

Mortgage 1 Programs Booklet

*Pricing Enging also contains most investor specific program descriptions and product guidelines

** FGMC Programs - Minimum FICO Mortgage 1 will accept is 580 regardless of FGMC Matrices minimum FICO

Conventional Programs

[Conventional Fixed Rate](#)

[Fannie Mae No FiCO Fixed Rate](#)

[Freddie Mac No FICO Fixed Rate](#)

[Chase Libor ARMS \(See Knowledge Base or AllRegs for Product Info\)](#)

[Fannie 97% LTV](#)

[Freddie Mac Home One](#)

[Home Possible \(Freddie Mac 97%\)](#)

[Home Ready \(Fannie Mae\)](#)

[Investor 85% Rate & Term Refi](#)

[Wells Libor ARMS \(See Knowledge Base or AllRegs for Product Info\)](#)

FGMC Conventional Program Link**

FGMC programs include Fixed Rate

Huntington Doctors & Portfolio Programs (15 yr fixed & 3/1, 5/1, 7/1, & 10/1 ARMS)

Associated Bank Porfolio ARMS (5/1, 7/1, 10/1)

Northpointe Bank Porfolio ARMS (5/1, 7/1)

Freedom HomeStyle Renovation

Northpointe Expanded Access

[Amerihome ARMs](#)

[Caliber ARMs](#)

[Caliber Dr Program](#)

[Plaza Dr Program](#)

Fixed

Fixed

Fixed

ARM

Fixed

Fixed

Fixed

Fixed

Fixed

ARM

[FGMC Conventional Non-Delegated Matrices](#)

[In Knowledge Base](#)

[In Knowledge Base](#)

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[In Knowledge Base](#)

FHA Programs

[FHA Fixed Rate](#)

[FHA Fixed Rate for Disaster Victims \(203H\)](#)

[FHA Streamline Refi](#)

[FHA 5/1 ARM](#)

[Wells to Wells FHA Streamline Refi](#)

FGMC FHA Program Link**

FGMC Programs included Fixed, Streamline, & Score Alternative

Freedom 203K

US Bank 203K

Fixed

Fixed

Fixed

ARM

Fixed

[FGMC FHA Non-Delegated Matrices](#)

[In Knowledge Base](#)

[In Knowledge Base](#)

Rural Development Programs

[Rural Development Fixed Rate](#)

[RD Streamline Assist](#)

FGMC RD Program Link**

FGMC programs include Fixed, No Score & Streamline

Fixed

Fixed

[FGMC RD Non-Delegated Matrices](#)

VA Programs

[VA Fixed Rate](#)

[VA IRRRL](#)

FGMC VA Program Link**

FGMC programs include Fixed, & IRRRL

Fixed

Fixed

[FGMC VA Non-Delegated Matrices](#)

Jumbo and Portfolio Programs (AllRegs Login & Password Required)*

Available in AllRegs Investor Library

Caliber Products - ALL

Chase: Products - Non-Agency Fixed

Chase : Products - Non-Agency - ARMS

US Bank Jumbo

Wells Fargo - Seller Guide- Conv Elig. Products

Plaza Programs

[AllRegs Login](#)

[In Knowledge Base](#)

Program #603 & #623

Programs #755; #756; #757

AllRegs Login

Fixed : #900 ARMS: # 973; #974; #975

[In Knowledge Base](#)

Bond Programs (login and password required)

Michigan

Ohio

Florida

Texas

[MSHDA](#)

[Communities First](#)

[Florida Bond](#)

[SETH](#)



Conventional Fixed Rate

9/26/2018

| | 1 Unit | Primary | Second Home | Investor |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|
| Maximum LTV by Occupancy & Purpose | 1 Unit | | | |
| | Purchase | 95% | 90% | 85% |
| | Rate & Term | 95% | 90% | 85%* |
| | Cash Out | 80% | 75% | 75% |
| | 2 Unit | | | |
| | Purchase | 85% | N/A | 75% |
| | Rate & Term | 85% | N/A | 75% |
| | Cash Out | 75% | N/A | 70% |
| | 3 - 4 Unit | | | |
| | Purchase | 80%* | N/A | 75% |
| | Rate & Term | 80%* | N/A | 75% |
| | Cash Out | 75% | N/A | 70% |
| Maximum CLTV/HCLTV | (same as LTV - see above) Note max LTV is reduced by 5% when loan has subordinate financing | | | |
| Term | 30, 25, 20, 15 & 10 years; Odd terms 11-29 as well | | | |
| Minimum FICO | 620 | | | |
| Maximum Loan Amount | Agency Limits | | | |
| Subordinate Financing | New Subordinate Financing and Resubordination of Existing Subordinate Financing All subordinate financing must meet Fannie mae guidelines for payment, remaining term, etc. | | | |
| Mortgage Insurance | <= 80% - No MI required > 80% Standard Coverage MI required Monthly, Single Premium, Split, and Financed MI allowed LPMI allowed with pricing hits (uw dept will order MI for this option) Note: Single Premium MI is counted in Points and Fees | | | |
| Eligible Borrowers | US Citizens, Permant Residents. Non-permanent residents allowed (see Non Permanent Resident Grid in the Loan Placement Workbook) | | | |
| Occupancy | Primary Residence, Second Home, Investment Property | | | |
| Ineligible Property Type | Non-Warrantable Condo, Condotel, Co-op, | | | |
| Title | Fee simple title only. No leasehold estates, No life estate | | | |
| Escrow Waivers | LTV must be 80% or less for waiver of taxes AND insurance Loans with flood insurance must at least have flood insurance escrowed No waiver allowed for loans with monthly mortgage insurance | | | |
| Maximum Debt Ratio | Per AUS | | | |
| AUS Response | DU Approve/Eligible LP Findings with Accept/Eligible per underwriter discretion -maximum LTV/CLTV may No manual underwriting allowed | | | |
| Credit History | Significant Derogatory Credit must be recognized by DU and waiting periods must be met (see significant derogatory credit grid in Loan Placement Workbook) | | | |
| Non Arms Length | Not allowed for 2nd home or investment property. Primary residence may require AVM or review appraisal at underwriter discretion. | | | |
| Minimum Contribution | 1 unit Principal residence - borrower minimum contribution can come from gift funds. 2 unit Principal residence (with LTV > 80%) or Second homeborrower must contribute 5% of their own funds. Investment Property - all contribution must be borrower own funds | | | |
| Appraisal Requirements | Per Findings Condition rating of C5 or C6 are only acceptable if subject to repairs that will bring the property to a C4 level. | | | |
| Escrow Holdback for Repairs | Allowed for items that can not be completed due to weather. Non weather related items approved on exception basis only - see Loan Placement Workbook | | | |
| Multiple Financed Properties | Principal Residence = unlimited Investment and Second Home = Follow Agency Guidelines | | | |
| Significant Derogatory Credit | Follow Agency Guidelines | | | |
| Documentation | Per Findings | | | |
| HPML | All HPML loans must have escrows . HPML threshold is determined by adding APOR + 1.5 | | | |

Refer to the Loan Placement Workbook for Specific Loan Scenarios Not Covered on this Grid

*LP Findings required for 1 unit over 75%, 3-4 Units over 75%



Fannie Mae No FICO Fixed Rate

Revised 02/06/18

See Fannie Mae seller guide for full guidelines

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Loan Purpose | Purchase & Rate & Term Refinance Only No Cash Out Refis Allowed |
| Maximum LTV | If one borrower has a usable FICO - 97% maximum No borrower has a usable FICO - 90% maximum |
| Maximum CLTV/HCLTV | (same as LTV - see above) Note max LTV is reduced by 5% when loan has subordinate financing |
| Maximum Loan Amount | Agency Limits |
| Term | 30, 25, 20, 15 & 10 years |
| Minimum FICO | Must run a three merged credit report on all borrowers. This program can be utilized if one or more borrowers do not have a usable credit score. If one borrower has a credit score the minimum score allowed is 620 |
| Payment References - One borrower has a usable credit score | If the borrower with the credit score is contributing more than 50% of the qualifying income, no credit references are needed for the borrower without a credit score If the borrower with the credit score is NOT contributing more than 50% of the qualifying income you must provide 2 payment references (see below) for each borrower without a credit score |
| Payment References - All borrowers do not have a usable credit score (see selling guide B3-5.4-02 & 4-03 for details on reference types and documentation requirements) | Each borrower without a credit score must have 2 payment references from sources that require the borrower to make a periodic payment on a regular basis with intervals that are no longer than every 3 months At least one borrower must have a housing payment history with 0x30 lates for the most recent 12 months The payment history on non-housing references may not exceed 1x30. If multiple non-housing references are provided only one may have the 1 x 30, the rest must be 0 x 30 Each borrower must have no collections (excluding medical), judgements or tax liens for the most recent 24 months |
| AUS Response & Underwriting | DU Approve/Eligible Loan must be underwritten by Wells Fargo when non-traditional credit is needed. |
| Homebuyer Education | When all borrowers do not have a usable FICO score at least one borrower must participate in homeownership education before the note date |
| Subordinate Financing | New Subordinate Financing and Resubordination of Existing Subordinate Financing All subordinate financing must meet Fannie mae guidelines for payment, remaining term, etc. |
| Mortgage Insurance | <= 80% - No MI required > 80% Standard Coverage MI required Monthly, Single Premium, and Split, MI allowed LPMI allowed with pricing hits (uw dept will order MI for this option) Note: Single Premium MI is counted in Points and Fees |
| Eligible Borrowers | US Citizens, Permant Residents. Non-permanent residents allowed (see Non Permanent Resident Grid in the Loan Placement Workbook) |
| Occupancy | Primary Residence - 1 unit property only Non-Occupant Co-borrower NOT allowed |
| Ineligible Property Type | Non-Warrantable Condo, Condotel, Co-op, Manufactured Home, Florida Newly Converted Condos |
| Title | Fee simple title only. No leasehold estates, No life estate |
| Escrow Waivers | LTV must be 80% or less for waiver of taxes AND insurance Loans with flood insurance must at least have flood insurance escrowed No waiver allowed for loans with monthly mortgage insurance |
| Maximum Debt Ratio | 40% if no borrower has a FICO. Otherwise follow AUS. |
| Minimum Contribution | 1 unit Principal residence - borrower minimum contribution can come from gift funds. |
| Appraisal Requirements | Per Findings Condition rating of C5 or C6 are only acceptable if subject to repairs that will bring the property to a C4 level. |
| Escrow Holdback for Repairs | Allowed for items that can not be completed due to weather. Non weather related items approved on exception basis only - see Loan Placement Workbook |
| Documentation | Per the Fannie Mae Seller Guide |
| HPML | All HPML loans must have escrows and \$2500 minimum residual income or reserves equal to 3 months PITIA . Residual income less than \$800 is ineligible for financing. HPML threshold is determined by adding APOR + 1.5 |

Refer to the Loan Placement Workbook for Specific Loan Scenarios Not Covered on this Grid



Freddie Mac No FICO Fixed Rate

Revised 02/06/18

See Freddie Mac seller guide for full guidelines

| | |
|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| LTV and Purpose | Purchase & Rate & Term Refinance Only (NO cash out allowed) Maximum 95% LTV |
| Maximum CLTV/HCLTV | (same as LTV - see above) Note max LTV is reduced by 5% when loan has subordinate financing |
| Maximum Loan Amount | Agency Limits |
| Term | 30, 25, 20, 15 & 10 years |
| Minimum FICO | Must run a three merged credit report on all borrowers. This program can be utilized if one or more borrowers do not have a usable credit score. If one borrower has a credit score the minimum is 620 |
| Payment References - One borrower has a usable credit score | If the borrower with the credit score is contributing more than 50% of the qualifying income, no credit references are needed for the borrower without a credit score If the borrower with the credit score is NOT contributing more than 50% of the qualifying income you must provide 2 payment references (see below) for each borrower without a credit score |
| Payment References | Each borrower without a credit score must have 2 payment references from the United States. A joint reference can count for each borrower At least one borrower must have a housing payment history with 0x30 lates for the most recent 12 months The payment history on non-housing references may not exceed 1x30. If multiple non-housing references are provided only one may have the 1 x 30, the rest must be 0 x 30 Each borrower must have no collections (excluding medical), judgements or tax liens |
| AUS Response & Underwriting | LP Accept Loan must be underwritten by Wells Fargo when non-traditional credit is needed. |
| Homebuyer Education | When all borrowers do not have a usable FICO score at least one borrower must participate in homeownership education before the note date |
| Subordinate Financing | New Subordinate Financing and Resubordination of Existing Subordinate Financing All subordinate financing must meet Freddie Mac guidelines for payment, remaining term, etc. |
| Mortgage Insurance | <= 80% - No MI required > 80% Standard Coverage MI required Monthly, Single Premium, and Split MI allowed LPMI allowed with pricing hits (uw dept will order MI for this option) Note: Single Premium MI is counted in Points and Fees |
| Eligible Borrowers | US Citizens, Permant Residents. Non-permanent residents allowed (see Non Permanent Resident Grid in the Loan Placement Workbook) |
| Occupancy | Primary Residence - 1 unit property only Non-Occupant Co-borrower NOT allowed |
| Ineligible Property Type | Non-Warrantable Condo, Condotel, Co-op, Manufactured Home, No Florida Newly Converted Condos |
| Title | Fee simple title only. No leasehold estates, No life estate |
| Escrow Waivers | LTV must be 80% or less for waiver of taxes AND insurance Loans with flood insurance must at least have flood insurance escrowed No waiver allowed for loans with monthly mortgage insurance |
| Maximum Debt Ratio | Per AUS |
| Minimum Contribution | 1 unit Principal residence - borrower minimum contribution can come from gift funds. |
| Appraisal Requirements | Per Findings Condition rating of C5 or C6 are only acceptable if subject to repairs that will bring the |
| Escrow Holdback for Repairs | Allowed for items that can not be completed due to weather. Non weather related items approved on exception basis only - see Loan Placement Workbook |
| Documentation | Per the Freddie Mac Seller Guide |
| HPML | All HPML loans must have escrows and \$2500 minimum residual income or reserves equal to 3 months PITIA . Residual income less than \$800 is ineligible for financing. HPML threshold is determined by adding APOR + 1.5 |

Refer to the Loan Placement Workbook for Specific Loan Scenarios Not Covered on this Grid

| | Freddie Mac HomeOne Mortgage Program |
|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AUS Response & Underwriting | LPA Accept- At least one borrower must have a usable credit score |
| Loan Purpose | Purchase & Rate & Term Refinance Only |
| Maximum LTV | 97% LTV (If Refi, then max 95% LTV unless current loan being refinanced is owned by Freddie Mac) |
| Maximum CLTV/HCLTV | 105% TLTV (only with an affordable second as the secondary financing) |
| First Time Homebuyers | On Purchase transactions, at least one borrower must be a first time home buyer (as defined by no ownership interest (sole or joint) in a residential property during the three year period preceding the date of the purchase of the mortgage Premises) |
| Ownership in other residential Property | Permitted under standard agency guide terms |
| Loan Terms | 30, 25, 20, 15 & 10 years |
| Minimum FICO | Per AUS findings |
| Homebuyer Education | When all borrowers are first time homebuyers, at least one borrower must participate in homeownership education. The requirement may be fulfilled with Freddie Mac free online CreditSmart program or another acceptable homeownership education program |
| Mortgage Insurance | <ol style="list-style-type: none"> 1. Standard MI coverages apply(35% for LTVs >95%) 2. Monthly, Single Premium, and Split MI allowed 3. LPMI allowed with pricing hits (uw dept will order MI for this option) Note: Single Premium MI is counted in Points and Fees |
| Eligible Borrowers | US Citizens, Permant Residents. Non-permanent residents allowed (see Non Permanent Resident Grid in the Loan Placement Workbook) |
| Property Types | 1 Unit Only(NO Manufactured), including townhomes, condominium units(warrantable) and units in Planned Unit Developments(PUDS) |
| Occupancy | ALL borrowers must occupy the property as their primary residence (no NON Occupant Coborrowers allowed) |
| Title | Fee simple title only. No leasehold estates, No life estate |
| Maximum Debt Ratio | Per AUS findings |
| Income Limits | NO income Limits |
| Minimum Contribution | No Borrower Minimum Contribution is requiried - borrower minimum contribution can come from gift funds. |
| Appraisal Requirements | Per AUS findings. Must have conditon rating of C4. If rating is C5 or C6, then only acceptable if subject to repairs that will bring property to C4 rating. Please note that depending on type and amount of repairs, may be required to be done Prior to closing |
| Escrow Holdback for Repairs | Allowed for items that can not be completed due to weather. Non weather related items approved on exception basis only - see Loan Placement Workbook |
| All other guidelines | Follow Freddie Mac Guidelines for all other not addressed here |

Mortgage 1 Standard 97% LTV Program

Revised 02/06/18

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| | |
|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Findings | DU Version 9.3 - Approve/Eligible |
| LTV | 95.01 to 97% |
| CLTV | 95.01 to 97% (sub. Financing is NOT a Community Second) 95.01 to 105% (sub. Financing IS a Community Second) |
| Loan Purpose | Purchase |
| Occupancy | Owner Occupied Primary Residence |
| Non Owner Occupant CB Allowed | NO |
| Non-Borrower Income | NO |
| Term | 30 year Fixed Rate |
| Title | Fee simple only. No leasehold. No life estate |
| Property Type | 1 unit SFD, Fannie Eligible Condo or PUD NO Manufactured housing |
| First Time Homebuyer | At least one borrower must be a first-time home buyer, as indicated on the Uniform Residential Loan Application (Form 1003) in Section VIII., when at least one borrower responds "No" to Declaration M: "Have you had an ownership interest in a property in the last three years?" |
| Income Limits | No income limit requirements |
| Homebuyer Education & Counseling | Not required |
| Minimum Borrower Contribution | Not required - down payment can come from eligible gift funds per FNMA guidelines |
| Mortgage Insurance | 35% coverage required |
| Reserves | Per DU findings |
| Special Feature Code | 127 |
| 97% LTV FAQ | https://www.fanniemae.com/content/faq/97-ltv-options-faqs.pdf |

Mortgage 1 Home Possible

Revised 02/15/18

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| | |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Findings | Loan Prospector - Accept |
| LTV | 1 to 4 units - maximum 97% |
| CLTV | maximum 95% for institutional 2nds and 105% for community affordable 2nds |
| Minimum FICO | 620 |
| Loan Purpose | Purchase & No Cash-Out Refi |
| Term | 15, 20 & 30 year terms |
| Occupancy | Owner Occupied Primary Residence |
| Title | Fee simple only. No leasehold. No life estate. |
| Maximum DTI | determined by LP |
| Non Owner Occupant CB Allowed | NO |
| Property Type | 1 4 unit SFD, Freddie Eligible Condo or PUD Manufactured housing is eligible |
| First Time Homebuyer | Not required. See homebuyer education requirements if all borrowers are first time homebuyers |
| Income Limits | Borrowers annual income cannot exceed 100% of the area median income limits. All reported income that is verified and meets the criteria for stable monthly income must be used to qualify the borrower. Note: No income limit when the property is located in an underserved area determined by using the Freddie Mac Affordable Income and Property Eligibility Tool |
| Homebuyer Education & Counseling | If all borrowers are first time homebuyers at least one borrower must take homebuyer education that meets National Industry for Homeownership Education and Counseling standards. Eligible sources are HUD approved counseling agencies, Internet based MI company programs, or Freddie Mac Credit Smart program. For 2-4 unit properties at least one borrower is required to take landlord education |
| Ownership of Other Property | The borrower may not, as of the note date, have any ownership interest in any other residential properties. |
| Appraisal | Per AUS |
| Mortgage Insurance | 90.01 to 95.00% - 25% coverage for all terms 80.01 to 90.00 - standard coverage |
| Subordinate Financing/Gift | An Affordable Second that does not require a payment before the due date of the 61st payment under the Home Possible mortgage may be entered in Loan Prospector® in the "Total Gift Fund" field. In all other respects, the Affordable Second must be considered as secondary financing. |
| Minimum Borrower Contribution | Not required for 1 unit properties- down payment can come from eligible gift funds per Freddie Mac guidelines 2- 4 unit properties borrower must provide 3% of their own funds for LTV > 80% |
| Interested Party Contributions | > 90% - 3% > 75% up to 90% - 6% <75.01% - 9% |
| Reserves | determined by LP for 1 unit properties 2-4 unit properties require a minimum of 2 months reserves (can not be from gift) |
| Offering Identifier Code | 241 (Home Possible) select from dropdown on Freddie Mac Additional Data screen |

Mortgage 1 Home Ready Program

Revised 07-13-2018

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| | |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Findings | DU Approve/Eligible |
| LTV | 1 unit Purchase 97%; LCO Refi 95% (97% if Fannie owns current mtg) 2 unit - 85% Purchase or LCO Refi 3-4 unit 75% - Purchase or LCO Refi |
| CLTV | 97% (sub. Financing is NOT a Community Second) 105% (sub. Financing IS a Community Second) |
| Minimum FICO | 620 |
| Loan Purpose | Purchase or LCO Refi |
| Occupancy | Owner Occupied Primary Residence |
| Title | Fee simple only. No leasehold. No life estate. |
| Term | 10, 15, 20, and 30 year Fixed Rate |
| Non-Owner Occupant CB Allowed | Yes up to 95% LTV |
| Non-Borrower Household Income | Allowed for DTI > 45% to 50%. Must provide 30% of income (must document) and must certify will live with borrower for 12 months |
| Boarder Income | Permitted if with documentation of at least 9 of the most recent 12 months (averaged over 12 months) up to 30% of qualifying income. |
| Ownership of Other Property | Borrower is now allowed to have an ownership interest in another residential property. |
| Property Type | 1 - 4 unit SFD, Fannie Eligible Condo or PUD Manufactured housing is eligible to a max of 95% |
| First Time Homebuyer | Not Required |
| Income Limits | No income limits in low-income census tracts. 100% of area median income in all other census tracts. check income limits at https://homeready-eligibility.fanniemae.com/homeready/ |
| Homebuyer Education & Counseling | Homeownership education required prior to final approval for at least one borrower on all purchase transactions. Must be provided through either : 1) https://homeready.frameworkhomeownership.org/ 2) HUD approved counseling agency Homeownership education certificate must be retained in mortgage file. Charge is \$75 for Framework education (add to LE) |
| Previous Homebuyer Education | In lieu of the Framework Homeownership Education, pre-purchase education from a HUD approved counseling agency dated within the past six months can be accepted prior to September 30, 2016. |
| Minimum Borrower Contribution | 1 unit - Not required - down payment can come from eligible gift funds per FNMA guidelines 2-4 unit borrower needs 3% of their own funds for LTV/CLTV > 80% |
| Mortgage Insurance | LTV 90.01 - 97% - 25% coverage LTV 90.00 - standard MI coverage |
| Appraisal | Per DU findings |
| Ineligible Features | Can not be combined with HomeStyle or High Balance |
| Reserves | Per DU findings |
| Special Feature Code | SFC 900 will be required |
| Other Information | Link to FNMA HomeReady home page: https://www.fanniemae.com/singlefamily/homeready?cmpid=marghomeready0915 |
| HomeReady FAQ | https://www.fanniemae.com/content/faq/homeready-faqs.pdf |
| HomeReady/Standard/MCM comparison chart | https://www.fanniemae.com/content/tool/homeready-standard-mcm-comparison.pdf |

Investment 85% Rate & Term

Revised 02/15/18

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| | | |
|-------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Maximum LTV/CLTV by Occupancy & Purpose | Investment Property 1-4 unit Rate & Term Refi | 85%/85% |
| Term | 30, 25, 20, 15 & 10 years | |
| Minimum FICO | 620 | |
| Maximum Loan Amount | Agency Limits | |
| Title | Fee simple only. No leasehold. No life estate | |
| Subordinate Financing | New Subordinate Financing and Resubordination of Existing Subordinate Financing Allowed All subordinate financing must meet Freddie Mac guidelines for payment, remaining term, etc. | |
| Mortgage Insurance | <= 80 % - No MI required > 80% Standard Coverage MI required Monthly, Single Premium, Split, and Financed MI allowed LPMI allowed with pricing hits (uw dept will order MI for this option) Note: Single Premium MI is counted in Points and Fees | |
| Eligible Borrowers | US Citizens, Permant Residents. Non-permanent residents allowed Non Permanent Resident Grid in the Loan Placement Workbook) | (see |
| Ineligible Property Type | Non-Warrantable Condo, Condotel, Co-op | |
| Escrow Waivers | LTV must be 80% or less for waiver of taxes AND insurance May waive homeowners only up to 90% LTV Loans with flood insurance must at least have flood insurance escrowed No waiver allowed for loans with monthly mortgage insurance | |
| Maximum Debt Ratio | Per LP | |
| AUS Response | LP Accept /Eligible only (DU not allowed) No manual underwriting allowed | |
| Minimum Contribution | Gifts not allowed. Funds to close must be from borrower own funds | |
| Appraisal Requirements | Full 1004 Appraisal. Operating Income statement will be required if rental income is used to qualify | |
| Escrow Holdback for Repairs | Allowed for items that can not be completed due to weather. weather related items approved on exception basis only - see Loan Placement Workbook | Non |
| Multiple Financed Properties | Per Freddie Mac guidelines - maximum of 6. | |
| Signficant Derogatory Credit | Follow Freddie Mac Guidelines | |
| Documentation | Per Findings | |
| HPML | All HPML loans must have escrows and \$2500 minimum residual income or reserves equal to 3 months PITIA. Residual income less than \$800 is ineligible for financing. Investment property and 2nd home loans can not use reserve option and must have \$2500 residual income. HPML threshold is determined by adding APOR + 1.5 | |
| Refer to the Loan Placement Workbook for Specific Loan Scenarios Not Covered on this Grid | | |



FHA Fixed Rate

Revised 02-06-18

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| Maximum LTV/ CLTV | Purpose | LTV | CLTV |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Purchase | 96.50% | 96.50% However if secondary financing is provided by an instrumentality of the Government or a Government Agency: The CLTV is permitted to exceed 100% but may not exceed total cost to acquire(purchase price + closing costs + prepaids) |
| | Rate & Term | 97.75% | 97.75% of the lesser of the appraised value or the adjusted sales price |
| | Cash Out | 85.00% | 85.00% of the lesser of the appraised value or the adjusted sales price |
| Occupancy | Primary residence only | | |
| Non-Occupant Co-Borrower | Allowed - LTV limited to 75% for 2-4 unit properties | | |
| Title | Fee simple only. No leasehold. No life estate | | |
| Purpose | Purchase, Rate & Term, & Cash Out - See additional programs for streamline refinance offerings | | |
| Term | 30, 25, 20, & 15 years | | |
| Minimum FICO | 580 (see No FICO comparison grid if any borrower does not have a FICO) | | |
| Maximum Loan Amount | See FHA County Limits Web Page | | |
| Mortgage Insurance | See MIP Rates | | |
| Eligible Borrowers | US Citizens, Permant Residents. Non-permanent residents | | |
| Property Type | Single Family (1-4 units), FHA approved condo (attached, detached) or site condo. Manufactured housing only allowed for FICO >=620 | | |
| 3-4 unit properties | 3-4 units properties must meet self-sufficiency rental income eligibility requirements per FHA and require a minimum of 3 months reserves | | |
| Maximum Debt Ratio | Per AUS for Approve/Accept | | |
| AUS Response | DU Approve/Eligible or Refer/Eligible (manual underwriting allowed for FICO >= 620) LP Accept/Eligible or Refer/Eligible (manual underwriting allowed for FICO >= 620) | | |
| Credit History | Follow guidelines in 4000.1 for underwriting with TOTAL or manual underwriting Back to Work Program is not Allowed | | |
| DPA | See Loan Placement Workbook for acceptable DPA Providers | | |
| Appraisal Requirements | Full interior exterior appraisal (Fannie 1004 for single family detached, Fannie 1073 for attached, detached, and site condos) | | |
| Case Numbers | Must be ordered AFTER application date. If case number is transferred from another lender you must provide evidence of the transfer Single Family - 703; Condos (including site) 734 (must notate site condo when ordering) | | |
| HUD REO | New appraisal required. Request copy of Property Condition Report (PCR). Compare repairs and estimate on PCR to appraisal. Must have all repairs addressed. Bids needed if PCR & Appraisal do not match Repairs may be financed if PA allows (must show amount or TBD) . Note: Seller concessions will not cover tax prorations - these must be paid by the borrower. | | |
| Property Flips | Flips 91 to 180 days with a 100 percent (100%) increase in sales price require a second appraisal Less than 100% increase may require a 2nd appraisal based upon underwriter discretion> Days for flip count go from previous sale date to new (bottom lined) purchase agreement date | | |
| Links for HUD Guidelines | Handbook 4000.1 FAQ | | |

Refer to the Loan Placement Workbook for Specific Loan Scenarios Not Covered on this Grid

Case Numbers pulled on or after January 26, 2015 (applies to loans amounts less than or equal to \$625,500)

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| Annual Mortgage Insurance Premium Factors | | |
|-------------------------------------------|-------|------------|
| Calculated on base mortgage amount | | |
| Any loan purpose | | |
| Endorsement date >= 6/1/2009 | | |
| Loan Terms > 15 years | | |
| | | |
| LTV | UFMIP | Annual MIP |
| <= 95% | 1.75% | 0.80% |
| > 95% | 1.75% | 0.85% |
| Loan Terms <=15 years w/LTV >78% | | |
| | | |
| LTV | UFMIP | Annual MIP |
| <= 90% | 1.75% | 0.45% |
| >90% | 1.75% | 0.70% |

| Annual Mortgage Insurance Premium Factors | | |
|-------------------------------------------|-------|------------|
| Calculated on base mortgage amount | | |
| STREAMLINE REFIS | | |
| Endorsement date < 6/1/2009 | | |
| Loan Terms > 15 years | | |
| | | |
| LTV | UFMIP | Annual MIP |
| ANY | 0.01% | 0.55% |
| Loan Terms <=15 years w/LTV >78% | | |
| | | |
| LTV | UFMIP | Annual MIP |
| ANY | 0.01% | 0.55% |

| Annual MIP Cancellation Chart | |
|-----------------------------------------------------------------------------------------------------------------------------------|--|
| | |
| LTV > 90.00% | |
| <ul style="list-style-type: none"> • Annual MIP will be charged for the lesser of 30 years or the term of the loan | |
| LTV <= 90.00% | |
| <ul style="list-style-type: none"> • Annual MIP will be charged for the lesser of 11 years or the term of the loan | |



FHA Fixed Rate for Disaster Victims

Revised 10-16-17

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| | | | |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|------|
| Maximum LTV/CLTV (no minimum investment required) | Purpose | LTV | CLTV |
| | Purchase | 100.00% | 100% |
| Application Deadline | Application date must be within 1 year of Presidentially Declared Major Disaster (PDMD). Provide printout from FEMA website. | | |
| Occupancy | Primary residence only | | |
| Title | Fee simple only. No leasehold. No life estate | | |
| Purpose | Purchase Only | | |
| Term | 30 Years | | |
| Minimum FICO | 640 | | |
| Maximum Loan Amount | See FHA County Limits Web Page | | |
| Mortgage Insurance | See MIP Rates | | |
| Eligible Borrowers | US Citizens, Permanent Residents. Non-permanent residents | | |
| Program Code in FHA Connection | Input Program Code 02 when ordering the case number to indicate 203h | | |
| Previous Residence Requirements | Documentation must be provided to evidence that the previous residence (owned or rented) must have been located in a PDMDA and destroyed or damaged to such an extent that reconstruction or replacement is necessary. | | |
| Property Type | Single Family or FHA approved condo (attached, detached) or site condo. Manufactured housing is NOT allowed | | |
| Maximum Debt Ratio | Per AUS for Approve/Accept or 50% for manual under | | |
| AUS Response | DU Approve/Eligible or Refer/Eligible Can be Approve/Ineligible if ineligible is only for minimum investment. LP Accept/Eligible or Refer/Eligible Can be Approve/Ineligible if ineligible is only for minimum investment. | | |
| Credit History/Housing History | For borrowers with derogatory credit, including derogatory housing payments, the mortgage may consider the borrower a satisfactory credit risk if the credit report indicates satisfactory credit prior to the disaster, and any derogatory credit subsequent to the disaster is related to the effects of the disaster. The housing payment history prior to the disaster can not be more than 1x30 for an approve/eligible. For manual underwriting it must meet manual underwriting guidelines prior to the date of the disaster | | |
| Liabilities/Previous Residence | The Mortgagee may exclude the mortgage payment on the destroyed residence located in a PDMDA from the borrowers liabilities. To exclude the payment you must document that: 1) The borrower is currently working with the servicing mortgagee on the destroyed/damaged residence to appropriately address their mortgage obligation AND 2) Any property insurance proceeds will be applied to the mortgage on the destroyed/damaged house. | | |
| Income Eligibility | The mortgagee may also include short-term employment obtained following the disaster in the calculation of effective income. | | |
| Appraisal Requirements | Full interior exterior appraisal (Fannie 1004 for single family detached, Fannie 1073 for attached, detached, and site condos) | | |
| Case Numbers | Must be ordered AFTER application date and within 1 year of the disaster declaration. If case number is transferred from another lender you must provide evidence of the transfer Single Family 703; Condos 734 (need condo ID or notate site) Select Program Code 02 for the 203 H disaster program | | |
| Property Flips | Flips 91 to 180 days with a 100 percent (100%) increase in sales price require a second appraisal Less than 100% increase may require a 2nd appraisal based upon underwriter discretion. Days for flip count go from previous sale date to new (bottom lined) purchase agreement date | | |
| Links for HUD Guidelines | Handbook 4000.1 | | |
| | FAQ | | |

FHA Streamline Refi

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| | |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revised 05/01/17 | |
| Current Servicer | Any Servicer |
| Maximum LTV | n/a (see maximum mortgage section below) |
| Maximum CLTV/HCLTV | per HUD guidelines. Loans containing a partial claim note are limited to 100% CLTV |
| MIN FICO | 640 |
| TERM | 30 year term only |
| Net Tangible Benefit | A Net Tangible Benefit is a reduced Combined Rate, a reduced term, and/or a change from an ARM to a fixed rate Mortgage that results in a financial benefit to the Borrower. Combined Rate refers to the interest rate on the Mortgage plus the Mortgage Insurance Premium (MIP) rate. See Handbook 4000.1 II.A.8.d.vi.(C)(4)(c) |
| Maximum Mortgage Amount | Streamline Refinance <u>WITHOUT</u> an Appraisal: Maximum Mortgage Amount = Unpaid Principal Balance – (the lesser of unused UFMIP refund or new UFMIP) + new Upfront MIP |
| | Note: On Primary Residence transactions only, the Unpaid Principal Balance may include interest charged by the servicing lender when the payoff is not received on the first day of the month but may not include delinquent interest, late charges or escrow shortages. <u>Streamline Refinance WITH an Appraisal: NOT ALLOWED - This is now a SIMPLE REFI (standard FHA program guides apply)</u> |
| Subordinate Financing | No new subordinate financing allowed Existing subordinate financing must be resubordinated (see max CLTV) |
| Mortgage Insurance | See MIP Chart in standard FHA Fixed Program |
| Eligible Borrowers | A borrower may be added, provided both the original and new borrower credit qualify for the refinance Non-qualifying individuals may be added to the title only on a streamline refinance without credit worthiness review and triggering the due-on-sale clause A borrower may be deleted provided a least one original borrower remains and credit qualifies for the loan |
| Occupancy | Primary Residence, Second Home and Non-Owner Occupied |
| Title | Fee simple only. No leasehold. No life estate |
| Eligible Property Type | Single Family Detached or Condo (HUD approved or previously HUD approved) |
| Property Listed for Sale | Must be off market 1 day prior to application |
| Mortgage Payment History | Must be 0x30 for lesser of life of loan or last 12 months (applies to all mortgages on borrower's credit report not just subject property) |
| Derogatory Credit | Follow FHA guidelines for seasoning |
| Maximum Financed Properties | Maximum of 4 financed properties including subject property |
| AUS Response | No AUS required |
| Documentation | Non - Credit Qualifying - No income docs required. Must document any assets required for closing Credit Qualifying - Need full income and asset documentation Provide copy Note and payment breakdown on existing loan FHA Connection - Case query on previous loan to show endorsement date. Refi Netting Authorization. CAIVR |
| Maximum Cash Back | Can not exceed \$500 |

5/1 FHA ARM

Revised 05/01/17

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| | |
|--------------------------|-------------------------------------------------------|
| Maximum LTV | 96.5% - Purchase 97.75 Refinance |
| TERM | 30 Years |
| Transaction Type | Purchase and Rate and Term Refinance |
| Subordinate Financing | No new subordinate financing allowed |
| Qualifying Rate | Note Rate |
| Minimum Credit Score | 640 |
| Mortgage Insurance | Standard MIP Requirements |
| Occupancy | Primary Residence |
| Title | Fee simple only. No leasehold. No life estate |
| Ineligible Property Type | Non-FHA Approved Condos, Manufactured Housing, Co-Ops |
| Escrow Waivers | Not Available |
| Maximum Debt Ratio | 43% |
| AUS Response | Must be Approve/Eligible |
| Appraisal Requirements | FHA Appraisal |
| Documentation | full income and asset documentation is required. |
| ARM Margin | 2% |
| ARM Floor | 2% |
| ARM CAPS | 1%/1%/5% |
| Index | 1 YR Treasury Security |

Wells to Wells - Non Credit Qualifying FHA Streamline

Revised 5/01/2017

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| | |
|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Current Servicer | CURRENT LOAN MUST BE SERVICED BY WELLS FARGO |
| Maximum LTV | n/a (max mtg calc per HUD guidelines) |
| Maximum CLTV/HCLTV | 125% |
| TERM | 30, 15 |
| Net Tangible Benefit | <p>A Net Tangible Benefit is a reduced Combined Rate, a reduced term, and/or a change from an ARM to a fixed rate Mortgage that results in a financial benefit to the Borrower.</p> <p>Combined Rate refers to the interest rate on the Mortgage plus the Mortgage Insurance Premium (MIP) rate.</p> <p>See Handbook 4000.1 II.A.8.d.vi.(C)(4)(c)</p> |
| Maximum Mortgage Amount | <p>Streamline Refinance <u>WITHOUT</u> an Appraisal: Maximum Mortgage Amount = Unpaid Principal Balance – (the lesser of unused UFMIP refund or new UFMIP) + new Upfront MIP</p> <p>Note: On Primary Residence transactions only, the Unpaid Principal Balance may include interest charged by the servicing lender when the payoff is not received on the first day of the month but may not include delinquent interest, late charges or escrow shortages.</p> <p><u>Streamline Refinance WITH an Appraisal: NOT ALLOWED - This is now a SIMPLE REFI (standard FHA program guides apply)</u></p> |
| Subordinate Financing | <p>No new subordinate financing allowed</p> <p>Existing subordinate financing must be resubordinated (see max CLTV)</p> |
| Mortgage Insurance | See Mortgage 1 FHA Streamline Refi Program for Factors |
| Eligible Borrowers | Borrower must be exactly the same as on the current loan. |
| Occupancy | Primary Residence and Investment Property |
| Title | Fee simple only. No leasehold. No life estate |
| Eligible Property Type | Single Family Detached or Condo (HUD approved or previously HUD approved) |
| Minimum Credit Score | 640 |
| Mortgage Payment History | Must be 0x30 for lesser of life of loan or last 12 months |
| AUS Response | DO NOT RUN FINDINGS |
| Documentation | <p>Document any assets required for closing</p> <p>signed 4506-T (transcripts not required)</p> <p>1003 - Employment, Income can be blank. Complete asset section if borrower needs funds at closing. Input mortgage liability(s) only in liabilities section</p> <p>Provide copy of Note for existing loan</p> <p>FHA Connection - Case query on previous loan to show endorsement date.</p> <p>Refi Netting Authorization. CAIVR</p> |
| Maximum Cash Back | Can not exceed \$500 |



Rural Development Guaranteed Rural Housing (GRH)

6/27/2018

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| | |
|------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Minimum/Maximum Loan Amount | Minimum \$30,000.00 and Maximum County Loan Limits |
| Term | 30 year only |
| LTV | Maximum 100% based on appraised value + financed guarantee fee |
| Ratios | 29/41 (excessive ratios require a ratio waiver with 1 compensating factors documented) or GUS Accept/Eligible |
| Property | New Dwellings: stick built or modular or manufactured Existing: stick built, modular, and condominiums |
| Title | Fee simple only. No leasehold. No life estate. |
| Borrowers | Not restricted to 1st time homebuyers |
| Appraisal | Existing Dwellings must be certified that it meets HUD requirements Condominiums must meet FNMA, FHLMC, HUD, or VA approval standards Manufactured: cannot have been moved; no additions to structure after initially affixed |
| Credit Report | Tri-merged Mortgage Credit Report |
| Credit Score | 581 minimum (at least one borrower must have 2 tradelines with 12 month history to validate score or must be manually downgraded); Scores below 640 will need to have the credit worthiness manually reviewed even with accept findings |
| Credit History | Applicant(s) must not be currently delinquent on any debts owed to the Federal Government Deferred student loans cannot be omitted and must be at minimum payment reports or at 1% of balance as reported on credit report when no payment shown. If not Gus Accept, Chapter 7 discharged 3 years/Chapter 13-At least 1 year on time payout on plan Foreclosure/Pre-Foreclosure /Short sale completed 3 years ago CAIVRS must be clear and documented on the application |
| Income | Applicants "Eligibility Income" may not exceed the moderate income level listed by Rural Development. Annual eligibility income included all income received by the applicant, co-applicant and all other adult members of the household. Non taxable income may be grossed up by the applicable federal tax rate, 125% is the standard Rate |
| Income Eligibility Calculator by County | http://eligibility.sc.egov.usda.gov/eligibility/incomeEligibilityAction.do |
| Required Documentation | Fully document per handbook 3555 |
| Other Eligibility Issues | The applicant cannot own adequate housing in the local commuting area or currently have an RD Loan Assets in excess of \$5,000.00, not utilized in transaction, are subject to an interest earning calculation, which is added to the annual income for eligibility income limit purpose Applicant(s) must be a citizen of the United States or be admitted for permanent residency The applicant must have the potential ability to occupy the house as their primary residence The applicant must not have sufficient assets to obtain other tradition conventional financing (20% down payment) plus be able to pay for closing costs and have ratios within 28/36 |
| RD Gaurantee Fee Calculator | Link to calculator |
| RD Factors | 1.00 % up front fee (may be added to loan amount) .35 % annual fee |
| Origination Fee | Origination fee is maxed at 1% of the loan amount. |
| Discount Points | Discount points used to reduce rate are eligible to be financed for all applicants (cannot exceed 2%) |
| GUS | Utilized on all loans and to be placed in efolder at time of submission |
| Well and Septic | |
| Water Test Requirements | Water Tests required if Non Public Water source (private well, shared or community well). Must test for Coliform, Nitrates, and Nitrites |
| Document Expiration Date | 120 days |

**Please refer Handbook 3555 in AllRegs for additional credit, income, assets, property, etc requirements



Rural Development
Guaranteed Rural Housing (GRH)

6/27/2018

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| | |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Minimum/Maximum Loan Amount | Minimum \$30,000.00 and Maximum County Loan Limits |
| Term | 30 year only |
| LTV | Maximum 100% based on appraised value + financed guarantee fee |
| Ratios | 29/41(excessive ratios require a ratio waiver with 1 compensating factors documented) or GUS Accept/Eligible |
| Property | New Dwellings: stick built or modular or manufactured |
| | Existing: stick built, modular, and condominiums |
| Title | Fee simple only. No leasehold. No life estate. |
| Borrowers | Not restricted to 1st time homebuyers |
| Appraisal | Existing Dwellings must be certified that it meets HUD requirements |
| | Condominiums must meet FNMA, FHLMC, HUD, or VA approval standards |
| | Manufactured: cannot have been moved; no additions to structure after initially affixed |
| Credit Report | Tri-merged Mortgage Credit Report |
| Credit Score | 581 minimum(at least one borrower must have 2 tradelines with 12 month history to validate score or must be manually downgraded); Scores below 640 will need to have the credit worthiness manually reviewed even with |
| Credit History | Applicant(s) must not be currently delinquent on any debts owed to the Federal Government |
| | Dererred student loans cannot be omitted and must be at minimum payment reports or at 1% of balance as reported on credit report when no payment shown |
| | If not Gus Accept, Chapter 7 discharged 3 years/Chapter 13-At least 1 year on time payout on plan |
| | Foreclosure/Pre-Foreclosure /Short sale completed 3 years ago |
| | CAIVRS must be clear and documented on the application |
| Income | Applicants Eligibility income may not exceed the moderate income level listed by Rural Development. Annual eligibility income included all income received by the applicant, co-applicant and all other adult members of the Non taxable income may be grossed up by the applicable federal tax rate, 125% is the standard Rate |
| Income Eligibility Calculator by County | http://eligibility.sc.egov.usda.gov/eligibility/incomeEligibilityAction.do |
| Required Documentation | Fully document per handbook 3555 |
| Other Eligibility Issues | The applicant cannot own adequate housing in the local commuting area or currently have an RD Loan |
| | Assets in excess of \$5,000.00, not utilized in transaction, are subject to an interest earning calculation, which is added to the annual income for eligibility income limit purpose |
| | Applicant(s) must be a citizen of the United States or be admitted for permanent residency |
| | The applicant must have the potential ability to occupy the house as their primary residence |
| | The applicant must not have sufficient assets to obtain other tradition conventional financing (20% down payment) plus be able to pay for closing costs and have ratios within 28/36 |
| RD Gaurantee Fee Calculator | Link to calculator |
| RD Factors | 1.00 % up front fee (may be added to loan amount) .35 % annual fee |
| Origination Fee | Origination fee is maxed at 1% of the loan amount. |
| Discount Points | Discount points used to reduce rate are eligible to be financed for all applicants (cannot exceed 2%) |

| | |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| GUS | Utilized on all loans and to be placed in efolder at time of submission |
| Well and Septic | |
| Water Test Requirements | Water Tests required if Non Public Water source (private well, shared or community well). Must test for Coliform, Nitrates, and Nitrites |
| Document Expiration Date | 120 days |
| | |
| | **Please refer Handbook 3555 in AllRegs for additional credit, income, assets, property, etc requirements |



VA Fixed Rate

Revised 02-15-18

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| | | | | |
|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------|-----------------------|
| Maximum LTV/ CLTV Note: LTV and CLTV limits are calculated using base loan amount and do not include VA funding fee | Purpose | LTV | CLTV | |
| | Purchase | 100.00% | 100% | |
| | Cash Out (all non IRRRL are considered cash out) | 100.00% | 100% | |
| Occupancy | Primary residence only | | | |
| Title | Fee simple only. No leasehold. No life estate | | | |
| Purpose | Purchase, & Cash Out (must be paying off current mortgage) additional programs for interest rate reduction refinance loans | | | See |
| Term | 30 & 15 years | | | |
| County Loan Limits | http://benefits.va.gov/homeloans/purchaseco_loan_limits.asp | | | |
| Maximum Loan Amount | For loan amounts that exceed the current VA county loan limit, the amount of the entitlement plus the down payment must equal 25% of the lesser of the property's reasonable value or the purchase price | | | |
| VA Funding Fee | Purchase Loans | | | |
| | Type of Veteran | Downpayment | First Time Use | Subsequent Use |
| | Regular Military | none | 2.15% | 3.3%* |
| | | 5 to 9.99% | 1.50% | 1.50% |
| | Reserves or National Guard | 10% or more | 1.25% | 1.25% |
| | | none | 2.40% | 3.3%* |
| | Reserves or National Guard | 5 to 9.99% | 1.75% | 1.75% |
| | | 10% or more | 1.50% | 1.50% |
| | Cash Out Refinance | | | |
| | Type of Veteran | Downpayment | First Time Use | Subsequent Use |
| Regular Military | NA | 2.15% | 3.3%* | |
| Reserves/National Guard | NA | 2.40% | 3.3%* | |
| * Higher subsequent use percentage does not apply if the veteran's only prior use of entitlement was for a manufactured home | | | | |
| Eligible Borrowers | Must be a Veteran who has received a Certificate of Entitlement | | | |
| Property Type | Single Family (1 - 4 units), VA approved condo (attached, detached, or site) Manufactured housing only allowed for FICO >= 620 VA approved condo list: http://condopudbuilder.vba.gov/2.2/frames.html | | | |
| Maximum Debt Ratio | Per AUS for Approve/Accept however DTI > 41% will require 120% residual income | | | |
| Multi-Unit Properties | cash reserves totaling at least 6 months mortgage payments (principal, interest, taxes, and insurance - PITI), AND documentation of the applicant's prior experience managing rental units or other background involving both property maintenance and rental. | | | |
| AUS Response | DU Approve/Eligible or Refer/Eligible (manual underwriting allowed only if FICO is >= 620) LP Accept/Eligible or Refer/Eligible (manual underwriting allowed only if FICO is >= 620) | | | |
| Credit History | follow VA guidelines | | | |
| Residual Income | See tab | | | |
| Compensating Factors | see tab for allowable compensating factors | | | |
| Gifts | Gift must be from relative or close personal relationship. Relationship must be documented if donor does not share the same surname with the borrower. | | | |
| Seller Concessions | Seller can pay borrower costs and prepaids without limit. Additional items paid for by the seller are limited to 4% | | | |
| Unallowable Fees | See unallowable fee tab . Note that purchase agreement must separately identify fees in last section (Veteran Can VA unallowable fees must have specific lender or seller credits in the actual fee to pass Mavent) | | | |
| Appraisal Requirements | Full interior exterior appraisal . Order as IND from VA website | | | |
| Multiple Financed Properties | Maximum of 4 financed properties | | | |
| Refer to the Loan Placement Workbook for Specific Loan Scenarios Not Covered on this Grid | | | | |

Table of Residual Incomes by Region
For loan amounts of \$79,999 and below

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| Family Size | Northeast | Midwest | South | West |
|-------------|--------------------------------------------------------------|---------|-------|---------|
| 1 | \$390 | \$382 | \$382 | \$425 |
| 2 | \$654 | \$641 | \$641 | \$713 |
| 3 | \$788 | \$772 | \$772 | \$859 |
| 4 | \$888 | \$868 | \$868 | \$967 |
| 5 | \$921 | \$902 | \$902 | \$1,004 |
| over 5 | Add \$75 for each additional member up to a family of seven. | | | |

Table of Residual Incomes by Region
For loan amounts of \$80,000 and above

| Family Size | Northeast | Midwest | South | West |
|-------------|-------------------------------------------------------------|---------|---------|---------|
| 1 | \$450 | \$441 | \$441 | \$491 |
| 2 | \$755 | \$738 | \$738 | \$823 |
| 3 | \$909 | \$889 | \$889 | \$990 |
| 4 | \$1,025 | \$1,003 | \$1,003 | \$1,117 |
| 5 | \$1,062 | \$1,039 | \$1,039 | \$1,158 |
| over 5 | Add \$80 for each additional member up to a family of seven | | | |

Key to Geographic Regions Used in the Preceding Tables

| | | | |
|------------------|----------------------|-----------------|----------------|
| Northeast | Connecticut | New Hampshire | Pennsylvania |
| | Maine | New Jersey | Rhode Island |
| | Massachusetts | New York | Vermont |
| Midwest | Illinois | Michigan | North Dakota |
| | Indiana | Minnesota | Ohio |
| | Iowa | Missouri | South Dakota |
| | Kansas | Nebraska | Wisconsin |
| South | Alabama | Kentucky | Puerto Rico |
| | Arkansas | Louisiana | South Carolina |
| | Delaware | Maryland | Tennessee |
| | District of Columbia | Mississippi | Texas |
| | Florida | North Carolina | Virginia |
| | Georgia | Oklahoma | West Virginia |
| West | Alaska | Hawaii | New Mexico |
| | Arizona | Idaho | Oregon |
| | California | Montana | Utah |
| | Colorado | Nevada | Washington |
| | | | Wyoming |

Allowable Compensating Factors for VA loans

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low debt-to-income ratio,
excellent credit history,
sizable down payment,
conservative use of credit,
small increase in housing expense,
significant liquid assets,
military benefits,
high residual income,
long-term employment, and
previous satisfactory home ownership experience.

*****Note: a compensating factor does NOT automatically overcome any negative aspects of the application. Careful scrutiny will be applied.***

Mortgage 1 Inc. VA IRRRL Program

Revised 6/26/18

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| | |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Appraisal | None required |
| MIN FICO | 620 |
| Max LTV/CLTV | 100% before VA Funding Fee |
| Funding Fee | 0.50% |
| Credit Report | Tri-Merged |
| Required Net Tangible Benefit | Payment must Decrease. Must complete Old Vs. New Comparison Form (in Encompass) Minimum of .50% reduction in rate for fixed rate to fixed rate refi. |
| Closing Costs Paid by Borrower | fees paid by borrower must be recouped within 36 months or loan must be done as a full credit qualify (note Mavent report will show this as HPML) |
| Discount Points | An Appraisal will be required to determine value/LTV if discount points are charged. Maximum LTV with up to 1 discount point is 100%. Maximum LTV with more than 1 discount point is 90% |
| Term | 30, 20, and 15 year terms Maximim term allowed is lesser of 30 years or remaining term of current loan plus 10 years |
| Occupancy | Primary Residence Second home or investment property allowed with evidence it was previously owner occupied |
| Eligible Properties | 1-4 Family SFD, VA Approved Condo, Manufactured Housing |
| Seasoning | Regardless of servicer 6 months history on current mortgage with 0 x 30. Loans seasoned less than 6 months are not eligible Loan must be seasoned 210 days after the first payment date and 6 monthly payments must have been made |
| Mortgage lates | No lates in previous 6 months |
| Cash Back to Borrower | Maximum of \$500 |
| CAIVR | Clear CAIVR check required |
| Rate Spread/HMPL | Can not be HPML loan |
| AUS Findings | <i>DO NOT RUN FINDINGS</i> |
| 1003 | List employer information but do not input income |
| Verbal VOE | Required |
| Asset Documentation | If borrower needs funds to close provide 2 months (60 days) asset statements |