal customary origination, closing costs and fees charged to the borrower

## Downpayment and Closing Cost Loans

Step Up borrowers have access to the Minnesota Housing Monthly Payment Loan to finance downpayment and/or closing costs. Step Up is ineligible for the Deferred Payment Loan. Loans may be combined with other non-Minnesota Housing Community Seconds®.

Key Features	Monthly Payment Loan
<i>Loan Amount</i>	Up to \$10,000 in increments of \$100
<i>Loan Term</i>	10-year term
<i>Borrower Contribution</i>	\$1,000 or 1% of the purchase price, whichever is less
<i>Repayment</i>	Fully amortized loan with monthly payments
<i>Interest Rate</i>	Equal to first mortgage rate
<i>Maximum Allowable Post-Closing Liquid Assets</i>	None
<i>Disclosures</i>	Industry standard disclosures required
<i>Income Limits</i>	Monthly Payment Loan income limits (see website)

## Property Eligibility

The property must be a principal residence located in Minnesota, including:

- Single-family residences
- Duplexes
- Townhomes/condos
- Unit in a Planned Unit Development (PUD)
- Manufactured homes financed with government insured/guaranteed loans
- Community Land Trust leasehold estates

Excluding:

- Non-owner-occupied properties
- Investment properties
- Recreational homes

For more information, see the Step Up Procedural Manual at [www.mnhousing.gov](http://www.mnhousing.gov).