

Minnesota Housing is now offering Affordable Advantage, a conventional fixed-rate loan product that helps serve low- and moderate-income borrowers. Minnesota Housing's Affordable Advantage has flexible terms and is one of the few 100% Loan To Value (LTV) products available in the market. The product is based on Fannie Mae's Affordable Advantage™, an initiative developed exclusively for Housing Finance Agencies (HFAs).

Product Features

- Up to 100% LTV for one-unit properties
- Borrowers must be at or below Minnesota Mortgage Program Income (MMP) limits
- No mortgage insurance required for loans with an LTV in excess of 80%
- \$1,000 minimum borrower contribution
- Fixed rate with terms of 30 years - visit the Minnesota Housing website for current rates
- Minimum DU credit score is 680
- Maximum allowable total expense ratio is 45%
- One-unit owner-occupied properties eligible, including Fannie Mae eligible condos
- Fannie Mae's Community Seconds® allowed with a maximum CLTV of 105%
- Contact U.S. Bank-MRBP Division for a full Affordable Advantage product description

Minnesota Housing Affordable Advantage Criteria

- A contract addendum is required in order to originate Affordable Advantage loans
- Product available only under the Minnesota Mortgage Program (MMP)
- Minnesota Housing Entry Cost Assistance (HAF and HOME HELP) is not available
- All conventional loans must be originated under either the Fannie Mae MyCommunityMortgage® (MCM®) or Freddie Mac Home Possible Affordable Advantage® loan product regardless of loan to value
- Manufactured Housing is an ineligible property type for conventional loans
- At least one borrower per household must complete pre-purchase homebuyer education that meets Minnesota Housing requirements

For more information

Please contact Minnesota Housing at 651.296.8215 or 800.710.8871; 400 Sibley St., Suite 300, Saint Paul, MN 55101 or visit www.mnhousing.gov.

