

HFA Preferred incentive program on HomePath properties

Help your borrowers receive closing cost assistance

With the Fannie Mae's HFA Preferred™ incentive program on HomePath® properties, buyers can receive 6% in closing cost assistance toward the purchase of a HomePath property when they finance the home with an HFA Preferred conventional loan through their housing finance agency (HFA).

Borrower eligibility

To be eligible, buyers must:

- Purchase a Fannie Mae HomePath property as their primary residence. *
- Receive an HFA Preferred mortgage through a state HFA homebuyer program.
(HomePath properties purchased with an FHA, a USDA, or a VA loan are not eligible for the incentive.)

** Note: Owner occupants are those buyers who will occupy the property as their principal residence within 60 days of closing and will maintain their occupancy for at least 1 year. Owner-occupant purchasers are required to sign an Owner-Occupant Certification as a rider to the Real Estate Purchase Addendum. A buyer purchasing in the name of a trust, as a vacation/part-time residence, or so another person or relative can live in the property will typically be considered an investor and thus not eligible for this incentive.*

Instructions for HFAs and participating lenders

All offers will be reviewed by Fannie Mae's Internal Sales Team to ensure buyers receive the appropriate benefits. To ensure that offer response is streamlined, please use the following guidelines for submission:

- Direct eligible buyers to have their real estate professional use HomePath's online offer system to submit their initial offer to purchase a HomePath property.
- Advise applicants using HFA Preferred financing to identify their offer as public funds when submitting offers through HomePath and to request the HFA HomePath incentive. These applicants should select "Yes" when asked, "Does the buyer qualify for public funds and/or a down payment assistance program?"
- Provide applicants with a document identifying the funding source or program name.
This can include a letter or another authorization document naming the source of funds.
- Remind applicants to provide the specific name of the HFA program they are using to the Fannie Mae listing agent (e.g., Florida Housing Finance Corporation First-Time Homebuyer Program).

Questions?

Contact Fannie Mae's Public Entity Team: publicentity_reosales@fanniemae.com

