

# Minnesota Housing Loan Programs

## Start Up *First-time homebuyer loans*



### Program Description

This description is a summary of program requirements and does not contain all the information needed to originate Minnesota Housing loans. Lenders should refer to Minnesota Housing’s [Start Up Program Procedural Manual](#), U.S. Bank overlays and the underlying product descriptions for complete information. Where terms differ, the more restrictive terms apply.

PARAMETERS	REQUIREMENTS
<b>First-Time Homebuyer</b>	Yes, all borrowers
<b>Eligible Use</b>	Purchase
<b>Eligible Products</b>	<ul style="list-style-type: none"> <li>FHA</li> <li>FHA 203(k) Streamlined</li> <li>VA</li> <li>RD</li> </ul> <ul style="list-style-type: none"> <li><a href="#">Fannie Mae HFA Preferred™/UPMI*</a></li> <li><a href="#">Fannie Mae HFA Preferred Risk Sharing™*</a></li> <li><a href="#">Freddie Mac HFA Preferred™/UPMI*</a></li> </ul> <p><i>*See product description for additional requirements</i></p>
<b>Eligible Occupancy</b>	Owner-occupied
<b>Minimum Credit/Maximum DTI</b>	<a href="#">Credit and DTI Matrix</a>
<b>Non-Traditional Credit</b>	Requires manual underwriting
<b>Manual Underwriting</b>	<ul style="list-style-type: none"> <li>Conventional/RD/VA is allowed</li> <li>FHA: contact <a href="#">Partner Solutions</a> at 651.296.8215 or 800.710.8871</li> <li>Maximum 36% DTI</li> <li>Minimum two months PITIA reserves after closing (or per product guidelines, if more restrictive)</li> </ul>
<b>Reserves</b>	AUS-underwrite: Defer to underlying product guidelines Manual underwrite: See Manual Underwriting section above
<b>Income Limits</b>	<a href="#">Start Up/MCC/Step Up income limits</a>
<b>Income Calculation</b>	Minnesota Housing <a href="#">Eligibility Income</a> calculation
<b>Acquisition Cost Limit</b>	<ul style="list-style-type: none"> <li>11-County Metro - \$307,900</li> <li>Balance of State - \$255,500</li> </ul>
<b>Amortization</b>	15- or 30-year terms
<b>Interest Rates</b>	Current rates available at <a href="http://www.mnhousing.gov">www.mnhousing.gov</a>
<b>Downpayment and Closing Cost Loans</b>	<ul style="list-style-type: none"> <li>Deferred Payment Loans                             <ul style="list-style-type: none"> <li>Deferred Payment Loan Option</li> <li>Deferred Payment Loan Plus Option</li> </ul> </li> <li>Monthly Payment Loan</li> <li>Community Seconds®</li> </ul>
<b>Eligible Property Types</b>	<ul style="list-style-type: none"> <li>Single-family, detached</li> <li>Duplex</li> <li>Townhouse</li> <li>A unit within a PUD</li> <li>Community land trust (CLT)</li> <li>Condos (<i>see Allregs for U.S. Bank requirements.</i>)</li> <li>Modular home</li> <li>Manufactured home taxed as real property</li> </ul>
<b>Ownership of Property</b>	For conventional loans only: Borrowers may not have an ownership interest in any other property at the time of closing. See conventional product descriptions for details.
<b>Minimum Borrower Contribution</b>	Lesser of \$1,000 or 1% of the purchase price if receiving a Minnesota Housing downpayment and closing cost loan
<b>Homebuyer Education</b>	Required of at least one borrower receiving a: <ul style="list-style-type: none"> <li>Conventional loan, and/or</li> <li>Minnesota Housing downpayment and closing cost loan</li> </ul>
<b>Mortgage Insurance</b>	Defer to underlying product guidelines
<b>Interested Party Contributions</b>	Defer to underlying product guidelines
<b>Maximum LTV/CLTV</b>	Defer to underlying product guidelines

