


# FHA Standard Loan Matrix

## Purchase, Cashout and Rate & Term Transactions (620-659 Fico or 620+ Manual Underwrite)

as of February 10, 2012

Product Guidelines						Additional Guidelines	
							
<b>For Case Number Assignments on or after 1/1/2009</b>							
<b>Purchase</b>		<b>Rate &amp; Term Refinance</b>		<b>Cash Out Refinance</b>			
96.50%		97.75%		85%			
CLTV		97.75%		85%			
A complete schedule of FHA mortgage limits for all areas is available at: <a href="https://entp.hud.gov/idapp/html/hicostlook.cfm">https://entp.hud.gov/idapp/html/hicostlook.cfm</a>							
<b>FHA Upfront / Annual MIP for Case Numbers pulled on or after 4/18/11</b>							
Greater than 15 year terms			15 year or less terms				
LTV	UFMIP	Annual	LTV	UFMIP	Annual		
> 95%	1.00%	1.15%	> 90%	1.00%	0.50%		
≤ 95%	1.00%	1.10%	≤ 90%	1.00%	0.25%		
<b>Streamline Refinance:</b> UFMIP and Annual MIP follows the above grids.							
<b>MIP Notes:</b> <ul style="list-style-type: none"> <li>• UFMIP must be 100% financed into the mortgage or paid entirely by cash: partial financing not allowed.</li> <li>• No Annual MIP with a term of 15 years or less AND a loan-to-value ratio (LTV) at or below 78% at the time of origination.</li> </ul>							
<b>Loan Program Names and Terms</b>							
Fixed Rate Programs		Terms		ARM Programs		Terms	
FHA 15 Year fixed		15 yrs		5/1 ARM		30 yrs	
FHA 30 Year fixed		30 yrs					
<b>Special Overlays for all AFR Standard Loans:</b>							
<ul style="list-style-type: none"> <li>• 620-659 Fico. Lowest middle score of all borrowers.</li> <li>• No Non Occupant Co-Signers.</li> <li>• Gift funds may be used for down payment and or closing costs.</li> <li>• Property Type: 1-4 Unit, PUD, FHA Approved Condos and Manufactured Housing.</li> <li>• Housing History: Follow the AUS Cert; Max 0x30; if a housing history is required, no private VOR's, VOM's or rent supplements allowed.</li> <li>• No New Subordinate Financing.</li> <li>• Max Loan Amount is FHA's Max County limit. See rate sheet for pricing.</li> <li>• A borrower may not own more than 4 financed properties.</li> <li>• Real estate commission cannot exceed 8%</li> <li>• Short Sales; no mortgage late payments allowed on any loan modification/ short refinances or short sale. See mtgee letter 09-52</li> <li>• Streamline Refinances: Full credit qualify only. All Income and employment information must be provided and documented.</li> <li>• Streamline Refinances: Must meet max DTI for the program.</li> <li>• No Section 8 or loans in a Military Zone Impact Area.</li> <li>• All multi family purchases - borrower must qualify on their own 'without' using rental income</li> <li>• Mortgage Credit Rejects - done on a case by case basis; must fit portfolio guidelines and will be priced as a portfolio loan.</li> <li>• \$100 Down Program is available; can not be combined with 203ks or Repair Excrows</li> <li>• No multi-unit housing in the state of Illinois</li> </ul>							
<b>Rate &amp; Term Transactions:</b> <ul style="list-style-type: none"> <li>• A borrower cannot have more than one FHA loan at a time. The only exception is if they are relocating greater than 100 miles from their original location.</li> <li>• Properties listed for sale: The listing must have been cancelled at least 1 day prior to the application.</li> </ul>							
<b>Streamline Refinance Transactions:</b> See Mortgagee letters 09-32 and 10-19							
<ul style="list-style-type: none"> <li>• All Standard streamlines must be full income qualifying. All employment and income information must be listed on the 1003. All income documentation and a full credit report with credit scores must be with the submission of the file. Max DTI is 31/43%</li> <li>NOTE: The new loan amount must not exceed the original prinipal balance plus the new Up -Front MIP</li> </ul>							
<b>Cashout Transactions:</b> See Mortgagee letter 11-11 <span style="float: right;">N/A in TX</span>							
<ul style="list-style-type: none"> <li>• Max cash in hand is \$100,000.</li> <li>• Properties listed for sale: The listing must have been cancelled for at least 90 days prior to the application.</li> </ul>							
<b>Manufactured Housing Guidelines (620-659)</b> See Mortgagee Letter 2009-16							
<ul style="list-style-type: none"> <li>• Must have a floor area of not less than 400 square feet; Must be constructed after June 15, 1976, as evidenced by an affixed certification label; Must be classified as real estate (but need not be treated as real estate for purposes of state taxation); The mortgage must cover both the manufactured unit and its site; Must be built and remain on a permanent chassis and be designed to be used as a dwelling with a permanent foundation built to FHA criteria.</li> <li>• The manufactured home cannot be located in a Manu Home Park.</li> <li>• FHA does not permit leasehold manufactured properties in the Title II program.</li> </ul>							
<b>Inspections:</b> <ul style="list-style-type: none"> <li>• For newly constructed manufactured homes, initial and final inspections must be completed by an FHA Compliance Inspector, licensed engineers registered architect, or other qualified construction industry professional, as determined by the lender.</li> <li>• All files must also contain an Engineer's Certification signed with a raised seal verifying the foundation meets HUD'S guidelines.</li> </ul>							
<b>Streamlined 203K:</b> <ul style="list-style-type: none"> <li>• See separate guidelines; <a href="http://www.afrwholesale.com/203k_Streamlined">www.afrwholesale.com/203k_Streamlined</a></li> </ul>							
<b>Eligibility:</b> <ul style="list-style-type: none"> <li>• US Citizens, Inter vivos revocable trusts, Permanent and Non-Permanent Resident Aliens.</li> <li>• Owner Occupied Only.</li> </ul>							
<b>Documentation:</b> <ul style="list-style-type: none"> <li>• All borrowers must have valid social security number.</li> <li>• All borrowers must have at least two valid credit scores</li> <li>• No non-traditional credit.</li> <li>• Must have open and active trade lines.</li> </ul>							
<b>DTI Ratios:</b> <ul style="list-style-type: none"> <li>• STREAMLINES: 31/43%</li> <li>• Purchase/R&amp;T/CashOut Refi's: 31/43% (Can go up to 40/49.99 with an AUS approval)</li> </ul>							
<b>Underwriting Method:</b> <ul style="list-style-type: none"> <li>• Manual Refer or DU Approve/Eligible</li> </ul>							
<b>AFR fees:</b> <ul style="list-style-type: none"> <li>• Flood Cert: \$10.00.</li> </ul>							
<b>Expiration Dates:</b> <ul style="list-style-type: none"> <li>• Appraisal: 120 days</li> <li>• Appraisal with recert of value: must be dated within 120 days of original "as of date".</li> <li>• Credit: 90 days to funding; 60 days to submission</li> <li>• Income and Asset docs: 60 days</li> <li>• RESPA docs: 120 days</li> <li>• Verbal VOE within 3 days of closing/ funding performed by AFR.</li> </ul>							
<b>Desk Reviews:</b> <ul style="list-style-type: none"> <li>• Ordered by AFR on all files other than appraisals performed by the approved AFR AMC company.</li> <li><a href="http://www.streetlinks.com">www.streetlinks.com</a></li> </ul>							
<b>See the other AFR Matrices for additional programs.</b>							
<b>AFR reserves the right to decline a file at any time at it's sole discretion.</b>							
<b>AFR does not accept loans with defaulted CAIVERS</b>							