

# **Gifts – Mortgage Loan Program Comparison**

Gifts are a great way to help someone buy their first home or help a person get back on their feet after a life event. Loan programs vary slightly. This chart will help clear up the confusion for the buyer.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Fannie Mae | Freddie Mac | FHA | VA | USDA |
| Family Status Requirement | YES | YES | YES | NO | NO |
| Property Types | -Primary Residence-1-4 Units-Second Home-No Investment Property | -Primary Residence-1-4 Units-Second Home-No Investment Property | -Primary Residence-1-4 Units | Primary Residence | Primary Residence |
| Minimum Borrower Contribution | **LTV** $>80\%$0% on 1 Unit5%\* on 2-4 Unit5%\* Second Home**LTV** $\leq 80\%$0% 2-4 Unit 0% Second Home  | **LTV** $>80\%$0% on 1 Unit0% on 2-4 Unit5% Second Home**LTV** $\leq 80\%$0% 2-4 Unit or 0% Second Home  | None | None | None |
| Gift Allowed For | Closing Costs or Down payment – ***Outside of any Minimum Borrower Req.*****Note: IPC gift** **NOT Allowed for Down Payment** | Closing Costs or Down payment – ***Outside of any Minimum Borrower Req.*****Note: IPC gift NOT Allowed for Down Payment** | Closing Costs or Down Payment | Closing Costs or Down Payment | Closing Costs or Down Payment |

**­*\**** *Fannie Mae - If the borrower receives a gift from a relative or domestic partner who has lived with the borrower for the last 12 months, or from a fiancé or fiancée, the gift is considered the borrower’s own funds and may be used to satisfy the minimum borrower contribution requirement as long as both individuals will use the home being purchased as their principal residence.*

**Contact Me for Information or a Lunch & Learn on Gifts & Gifts of Equity!**

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"The information provided has been based on rules and regulations issued by Federal Agencies and interpreted for you by MortgageCurrentcy.com.

Interpretations are not guaranteed but we attempt to make them both easy to understand and help you sell more real estate.

Check with your local and state authorities to ensure that you meet all requirements and disclosures.