

Revised 12/17/2020

## FHA Standard & High Balance

Property Type	Purchase		No Cash Out Refinance		Streamline Refinance (All Occupancy Types)		Cash Out Refinance	
	LTV/CLTV	MIN FICO	LTV/CLTV	MIN FICO	LTV/CLTV	MIN FICO	LTV/CLTV	MIN FICO
1-4 Units Standard	96.50%	600	97.75%	600	Unlimited	600	80.00%	600
1-4 Units High-Balance	96.50%	620	97.75%	620	Unlimited	620	80.00%	620
Manufactured	96.50%	680	97.75%	680	N/A	N/A	N/A	N/A

1 – 2<sup>nd</sup> Home & Manufactured Home limited to 1 Unit Property

## FHA 2021 Mortgage Limits ( [County Lookup](#) )

Units	FHA Low-Cost Area	High-Cost Area FHA Forward / FNMA / FHLMC	High-Cost AK, GM, HI, USVI FHA Forward	Fannie / Freddie Standard
1	\$356,362	\$822,375	\$1,233,550	\$548,250
2	\$456,275	\$1,053,000	\$1,579,500	\$702,000
3	\$551,500	\$1,272,750	\$1,909,125	\$848,500
4	\$685,400	\$1,581,750	\$2,372,625	\$1,054,500

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## VA Standard

Property Type	Max Loan Amount	Purchase		Cash Out Refinance		IRRRL (All Occupancy Types)	
		LTV/CLTV	MIN FICO	LTV/CLTV	MIN FICO	LTV/CLTV	MIN FICO
1-4 Units	≤ \$548,250	100%	620	90%	620	Unlimited	620
	> \$548,250 ≤ \$1.50MM	100%	620	90%	620	Unlimited	620
Manufactured*	≤ \$548,250	100%	680	90%	680	100%	680

\* Manufactured Home limited to 1-unit property

\*\* Veterans with partial entitlement are limited to the max conforming and high-balance loan amount limits unless entitlement is fully restored

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Topic	Overlay	FHA	VA
Basic Guidelines	Overlays in this matrix apply to Federal Housing Administration (FHA) and U.S. Department of Veterans Affairs (VA) guidelines. Refer to the <a href="#">FHA Single Family Housing Policy Handbook 4000.1</a> or <a href="#">VA Lenders Handbook</a> for additional guidance. Information in this matrix is subject to change without notice.	✓	✓
Amended Tax Returns	<ul style="list-style-type: none"> <li>Accepted for the following amendment reasons:</li> <li>Amended for clerical items only (i.e. modifying a prior ITIN number to a newly issued SSN)</li> <li>Amended for income-related items, under the following conditions:               <ul style="list-style-type: none"> <li>Amended at least thirty (30) days before mortgage application taken</li> <li>Amendment shows on transcripts (stamped returns not acceptable)</li> <li>Documentation supplied to support the increase, including but not limited to:                   <ul style="list-style-type: none"> <li>1099 or W2 showing missed/updated income</li> <li>Canceled Checks or Bank Statements showing missed/updated rental income</li> </ul> </li> </ul> </li> </ul>	✓	✓
Assets	<ul style="list-style-type: none"> <li>Bank Statements must show account activity for a full two (2) month period.</li> <li>Internet Statements, obtained from financial institution's website, must contain same information found on a standard bank statement.</li> <li>VOD as stand-alone document not permitted unless obtained from a Third-Party Vendor.</li> </ul>	✓	✓
Debt-to-Income Ratio (DTI)	<ul style="list-style-type: none"> <li>Per AUS Approval</li> </ul>	✓	
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Topic	Overlay	FHA	VA
Electronic Signatures/eSigning	<ul style="list-style-type: none"> <li>eSigning is allowed for most documents.</li> <li>eSigning is <u>not</u> allowed for:               <ul style="list-style-type: none"> <li>Note</li> <li>Note Rider(s)</li> <li>Notice of Right to Cancel</li> <li>Security Instrument</li> <li>Security Instrument Rider(s)</li> </ul> </li> </ul>	✓	✓
Escrow Account	Escrow Account required; no escrow waiver allowed.	✓	✓
Family Owned Business	Two years tax returns are required regardless of AUS recommendation.	✓	✓
FHA Cash Out Refinance	For case numbers assigned on or after September 1, 2019, maximum LTV is 80%.	✓	
FHA Streamline Refinance	<p>In addition to other FHA overlays listed in this matrix, the following apply to FHA Streamline Refinances:</p> <ul style="list-style-type: none"> <li>Asset section of loan application must be completed if funds needed to close (Sources of Funds guideline in the Handbook must be followed)</li> <li>Bank statements required (most recent 1 month)</li> <li>Credit Report (mortgage acceptable only) required with all credit scores listed</li> <li>Income amount is not required on the application</li> <li>Income source must be indicated on the loan application</li> <li>Power of Attorney (POA) not allowed for properties held in trust</li> </ul>	✓	
Hazard Insurance	Replacement Cost Estimator is required on all files to ensure sufficient coverage is documented.	✓	✓

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Topic	Overlay	FHA	VA
Ineligible Programs - FHA	<ul style="list-style-type: none"> <li>• 203(h)</li> <li>• 203(k)</li> <li>• Energy Efficient Mortgages (EEM)</li> <li>• FHA Back to Work</li> <li>• FHA Negative Equity Refinance</li> <li>• Section 184 - Indian Home Loan Guarantee Program</li> <li>• Section 223(e) - Declining Neighborhoods</li> <li>• Section 247 - Hawaiian Homelands</li> <li>• Section 248 - Indian Reservations</li> <li>• Temporary Buydown</li> </ul>	✓	
Ineligible Programs - VA	<ul style="list-style-type: none"> <li>• Energy Efficient Mortgages (EEM)</li> <li>• Native American Direct Loan</li> <li>• Temporary Buydown</li> </ul>		✓
Ineligible Properties	<ul style="list-style-type: none"> <li>• Co-Ops</li> <li>• Indian Leased Land</li> <li>• Property Flip of Non-Arm's Length Transaction</li> <li>• Solar Panels that affect first lien position</li> </ul>	✓	✓
Manual Underwriting	<ul style="list-style-type: none"> <li>• Not Allowed</li> </ul>	✓	✓
Manufactured Housing	<ul style="list-style-type: none"> <li>• Fixed Rate programs only</li> <li>• Manufactured Homes that are subject to deed restrictions are not allowed</li> <li>• Leased Land property is not allowed</li> <li>• Single-wide homes not allowed</li> <li>• Must meet all other FHA/VA guidelines (if not specified in VA guidelines, follow FHA)</li> </ul>	✓	✓
Minimum Loan Amount	\$75,000	✓	✓
Mortgage Credit Certificate (MCC)	Not permitted	✓	✓
Multiple Loans to One Borrower	<ul style="list-style-type: none"> <li>• BPM allows up to eight (8) properties for one borrower, including the subject property, or a total of \$2M in financing, whichever is less.</li> <li>• Maximum of 20% ownership concentration in any one project or subdivision.</li> </ul>	✓	✓

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Topic	Overlay	FHA	VA
Non-Occupant Co-Borrower	Ineligible; all borrowers must occupy the subject property.		✓
Non-Permanent Resident Aliens	<p>These borrowers accepted under the following conditions:</p> <ul style="list-style-type: none"> <li>• Acceptable Visa evidence (such as E-1, H-1B, H-2B, H-3, L-1G Series, O-1) provided</li> <li>• Borrower eligible to work in the U.S., as evidenced by EAD issued by the USCIS</li> <li>• Borrower has valid Social Security Number (SSN)</li> <li>• Borrower satisfies the same requirements, terms, and conditions as those for U.S. citizen</li> <li>• DACA: With Category C33 work status under deferred action, DACA borrowers ineligible</li> <li>• Diplomatic Immunity: Borrowers with Diplomatic Immunity ineligible</li> <li>• A12 EAD status ineligible</li> </ul>	✓	✓
Power of Attorney (POA)	<p>A POA may not be eSigned and must be specific to the transaction. (See also: Power of Attorney note under <a href="#">FHA Streamline Refinance</a>)</p>	✓	✓
Recently Listed Properties	Property must be off the market at least one day prior to mortgage application date.	✓	✓
Renegotiated Purchase Contract	<ul style="list-style-type: none"> <li>• Not allowed; however, minor adjustments due to condition or other relevant factors are permitted.</li> <li>• Increase of sales price after appraisal completed is not permitted.</li> </ul>	✓	✓
Social Security Number (SSN)	All borrower(s) must have a valid SSN.	✓	✓
Tax Transcripts	Required when tax returns are used to qualify borrower income	✓	✓

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Topic	Overlay	FHA	VA
Unpaid Federal Tax Debt	<ul style="list-style-type: none"> <li>BPM considers all unpaid tax debt from prior years as delinquent, even if lien has not been filed; one month payment is required</li> <li>Borrower with delinquent Federal Tax Debt is ineligible</li> </ul> <p><b>NOTE:</b> Record of Account can be used in lieu of canceled check or proof of electronic payment.</p>	✓	✓
VA Cash-out Refinance with LTV >90%	Not Allowed		✓
VA IRRRL	<p>In addition to other VA overlays listed in this matrix, the following apply to VA IRRRLs:</p> <ul style="list-style-type: none"> <li>Credit Report (mortgage acceptable only) required with all credit scores listed</li> <li>Income documentation: standard documentation required when P&amp;I payment increases 20% or more\</li> </ul>		✓