



## CONFORMING FIXED (DU APPROVED)

Program Code Series C  
 LOW DOC OPTIONS : SI/VA

### Product Matrices

CONFORMING LOAN AMOUNT LIMITS	
1 unit	\$417,000
2 units	\$533,850
3 units	\$645,300
4 units	\$801,950

### **FULL DOC PURCHASE & RATE/TERM REFINANCE**

OCCUPANCY	PROPERTY	LTV NO SUB FIN	LTV w SUB FIN	CLTV	MIN FICO
Owner Occupied	1 UNIT CONDO/PUD	95% (Condo/PUD max 90% in declining markets)	90%	95%	580 for all LTVs <=80% 620 required for LTV 80.01-95% (80.01-95% 680 in declining markets)
	2 UNITS	95% (90% in declining markets)	90%	95%	580 for all LTVs <=80% 680 for LTV 80.01-95%
	3-4 UNITS	80%	75%	80%	580



Second Home	1 UNIT CONDO/PUD	95%	90%	95%	580 for all LTVs <=80 620 required for LTV 80.01- 95% (80.01- 95% 680 in declining markets)
Investment	1-2 UNITS CONDO/PUD	80%	80%	90%	580
	3-4 UNITS	75%	70%	75%	580

- Declining markets: Condos limited to 90% LTV, LTV > 80% requires 680 FICO
- DU Approve/Eligible MANDATORY (AAF will obtain)

### FULL DOC CASH OUT REFINANCE

OCCUPANCY	PROPERTY	LTV NO SUB FIN	LTV w SUB FIN	CLTV	MIN FICO
Owner Occupied	1-2 UNITS CONDO/PUD	80%	80%	90%	580
	3-4 UNITS	75%	70%	75%	
Second Home	1 UNIT CONDO/PUD	80%	80%	90%	
Investment	1-2 UNIT CONDO/PUD	80%	80%	85%	
	3-4 UNITS	70%	65%	70%	

- DU Approve/Eligible MANDATORY (AAF will obtain)



## FULL DOC PURCHASE & RATE/TERM REFINANCE

### *SPECIAL GUIDELINES FOR INTEREST ONLY*

OCCUPANCY	PROPERTY	LTV	CLTV	MIN FICO
Owner Occupied & 2 <sup>nd</sup> Home	1 UNIT CONDO PUD	95%	95%	LTV 80.01-95% 620 (80.01-95% 680 in declining markets)

- Declining markets: all interest only limited to 90% LTV
- 2-4 units & investment property not permitted for interest only

## FULL DOC CASH OUT REFINANCE

### *SPECIAL GUIDELINES FOR INTEREST ONLY OPTION:*

OCCUPANCY	PROPERTY TYPE	LTV	CLTV	MIN FICO
Owner Occupied & 2 <sup>nd</sup> Home	1 UNIT CONDO PUD	80%	80%	580

- CLTV: Maximum combined LTV of DRAWN and outstanding liens secured by the subject property.
- HELOC CLTV: Maximum POTENTIAL combined LTV of all liens using the full amount of the line of credit. 100% HELOC CLTV is only permitted when the 2<sup>nd</sup> is a HELOC and at least 5% equity will remain UNDRAWN at time of closing. 100% is not eligible if the full amount of the 2<sup>nd</sup> is disbursed at closing.
- DU Approve/Eligible or is MANDATORY (AAF will obtain)
- 2-4 units & investment property not permitted for interest only.



**STATED INCOME/VERIFIED ASSETS CONFORMING LOW DOC (NIV)  
PURCHASE & RATE/TERM REFINANCE - FULLY AMORTIZED ONLY**

OCCUPANCY	PROPERTY	LTV	CLTV	FICO	RESERVES
Owner Occupied	1 Unit	75%	N/A	700	Greater of 4 mos PITI or minimum required by DU
	2 Units	70%	N/A	700	
Second Home	1 Unit	75%	N/A	720	

- Declining market: 5% LTV reduction does not apply
- Maximum DTI 45%
- Investment, Owner Occ 3-4 Units not permitted
- DU approve/Eligible required

**STATED INCOME/VERIFIED ASSETS CONFORMING LOW DOC (NIV)  
PURCHASE & RATE/TERM REFINANCE - INTEREST ONLY**

OCCUPANCY	PROPERTY	LTV	CLTV	FICO	RESERVES
Owner Occupied	1 Unit	75%	N/A	720	Greater of 4 mos PITI or minimum required by DU
	2 Units	70%	N/A	720	
Second Home	1 Unit	70%	N/A	720	

- Declining market: 5% LTV reduction does not apply
- Subordinate financing not permitted
- Maximum DTI 45%
- Investment, Owner Occ 3-4 Units not permitted
- DU approve/Eligible required



**STATED INCOME/VERIFIED ASSETS CONFORMING LOW DOC (NIV)  
CASH OUT REFINANCE – FULLY AMORTIZED ONLY**

OCCUPANCY	PROPERTY	LTV	CLTV	FICO	RESERVES
Owner Occupied	1 Unit	70%	N/A	700	Greater of 4 mos PITI or minimum required by DU
	2 Units	70%	N/A	720	
Second Home	1 Unit	65%	N/A	720	

- Declining market: 5% LTV reduction does not apply
- Subordinate financing not permitted
- Max DTI 45%
- Investment, Owner Occ 3–4 Units not permitted
- DU approve/Eligible required

**STATED INCOME/VERIFIED ASSETS CONFORMING LOW DOC (NIV)  
CASH OUT REFINANCE – INTEREST ONLY**

OCCUPANCY	PROPERTY	LTV	CLTV	FICO	RESERVES
Owner Occupied	1 Unit	70%	N/A	720	Greater of 4 mos PITI or minimum required by DU
		60%	N/A	700	
	2 Units	65%	N/A	720	
Second Home	1 Unit	60%	N/A	720	

- Declining market: 5% LTV reduction does not apply
- Subordinate financing not permitted
- Max DTI 45% , DU Approve/Eligible required
- Investment, Owner Occ 3–4 Units not permitted



## Product Information

### ELIGIBLE TERMS

- 15 & 30 yr Fixed Rates fully amortizing
  - 10 Year or 15 Year Interest Only available on 30 yr fixed
  - 15 Year IO is only available on Full Documentation
- 35 & 40 yr Fixed Rates fully amortizing – Full Documentation only

**NOTE: Interest Only is NOT permitted for investment properties for any documentation type.**

### PROGRAM CODES

30 yr fixed: C130      15 yr fixed: C115

40 yr fixed: C140      35 yr fixed: C135

FD denotes Full Doc    SV denotes Stated Income/Verified Assets

Interest Only program codes end with the "I" character

### MINIMUM LOAN AMOUNT

\$30,000 (See rate sheet for loan amount adjustments)

### QUALIFYING INFORMATION

#### *Qualifying Payment:*

Qualify at the note rate, fully amortizing payment (including loans with interest only option)

Loans under **American Dream** will be qualified at the start rate plus 1%

#### *Ratios*

Full Doc:

- Ratios are determined by LP/DU approval
- **MI loans (> 80% LTV): Max LTV 45% for owner occupied fixed rate, 41% for owner occupied ARM, 41% for owner occupied interest only, 41% for 2<sup>nd</sup> homes**
- For LPMI, DTI may be limited (see LPMI section)

Stated Income/Verified Assets

- Max DTI 45%

### AMERICAN DREAM PROGRAM – PROGRAM CODE C130AD

- **Start rate at 2% below note rate, loan increases by 1% in rate each year to a maximum of 2% over the start rate. Loan is then fixed for the life of the loan.**
- **Permitted for primary residence and 2<sup>nd</sup> home only.**



- Purchase or rate/term only, cash out not permitted. Refer to rate sheet for pricing.
- Not permitted for interest only option
- Not permitted on 35 or 40 year term
- Qualify at start rate + 1%, fully amortized payment.

**SECONDARY/SUBORDINATE FINANCING**

- See Matrices for max CLTV allowable.
- **Subordinate financing not permitted with SI/VA documentation.**
- Subordinate liens must be held by an institution
- Private party or seller carry subordinate financing is not permitted.
- Soft, subsidized or Community/Affordable 2nds not eligible (see FNMA Flex)
- Terms of subordinate lien: No balloon within 5 years; payment must be sufficient to cover interest due; interest rate and payment may not change more than once a year, prepayment penalty not permitted
- Variable payments / HELOC or Line of Credit programs are acceptable.
- Copy of 2<sup>nd</sup> loan note required.

**MORTGAGE INSURANCE**

*Coverage Requirements for LTV > 80%:*

LTV	30, 35 & 40 YR FIXED	15 YR FIXED
80.01-85%	12%	6%
85.01-90%	25%	12%
90.01-95%	30%	25%

MI coverage may not be available in declining markets - see declining markets policy.  
 MI declining market restrictions include LPMI

**LENDER PAID MI OPTION (LPMI) – FULL DOC ONLY**

*Lender Paid MI can be obtained by AAF, the following parameters are required:*

**30 YEAR, 15 YEAR FULL DOC ONLY**

OWNER OCCUPIED & 2 <sup>ND</sup> HOME PURCHASE & RATE/TERM REFINANCE		
1-2 UNITS (2 <sup>ND</sup> Hm 1 only) Condo & PUD	Max LTV 95%	Minimum FICO 620/680 in declining markets for LTV 80.01-95%

MI coverage may not be available in declining markets - see declining markets policy.

- DU Approve/Eligible MANDATORY
- **Cash out not permitted on LPMI**
- See rate sheet for pricing adjustments



**35 OR 40 YEAR FIXED FULL DOC ONLY**

OWNER OCCUPIED & 2 <sup>ND</sup> HOME PURCHASE & RATE/TERM REFINANCE		
1-2 UNITS (2 <sup>ND</sup> Hm 1 only) Condo & PUD	Max LTV 95% Owner Occ Max LTV 90% 2 <sup>nd</sup> Home	Min 700 FICO / 50% DTI Min 680 FICO / 45% DTI

MI coverage may not be available in declining markets – see declining markets policy.

- Cash out not permitted on LPMI
- DU Approve/Eligible MANDATORY
- See rate sheet for pricing adjustments

**30 YEAR WITH INTEREST ONLY FULL DOC ONLY**

OWNER OCCUPIED & 2 <sup>ND</sup> HOME PURCHASE & RATE/TERM REFINANCE		
1 UNIT, Condo & PUD	Max LTV 95%	Minimum FICO 620

MI coverage may not be available in declining markets – see declining markets policy.

- Cash out not permitted on LPMI
- DU Approve/Eligible MANDATORY
- See rate sheet for pricing adjustments

**IMPOUND/ESCROW ACCOUNTS**

When LTV <=80%, borrowers may choose to waive monthly real estate tax and insurance impounds. California properties: Impounds required at 90% and above. Fee applies for impound waiver – see rate sheet

**PREPAYMENT PENALTY**

Not applicable on conforming loans

**SECTION 32 / HIGH COST**

Not allowed

**NON ARMS LENGTH TRANSACTIONS / GIFT OF EQUITY**

Not allowed



## Borrower Eligibility

### **RESIDENCY / IMMIGRATION STATUS**

- All loan programs are based on the assumption that the borrower is a US Citizen defined as a native or naturalized person.
- Permanent resident aliens (defined as non-US citizens who hold evidence of permanent residency) are granted same loan terms as US citizens. Permanent residents must provide one of the following:
  - Alien Registration Card (green card) with a 10 yr expiration date on the front, but no expiration date on the back.
  - Alien Registration Receipt Card (I-551) with an expiration date and must be accompanied by a copy of an unexpired form I-751
  - Unexpired foreign passport that contains an unexpired stamp reading "Processed for I-551. Temporary evidence of Lawful Admission for Permanent Residence. Valid until XX. Employment Authorized"
  - Other evidence of permanent residency issued by US government.
  - Borrowers with diplomatic immunity are not eligible.
- Non-Permanent Resident Aliens not permitted.
- Foreign National not permitted

### **NON-OCCUPANT CO-BORROWERS**

Max 90% LTV/CLTV

Full Doc primary residence only

Max DTI 43% for occupying borrower

5% of down payment must come from borrowers' own funds.

Not allowed for Low Doc documentation types (SIVA, SISA)

### **FIRST TIME HOMEBUYERS**

Allowed with DU/LP approval if all income, asset, credit requirements are met.

First time homebuyers with less than 24 month documented rental history are not permitted for Low Doc documentation types, including SIVA

### **MULTIPLE PROPERTIES**

Maximum 10 financed properties permitted if subject property is owner occupied, maximum 5 financed properties permitted if subject property is investment property. Maximum properties owned include non-residential properties (ie commercial properties)



**EXPERIENCE MANAGING RENTAL PROPERTIES** – FHLMC requires a borrower purchasing or refinancing an investment property to have a minimum two-year history managing rental properties unless the borrower qualifies with the full PITI of the subject property payment.

FNMA has the same requirement; however to waive the requirement the loan must be run through DESKTOP UNDERWRITER and the DU FINDINGS must not indicate property management experience as a condition. To receive this waiver (i.e. DESKTOP UNDERWRITER will not issue the standard rent loss insurance and property management messages), the amount entered in DESKTOP UNDERWRITER for “Subject net cash flow” must be the negative value of the proposed PITI for the subject property. This will ensure that the PITI is included in the total expense ratio calculation. For example, if the total proposed PITI for the subject property is \$975, the “Subject net cash flow” data entry must reflect at least \$975 (negative \$975).

## Credit Requirements

### **CREDIT HISTORY**

All loans must have DU Approve/Eligible or LP Accept Automated Underwriting decisions to be obtained by AAF. **Minimum FICO 580 regardless of DU decisioning (LTV < = 80%)**

#### *Full Doc Loans*

- **New guideline to establish validity of credit for all loans with only one borrower:**
  - **Credit reports and credit scores will only be deemed valid when they are based on a minimum of 3 tradelines with history, regardless of DU findings**
  - **At least 2 accounts must have a 12 month history and at least one account must have a 24 month history.**
- **Loans with more than one borrower will continue to follow DU findings.**

#### *Stated Income/Verified Assets:*

- See matrices for credit scores. All borrowers must satisfy the minimum credit score in the matrices above – no exceptions.
- DU Approve/Eligible decision required. Expanded Approval not eligible.
- Borrowers must have at least 5 open trade lines with recent activity on several accounts. 2 trade lines must have a 24 month history, and at least 2 must be installment accounts.
- **0x30 mortgage lates in the last 12 mos for SIVA**



## Income Requirements

### DOCUMENTATION TYPE

When applicable, non-employment income sources will be closely reviewed for reasonableness.

If reasonableness cannot be determined, underwriting reserves the right to require documentation to support the reasonableness (ie: underwriting may request: a recent account statement to support assets available after closing to generate stated interest income, evidence a property is owned free and clear if the property is generating income, etc.).

#### *Full Doc*

- Standard FNMA full documentation must be provided as required by LP/DU decision
- Verbal VOE required.
- 4506T required
- Full Doc may be required if:
  - The initial application is incomplete or missing from the submission package.
  - Loan request is not commensurate with the borrowers credit profile.
  - Property is unique or otherwise has limited marketability.
  - File contains documentation which suggests borrowers income is not accurately stated on the signed 1003 (i.e., bank statements showing payroll direct deposits with a deposit amount significantly lower than that reported on the signed 1003)
  - Files that do not have valid or usable credit scores.

#### *Stated Income/Verified Assets*

Income must be reasonable for the profession as determined by the underwriter.

- **All SIVA loans, regardless of LTV, must derive 50% or more of total qualifying income from true self-employment (25% or more ownership in business). Loans made solely or primarily based on wage income are not eligible.**
- DU Approve/Eligible decision required – AAF will obtain.
- Employment must be disclosed on the signed 1003 covering a two year period.
- All income sources must be itemized on the signed 1003.
- Verification of income is not required.
- Income must be reasonable for employment disclosed.
- Verbal VOE required
- Self employed borrowers must have 2 years employment history with the same business. UW will determine documentation required to verify this employment. If self employed, the following documentation will be required as evidence of 2 years self employment history in the same business & location. Any or all of this documentation may be required subject to underwriter discretion:
  - Business license for 2 years



- Professional certification evidencing 2 years
- Business listing with state or local agencies
- CPA letter verifying 2 years self employment history (note that other items will always be required in addition to CPA letter)
- Non Employment Income (retirement/pension income, interest/dividend income, Social Security income, rental income, alimony, child support, etc): Tax deferred or passive income must be verified if it is the primary source of income or more than 50% of the total income, stated income documentation would not be permitted.
- IRS 4506T is not required.
- Assets must be verified for reserves, closing costs and required down payment.
- Ratios are calculated based on stated income.
- Note – borrowers employed in the mortgage lending industry (ie loan officer, realtor, appraiser) must verify reserves equivalent to 4 months salary or reserves required per product whichever is greater. Assets must be seasoned for 3 months.

## **PAYMENT SHOCK**

Evaluated by LP/DU or by UW on a case by case basis

## **Asset Requirements**

### **GIFT FUNDS**

Gift funds are permitted and must be fully documented following standard FNMA/FHLMC guidelines. Seller funded gift programs are not acceptable.

For all loans with LTV > 80%, borrower must provide 5% from own funds.

For LTV < = 80%, full down payment may be a gift – gift funds must be fully documented

Gift funds are not permitted on investment properties.

Gift funds may not be used to meet reserve requirements.

**Gift funds are not permitted for SIVA transactions regardless of LTV**

### **RESERVE REQUIREMENTS**

#### *Full Doc*

- Determined by LP/DU findings
- Minimum reserves must come from borrowers' own funds.



### ***Stated Income/Verified Assets***

- Primary residence & 2<sup>nd</sup> homes: The greater of 4 mos PITI reserves or the amount required by DU findings.
- Investment Properties: The greater of 6 mos PITI reserves or the amount required by DU findings.
- Note: if the borrower owns investment properties, they must document 6 mos PITI reserves for EACH property owned in addition to the reserves required for the subject property.
- UW may request additional asset documentation over and above the requirements listed at their discretion.
- Minimum reserves must come from borrowers' own funds, gifts not permitted, **all funds must be the borrower's own funds and must be seasoned for at least two months.**
- Note: borrowers employed in the mortgage lending industry (ie loan officer, realtor, appraiser) must verify reserves equivalent to 4 months salary or reserves required per product whichever is greater. Assets must be seasoned for 3 months.

**Note: For borrowers who currently own a principal residence and are using a lease agreement to qualify for the purchase of another principal residence, 12 months' PITI (principal, interest, taxes and insurance) reserves are required. If evidence of 12 months' reserves cannot be provided, the PITI of the current home must be used for qualification. A lease agreement cannot be used.**

### **SELLER CONTRIBUTIONS**

Owner Occupied & 2<sup>nd</sup> Home:

- LTV/CLTV up to 75%: 9%
- LTV/CLTV 75.01-90%: 6%
- LTV/CLTV > 90%: 3%

Investment properties, all LTV/CLTV S: 2%

**When subordinate financing exists, maximum allowable concessions will be based on CLTV**

## **Transaction Type**

### **REFINANCE**

In addition to the terms outlined below, all refinance transactions must show evidence that the borrower(s) are on title prior to loan application. In addition, if a property being refinanced is owned free and clear, we must have satisfactory title work prior to closing evidencing no liens.



### **RATE-AND-TERM (LIMITED CASH-OUT) REFINANCES**

A limited cash-out refinance transaction enables a borrower to pay off his or her existing mortgage by obtaining a new first mortgage that is secured by the same property. A limited cash-out refinance will include only those loans that involve:

- Payoff of the outstanding principal balance of an existing first mortgage
- Payoff of the outstanding principal balance of any existing subordinate lien that was used in whole to purchase the subject property
- Financing of closing costs (including prepaid expenses)
- Cash back in an amount no more than the lesser of 2% of the balance of the new loan or \$2000

FNMA only will consider a "buy-out" as a result of a divorce settlement to be treated as a "limited cash-out refinance" as long as the borrower who will be acquiring sole ownership of the property receives no cash out of the proceeds from the transaction and is on the mortgage being paid off. Borrowers not on the mortgage will be considered on a case by case basis. A copy of the final divorce decree mandating this is necessary.

### **CASH OUT REFINANCES**

- A cash-out refinance transaction enables a borrower to pay off his or her existing mortgage by obtaining a new first mortgage that is secured by the same property (or enables the property owner to obtain a mortgage on a property that does not already have a mortgage lien against it). The borrower is able to take out much of the equity he or she has in the property and to use the proceeds for any purpose subject to applicable LTV restrictions.
- The mortgage amount for cash-out refinance transactions may include the unpaid principal balance of the existing first mortgage, closing costs, points, the amount required to satisfy any outstanding subordinate mortgage liens of any age, and additional cash that the borrower may use for any purpose.
- Note that any transaction paying off a subordinate lien not acquired in whole for the initial purchase transaction to be a cash-out refinance regardless of seasoning of the subordinate lien.
- A mortgage placed on a property previously owned free and clear by the borrower will be considered a "cash-out" refinance mortgage and RESPA still requires a three day right of rescission.
- Cash out transactions for homes that have been listed for sale in the last six months will be considered on a case by case basis. The subject property cannot be listed for sale at time of application. Proof of listing cancellation and borrower's explanation for listing must be provided to be considered.
- **Investment properties: borrower must own the property for 6 months prior to the note date to be eligible for cash out refinance.**



## Property Eligibility

### PROPERTY VALUATION

- AVM will be obtained by UW to support value
- For construction to permanent transactions secured by 1 unit owner occupied or 2<sup>nd</sup> home where the borrower has owned the land/lot for less than 12 months may use the current appraised value of the property to determine LTV. 2-4 unit primary residences & all investment properties will be required to use the lesser of the current appraised value or the cost to construct plus the sales price of the land.
- For cash out refinances  $LTV/CLTV > 75\%$  and property owned less than 12 months, use lesser of current appraised value or acquisition cost plus cost of documented improvements. For cash out refinances  $\leq 75\%$  use current value.
- ALL investment properties if owned less than 12 months: Value for all refinance transactions will be the acquisition cost plus documented improvements or the current appraised value, whichever is less.

### APPRAISAL REQUIREMENTS

- Age of appraisal maximum 120 days, at which time a recertification of value may be acceptable, however if u/w determines that the age of the comps on the appraisal is not acceptable, a new full appraisal may be required.
- All appraisals are subject to appraisal review
- Marketing time by the appraiser is 3-6 months
- Comps cannot be in excess of 1 mile from subject property.
- Emergency release lever is required on bars on windows
- Fixer-uppers are not allowed
- Property has to be in average condition
- Full URAR is required
- **Appraisal must include current three years sales history, interior photos, cost approach completed, and invoice**
- **We will require 4 comps for all new construction and construction to perm properties and two of the sales must be from outside the development or project and must be from a different builder and developer.**
- **If the subject is a For Sale By Owner, subject property being sold by an LLC, new construction, construction to perm and the LTV is within 10% of max financing, a review appraisal will be required from an approved National Vendor unless the original appraiser is approved as a nationally approved vendor. National Vendors are as follows:**
  - LandAmerica



- Old Republic Title
- Title Source Inc (TSI)
- Appraiser must be AAF approved if the appraisal is not from one of the National Vendors listed above, or be state certified a minimum of 5 yrs (AR LIC) for consideration. Non-approved appraisers must supply the following: All contact information, resume, E&O and license.
- Field review and cost of appraisals are according to market rates at the time of the order. We do not add additional fees to the appraisal review fee and the amount of the review will be quoted on the approval condition and required by check prior to the order of the review.
- Note – properties in soft / declining markets may be subject to LTV reduction – see declining markets policy.
- Properties in declining markets: comparable sales should be dated within the prior 3–6 months.

**CONFORMING LOW DOC SIVA Appraisal Requirement:**

**All appraisals must be obtained from one of our approved national appraisal vendors:**

Appraisal Management Company	Phone	Fax	Website	Customer Service
iMortgage	888-575-8555	888-575-8825	www.imortgageservices.com/customer_login.aspx	customerservice@imortgageservices.com
LandAmerica	866-494-4338	888-416-1620	www.landam.com	customersupport@landam.com
LSI	877-848-8122	412-329-5048	www.elendersolutions.com	<a href="mailto:FlagstarBank@lsi-lps.com">FlagstarBank@lsi-lps.com</a>
Old Republic	888-406-5166	888-816-7626	www.ortris.com	cservice.rsg@oldrepublictitle.com
ServiceLink	800-777-8759	877-622-2562	www.atmprof.com	flagstar@servicelinkfnf.com

**RECENTLY LISTED PROPERTIES**

- RATE TERM REFI – FULL DOC ONLY: Property can not be currently listed. We will also not allow for the value to be stated over the previously listed amount. The subject property cannot be listed for sale at time of application. Proof of listing cancellation and borrowers explanation for listing must be provided to be considered.
- PRIMARY RESIDENCE CASH OUT REFI – FULL DOC ONLY: Transactions for homes the have been listed for sale in the last six months will be considered on a case by case basis. The subject property cannot be listed for sale at time of application. Proof of listing cancellation and borrowers explanation for listing must be provided to be considered.
- Second Homes: Cash out transactions are not allowed on properties that have been listed for sale within the past 6 months from the date of application.
- Investment Properties: Cash out transactions are not allowed on properties that have been listed for sale within the past 6 months from the date of application.



- Low Doc (SIVA) transactions not permitted on properties that have been listed for sale within the past 6 months from the date of application.

### **ELIGIBLE PROPERTIES**

- SFR, PUD
- Condo (FHLMC/FNMA warrantable ONLY)
- 1-4 units (may be limited by documentation type)
- 2<sup>nd</sup> home
- Investment properties

### **INELIGIBLE PROPERTIES**

- Co-ops
- Non Warrantable Condos
- Manufactured Homes/Modular Homes
- Condotels
- Rural Properties
- Unique Properties
- Properties with restrictions on age (for example 55+ senior condos) or other borrower specific restrictions are not eligible.

### **CONDO REQUIREMENTS:**

HOA cert must be reviewed for all projects.

All projects must be FNMA/FHLMC approved

**Nonwarrantable condos are NOT permitted under this program.**

**Condo conversion projects subject to individual review, and may be subject to QC exception or additional requirements.**

### **LEASEHOLD PROPERTIES**

Allowed subject to u/w approval

Term should exceed the term of the mortgage by a minimum of 5 years