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HomeReady Borrower Contribution Requirement for 2-4 Unit Purchase Transactions Including a Grant

Truist Bank (Truist) aligns with Fannie Mae and revises the minimum borrower contribution requirement for HomeReady 2-4 unit primary residence, purchase transactions (with an LTV, TLTV, or HTLTV ratio greater than 80%) when the transaction includes a grant.

Effective Dates

This update is effective immediately for new loan applications on or after January 13, 2023.

Background Information

Fannie Mae SEL-2022-10 clarified borrower contribution requirements for HomeReady purchase transactions when there is a grant. In response to this publication, we identified the need to implement revisions for certain 2-4 unit primary residence transactions to align with Fannie Mae requirements.

Bulletin Details

HomeReady Borrower Contribution Requirement Revision

On HomeReady 2-4 unit primary residence, purchase transactions with an LTV, TLTV, or HTLTV ratio greater than 80%, when a grant is being provided as a part of the loan transaction, a 5% minimum contribution from the borrower's own funds is now required.

For all other HomeReady transactions, minimum borrower contribution requirements remain the same.

Before and After Matrix

[Click here](#) to see the before and after matrix that provides a detailed overview of all standard revisions.

Revised Material

Click [Fannie Mae HomeReady® and Freddie Mac Home Possible® Mortgages Standard](#) to review the revised product material.

Former Standards

See the before and after matrix provided in the Bulletin Details section of this bulletin to access the former standards.

Other Resources

Support Group	Description and Contact Information:
Correspondent Relations Coordinator	Specific questions on applying this procedure to specific loan files. Contact Correspondent Relations Coordinators at 800.382.2111, Option 1.
Product Support	Provides phone and email support on products, policies, and procedures as well as new product rollout and existing product enhancement. Contact Product Support at 800.382.2111, option 3.

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