



**VERY LOW-INCOME PURCHASE (VLIP)  
PROGRAM TRAINING**

# DISCLAIMER

- This training is for Mortgage Professional Use Only
- Information contained within this training is subject to change

# 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:***  
***2/28/2025***



# 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 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

28 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

**Loan Summary**

**1003 / URLA**

- Additional Information
  - Lender Loan Information
  - Borrower Information
  - Employment and Income
  - Assets and Liabilities
  - Real Estate
  - Loan and Property Information
    - Loan and Property Information
    - Other New Mortgage Loans ...
    - Rental Income on the Prop...
    - Gifts or Grants You Have ...**
    - Information for Governmen...

### Gifts or Grants You Have Been Given or Will Receive for this Loan

Does not apply to  Borrower  Co-Borrower

① Clearing fields without clicking the remove button will result in a blank record and may cause an AUS error.

Gift / Grant Recipient <input type="text" value="Select an Option"/>			<input type="button" value="- Remove"/>
Financial Institution <input type="text"/>	Asset Type: Cash Gift, Gift of Equity, Grant <input type="text" value="Grant"/>	Deposited <input type="text" value="Select an Option"/>	
Street Address <input type="text"/>	Source <input type="text" value="Federal Agency (FNMA/FRE)"/>	Other Source Description <input type="text"/>	
City <input type="text"/>	State <input type="text" value="Select an Option"/>	Zip Code <input type="text"/>	
Cash or Market Value \$2,500.00			
<input type="button" value="+ Add a Gift / Grant"/>			Total of Gifts and Grants \$2,500.00

# QUESTIONS

Reach out to your Account Executive or the Scenario Desk at [Scenarios@myndm.com](mailto:Scenarios@myndm.com)



*Thank You*