

# Very Low-Income Purchase (VLIP) Program



# Program Details

The *Very Low-Income Purchase (VLIP) Program* 

leverages Fannie Mae's
HomeReady and Freddie
Mac's Home Possible
programs to provide a
\$2,500 credit to lower down
payment or closing costs.

Program End Date: 2/28/2026



# Qualification Requirements

#### To qualify for these programs, the following criteria must be met:

- Purchase transactions only.
- Income must not exceed 50% of the area median income (AMI) for the location of the property.
- Must have a credit score of at least 620.
- At least one borrower must be a first-time homebuyer (Updated with Lender Letter 2024-01)
- At least one borrower must complete an online homeownership education course when all occupying borrowers are first-time homebuyers.
- The property must be a one- to four-unit primary residence, a condominium, a manufactured home, or a planned unit development.
- The LTV ratio must not exceed 97%.

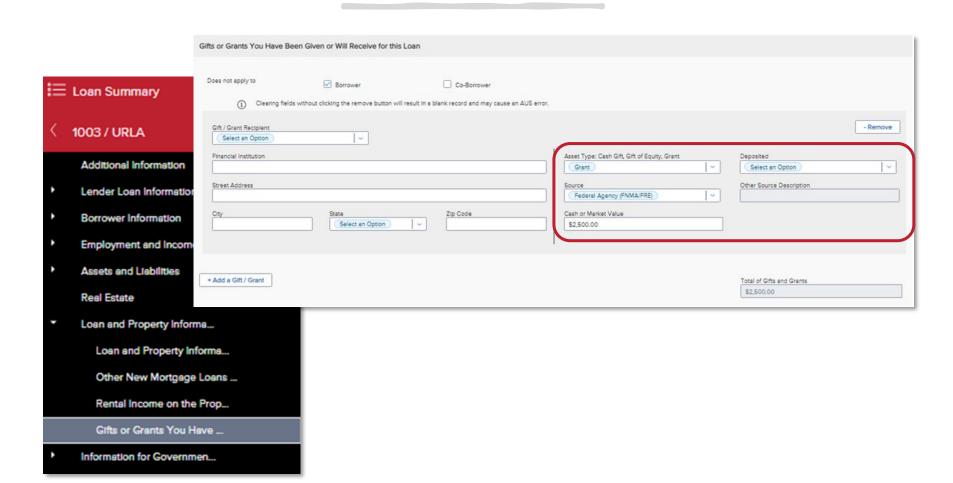
## Benefits

- Borrower can save money on their down payment and closing costs with the \$2,500 credit
- They can use the credit to help satisfy their minimum contribution requirement, which is 3% for Fannie Mae HomeReady and 3% or 5% for Freddie Mac Home Possible, depending on the property type and loan-to-value (LTV) ratio
- They can learn how to prepare for and sustain homeownership with online education and counseling

### How it works

- AUS identifies the loan qualifies for the VLIP Program
  - This loan casefile may be eligible towards Fannie Mae's Low-Income Purchase Goal. This goal includes owner-occupied, purchase, conventional mortgages where the total qualifying income is equal to or less than 80% of AMI where the property is located. (MSG ID 3143)
  - 29 This loan casefile may be eligible towards Fannie Mae's Very Low-Income Purchase Goal. This goal includes owner-occupied, purchase, conventional mortgages where the total qualifying income is equal to or less than 50% of AMI where the property is located. (MSG ID 3145)
- Broker adds it as a Grant to the URLA
- UW confirms the loan has met the income guidelines of 50% or lower of the AMI and the AUS shows approval
- Conditions are added for Closing & Funding

# Loan Manager Data Entry



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