Owner Occupied			
Loan Amount	**Max DTI**	**FICO**	**CLTV**
$125,000 - $1,000,000	**45/50%**	**740**	80%
		720	75%
		700	70%
		680	65%
$1,000,001 - $1,500,000	**45/50%**	**740**	75%
		720	75%
		700	70%
		680	65%

Guidelines	
Appraisal Requirements	• Appraisal Form - Must be UAD compliant. Either UAD 2.6 legacy forms (1004, 1073, 1025) or UAD 3.6 (URAR) is acceptable. • FNMA Form 1004, 1073 with interior/exterior inspection. • Fannie SSR < 2.5 • CDA required if CU score is ≥ 2.5
Assets	• As per guidelines
Credit Event Seasoning	• 48 months - Foreclosure, short-sale, deed in lieu, bankruptcy. No multiple events in last 7 years. • Max LTV 75% when a credit event is present regardless of seasoning
Credit Score	• Credit Score Model- Classic FICO® only. VantageScore® 4.0 and FICO® Score 10T are ineligible. • Lowest of 2 scores, middle of 3 scores. Qualifying score is lowest of all borrowers. • Non-traditional credit ineligible.

Declining Markets - > 65% LTV	• In balance
	  ○ -5% if under 3 months marketing time
	  ○ -10% if ≥ 3 months marketing time
	• Shortage
	  ○ -5% if ≤ 6 months marketing time
	• Oversupply
	  ○ -10% if > 6 months marketing time

Derogatory Credit	• Judgements, Garnishments and Liens:
	  ○ The borrower is required to pay-off all open judgements, garnishments, and liens (including mechanics liens or material men's liens) prior to the loan closing.
	• Collection Accounts and Charge-offs do not have to be paid in full if the following applies:
	  ○ Collections and charge-offs < 24 months old with a maximum cumulative balance of $2,000
	  ○ Collections and charge-offs ≥ 24 months old with a maximum of $2,500 per occurrence
	  ○ Collections and charge-offs that have passed beyond the statute of limitation for that state (supporting documentation required) 19
	  ○ All medical collections
	  ○ Exception: IRS repayment plans with 3 months history of payments may remain unpaid.
	• All Past Due Accounts must be brought current regardless of the type of account

DTI	• 50% Max LTV 75% • 45% no LTV restriction
Eligible Borrowers	• Permanent and Non-permanent Resident Aliens, DACA
Geographic Restrictions	• Allowed wherever HEM is licensed • Hawaii- Ineligible
Housing Lates	• 1x30x12 on all mortgages for all borrowers. • Minimum 12-month housing history required
No Housing History	• Minimum 6 months reserves after closing. • 10% minimum borrower contribution. • VOR/VOM must be obtained for all month's available reflecting paid as agreed. • Properties owned free and clear are considered 0x30 for grading purposes.

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	• Borrowers who own their primary residence free and clear for a minimum of 12 months are acceptable. • Borrowers living rent free with a spouse are acceptable with rent-free letter and evidence of spouse's mortgage.
Ineligible Borrowers	• Vesting is not permitted to be in the name of an LLC, Corporation or Partnership
Occupancy	• Primary residence only
Property Type	• SFR • PUD • Condo-Warrantable • Condo-Non-warrantable max 75% LTV • Modular • 2-4 Units
Purpose	• Purchase • R/T Refinance
Qualifying Payment	• Qualifying ratios based on Full Note Rate
Recently Listed Properties	• Property must be removed from listing for at least six months prior to application.
Reserves	• Loan Amount < $1M – 3 months • Loan Amount ≥ $1M – 6 months
Residual Income	• $1,500
Seasoning	• Non-first loans being paid off must be seasoned for > 12 months
Terms Available	• Full Am: 30 year • ARM: 5/6 & 7/6
Title Report	• Standard or Short ALTA - Lenders Policy is acceptable
Tradeline Requirement	• All borrowers should have an established credit history that is partially based on tradeline history. • Only the Primary Wage Earner is required to meet the minimum tradeline requirements and will have open and active tradelines that meet the following requirements: ○ 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months.
Vesting	• Vesting as an individual or Living Trusts only
Documentation Options	
Full Doc – 1 & 2 years	• Standard Fannie Mae Documentation • Alternative Loan Review Form (Exhibit F) or DU Approve/Ineligible finding is required.

Alt Doc – Bank Statement/1099	• Bank Statement
	  ○ 12 or 24 months
	  ○ Personal or business
	  ○ Less than 2 years S/E allowed
	• 1099
	  ○ 2-year 1009 only
	  ○ 1 year OK if converted from w-2 and in the same line of work
	  ○ VOE with YTD required
	  ○ 2 mos. BK statements for proof of receipt

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