

# Comparing Low/No Down Payment Purchase Options

|  | VA   | USDA/<br>RURAL DEVELOPMENT   | REGIONS<br>AFFORDABLE 100  | REGIONS<br>AFFORDABLE 97   | FHA  |
|--|--|--|--|--|--|
| <b>Available Products &amp; Parameters</b> | Maximum financing available based on borrower's VA entitlement   | <ul style="list-style-type: none"> <li>Maximum loan amount up to Conforming Loan Limits</li> <li>Property located in <u>eligible rural area</u></li> </ul> | Maximum loan amount up to Conforming Loan Limits   |  | <u>Maximum loan amount</u> varies based on geographical limit per county*                      |
| <b>Borrower Eligibility</b>                | <ul style="list-style-type: none"> <li>Borrower must be retired (honorably discharged) or active duty veteran, remarried widows or widows possessing a Certificate of Eligibility</li> <li>Member of Reserves and National Guard</li> <li>Unmarried surviving spouse (veteran must have died on active duty or from a service connected disability)</li> </ul> | Property must be located in a USDA-designated rural area   | <ul style="list-style-type: none"> <li>Income cannot exceed 80% of HUD median income, unless located in <u>LMI Census Tracts</u></li> <li>Homebuyer education course required (free/online available)</li> <li>Must not own any other residential property at time of closing</li> </ul> |  | No ownership in any other FHA-insured property   |
| <b>Loan-to-Value</b>                       | Maximum 100% LTV   |  |  | <ul style="list-style-type: none"> <li>Maximum 97% LTV</li> <li>Minimum 3% down</li> </ul> | <ul style="list-style-type: none"> <li>Maximum 96.5% LTV</li> <li>Minimum 3.5% down</li> </ul> |
| <b>Borrower Contribution</b>               | Not required   |  | At least \$500   | 3% (can be gift)   | 3.5% (can be gift)   |
| <b>Mortgage Insurance</b>                  | <ul style="list-style-type: none"> <li>Funding Fee (up front)</li> <li>No monthly MI</li> </ul>  | <ul style="list-style-type: none"> <li>Up front Guarantee Fee</li> <li>Annual/monthly Guarantee Fee</li> </ul>   | None   |  | <ul style="list-style-type: none"> <li>Up front Premium</li> <li>Annual/monthly MI</li> </ul>  |
| <b>Occupancy</b>                           | Owner-occupied   |  |  |  |  |
| <b>Seller Contribution</b>                 | Maximum 4%   | Maximum 6%   | Maximum 4%   | Maximum 6%   |  |
| <b>Reserves</b>                            | Not required   |  | Not required (for DTIs up to 33/41)  |  | 2 months or total scorecard  |
| <b>Subordinate Financing</b>               | Permitted through a Regions-approved down payment assistance program (DPA)   |  |  |  |  |

