

FHA \$100 DOWN

PROGRAM SPECIFICATIONS	
Description	The \$100 Down sales incentive permits a Borrower to purchase a HUD REO Property with FHA-insured financing with a minimum downpayment of \$100. \$100 Down purchases may be processed as Section 203(b), Section(b) with Repair Escrow, or Section 203(k).
Channels	• Broker • Correspondent ○ Non-Delegated UW ○ Delegated UW
FICO	Minimum Qualifying Credit Scores: • 580 for all qualifying borrowers • 1 credit score required for all qualifying borrowers, • User the middle score if 3 credit scores, or • The lowest of the two if 2 credit scores. • Lowest representative score from all borrowers will be used for qualification purposes.
UW Method	• Total Scorecard ○ Desktop Underwriter (DU) ○ Loan Prospector (LPA)
AUS Recommendation	• Approve/Eligible – DU • Refer/Eligible - DU • Risk Class Accept – LPA • Risk Class Refer – LPA
Eligible Terms	• 10Yr., 15Yr., 20Yr., 25Yr., 30Yr. Fixed • 5/1 Hybrid ARM - Suspended 7/14/2022 until further notice
Eligible Transaction Types	• Purchase
Eligible Property Types	• 1-4 Unit Primary Residence • Manufactured Housing • FHA Approved Condos • PUDs
Maximum LTV/CLTV/HCLTV	\$100 Down
Maximum DTI	• Approve/Eligible or Risk Class Accept - Follow AUS • Refer/Eligible or Manual Underwriting – Follow FHA Guidelines
Maximum Mortgage Amount	Calculate the maximum mortgage amount by subtracting \$100 from the Adjusted Value
Sales Contract	Form HUD-9548, Sales Contract Property Disposition Program, and any applicable addenda, which will establish the purchase price, price discount, eligibility for \$100 Down is required and must meet the requirements for the Sales Contract.
Geographic Restrictions	• Hawaii ○ AFR does not operate in the state of Hawaii and does not permit loans with a subject property in Hawaii for all programs in all channels with the exception of Correspondent Delegated UW transactions. • AFR requires the use of AFR's Texas counsel on all Texas transactions with the exception of Correspondent Delegated loans. AFR utilizes this 3rd party for document preparation and require 48 hours for both title review and to generate a closing package.
4000.1	http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/handbook_4000-1
Forms	See FORMS Section in the Resource Center
OVERLAYS	
Follow all overlays outlined in the FHA 203(b) Program Matrix	