

Documentation Standards	All loans must meet standard loan documentation and qualification requirements		
Exceptions	Exceptions to guideline requirements will be made on a case by case basis		
Minimum Loan Amount	\$50,000		
Products and terms	<ul style="list-style-type: none"> • 30,25, 20, 15 and 10 Year terms under standard conforming product • Custom amortizations available under Retained product only • DU Refi Plus- 30, 20 and 15 year terms • Fannie Mae Home Ready 30 year Term (retained product) 		
Transaction Type		Purchase/Rate Term Refinance	Cash Out Refinance
Maximum LTV/CLTV	Property Type	Up to \$453,100	Up to \$453,100
Owner Occupied		FRM	FRM
	1 Unit/Condo/PUD	97%	80%
	2 Unit	85%	75%
Second Home	3-4 Unit	75%	75%
	1 Unit/Condo/PUD	90%	75%
	2 Unit	N/A	N/A
Investment Property	3-4 Unit	N/A	N/A
	1 Unit/Condo/PUD	85%	75%
	2 Unit	75%	70%
3-4 Unit		75%	70%
DU/LP Eligibility	<ul style="list-style-type: none"> • DU Approve or LP approval – AUS approval required • No Manual Underwrites 		
Qualifying Ratios	<ul style="list-style-type: none"> • Per DU/LP 		
97 LTV Conforming	<ul style="list-style-type: none"> • The 97% LTV purchase requires at least one borrower to be a first time homebuyer unless using the Home Ready program • 97% Rate/Term refinance - FNMA must be the owner of the existing mortgage 		
Home Ready Product Matrix	<ul style="list-style-type: none"> • https://www.fanniemae.com/content/fact_sheet/homeready-product-matrix.pdf 		
Fannie Mae Originating and Underwriting link	<ul style="list-style-type: none"> • https://www.fanniemae.com/singlefamily/originating-underwriting 		
Fannie Mae Eligibility Matrix	<ul style="list-style-type: none"> • https://www.fanniemae.com/content/eligibility_information/eligibility-matrix.pdf 		
Fannie Mae Day 1 Certainty Link Validation Services	<ul style="list-style-type: none"> • https://www.fanniemae.com/singlefamily/day-1-certainty 		
Freddie Mac Eligibility Matrix	<ul style="list-style-type: none"> • http://www.freddiemac.com/singlefamily/factsheets/sell/ltv_tltv.htm 		
Credit Scores	<ul style="list-style-type: none"> • Minimum Credit Score 620 • Full Tri Merged Credit Report (minimum 2 scores) • All borrowers must have open active trade lines • No non-traditional credit 		
Eligible Borrowers	<ul style="list-style-type: none"> • US Citizens • Permanent Resident Aliens • Non-Permanent Resident Alien • All borrowers must have valid S/S# 		
3rd Party Processing Services	<ul style="list-style-type: none"> • If utilizing a 3rd party for processing services- The loan must be locked and submitted under the Retained Product 		

Down Payment	<ul style="list-style-type: none"> 1 unit properties do not require 5% down payment from borrower. All funds can come from acceptable gift sources. 2-4 unit properties require a minimum 5% from borrower's own funds. Gift funds permitted after 5% down payment has been met. Gift funds not permitted on Investment Property purchase treated like an inducement and deducted dollar for dollar from the sales price for purposes of calculating LTV Second homes require minimum of 5% borrowers own funds
Seller Assist/ICP	<ul style="list-style-type: none"> Standard FNMA guidelines apply. Seller side disbursements are examined closely. All real estate commissions and non-lien related expenses (marketing expense, finder's fee, referral fees, and consultant fees) must not exceed 8% of the sales price. Any combination of these disbursements exceeding 8% will be treated like an inducement and deducted dollar for dollar from the sales price for purposes of calculating LTV
Non Occupant Co-borrower	<ul style="list-style-type: none"> LP or DU allowed. Preferred AUS DU
Bankruptcy and/or Foreclosure	<ul style="list-style-type: none"> BK Discharge must be seasoned 4 years Foreclosure must be seasoned 7 years Short sale charge off must be seasoned 4 years
Property Type	<p>The following property/occupancy types are permitted</p> <ul style="list-style-type: none"> 1-4 unit residences (no manufactured housing) Condominiums Townhouse PUD Subject property over 20 acres must be submitted on Retained Product
Number of Financed Properties	<ul style="list-style-type: none"> 5-10 Financed Properties Permitted (Retained product only) Mid America Mortgage will not extend more than 4 loans to any one individual
4506T	<ul style="list-style-type: none"> Required on all files. Please review IRS transcript policy on page 3 of this document
Cash Out	<ul style="list-style-type: none"> A loan is defined as cash out if the amount exceeds \$2000 or 2% of the loan amount. Non purchase money seconds are considered cash out. Previous note date must be greater than 6 months from application date Texas Cash out. Please indicate A06 product in pricing engine for appropriate product delivery
Properties Flipping	<ul style="list-style-type: none"> Follow FNMA Guidelines
Temporary Buy downs	<ul style="list-style-type: none"> Not Permitted
Mortgage Insurance	<ul style="list-style-type: none"> Mortgage insurance is required on all loans over 80% LTV Do allow financed Single Premium mortgage insurance LPMI is available
Reserves	<ul style="list-style-type: none"> Must meet AUS Please verify requirements that are determined by # of financed properties owned in your AUS findings
DP Assistance	<ul style="list-style-type: none"> Down payment programs are not permitted
Appraisals	<ul style="list-style-type: none"> Appraisals must be ordered via an approved Mid America Mortgage (AMC) If Correspondent- Correspondent must order through the AIR compliant AMC and the appraisal must be in the correspondents name

<p>Properties Listed For Sale</p>	<ul style="list-style-type: none"> On any refinance transaction, property may not be listed for sale at time of application. For cash out transactions, if listed for sale within the last 6 months, the property must be taken off the market prior to application date and the max LTV/CLTV is 70%
<p>Non Arm's Length Transactions</p>	<ul style="list-style-type: none"> Flip transactions are not permitted. Family transfers/Title changes examined closely.
<p>Eligible States</p>	<ul style="list-style-type: none"> Eligible in all Mid America Mortgage licensed states
<p>IRS Tax Transcripts and W2 Transcript policy</p>	<ul style="list-style-type: none"> No Transcripts are required when all income information used to decision a loan is made exclusively of wage earner income reported on a W-2 and /or fixed income reported on a 1099 (Ex. Social Security or VA benefits), unless required by AUS. Self-employed, commissioned and rental income will require tax transcripts Instances where Tax Transcripts would be required regardless of income and employment sources. <ul style="list-style-type: none"> Handwritten paystubs are used as verification of income Borrower(s) is employed by a family member Relationship between the parties Borrower and Seller are related Borrower is employed by the Third Party Originator Company the underwriter's or QC discretion, if needed to verify income calculations or to address red flags If Tax returns are delivered with the file at time of application Use of Dividends, Interest income, and Capital Gains income, will require full tax Transcripts
<p>Why use the Retained product over the Released product</p>	<ul style="list-style-type: none"> 5-10 Financed Properties Texas Cash out. Please indicate A06 in Mortgage Machine pricing engine for appropriate product 1 day off MLS for rate and term Collection accounts totaling over \$2000 1031 Exchanges Custom amortizations available under retained product only Subject property over 20 acres Borrower starting new employment and loan closing prior to having 30 days-time on the job- with 30 days of paychecks from the new employer