



Documentation Requirements	All loans must meet standard FHA loan documentation and qualification requirements		
Exceptions	Exceptions to guideline requirements will be made on a case-by-case basis with Sr. management approval		
Owner Occupied Only	Property Type	Purchase and R/T- LTV's	Cash Out LTV's
580 Minimum FICO for Purchase and R/T- 600 Minimum for Cash Out	SFR Detached	P 96.5% and R/T 97.75%	85%
	SFR Attached	P 96.5% and R/T 97.75%	85%
	Manufactured- 680 score	P 96.5% and R/T 97.75%	85%
Terms/Product	<ul style="list-style-type: none"> Fixed: 30,25,20 and 15 Yr. only, FHA 5/1 Arm 		
Underwriting Details	<ul style="list-style-type: none"> All loans are run through DU or LP w/AUS approval Manual Underwrites only allowed when AUS is picking a Chapter 13 bankruptcy discharge less than 2 years ago. Max DTI 43% on Manual underwrite with re-established credit All loans require a signed 4506t VOE required on all hourly compensated borrowers - (required on most/all loans), breaking down income. (Examples- new job, job gaps, etc.) Most recent 2 months bank statements required Verbal Verification of employment is required prior to closing Cash out loans are not permitted in Texas (FHA) Resale-deed restrictions are not permitted Non-Traditional Credit/ No Score Policy- Mid America Mortgage will approve a true "no score" loan on an exception basis. Please refer to mortgage letter 2008-11. Have your Account Executive review the credit report or non-traditional trades before submitting the application. Loan will be priced as a "no score loan". FHA Retained product will allow a 640 and below credit scores. Cash out Transaction requires a LOX verifying reason for cash under the following circumstance- if only the mortgage is marked as being paid off by the Cash out refinance and no other debts on the 1003 are indicated as being paid by the transaction. 		
Credit Score	<ul style="list-style-type: none"> 580 - Lower of 2 or Middle of 3 repositories. 600 - Cash out 		
Down Payment	<ul style="list-style-type: none"> 3.5% down payment required on Purchase transactions (gift funds allowed) 		
Seller Contributions	<ul style="list-style-type: none"> Maximum 6% of sales price- limited to the following Buy-down funds (if applicable) Seller Paid Closing costs Discount Points Prepaid Expenses UFMIP 		
DPA Assistance	<ul style="list-style-type: none"> Subject to approval by Mid America Mortgage Borrowers who choose to make a down payment may use a Government or Municipal Down Payment Assistance Program (DPA). First Mortgage sold to Mid America Mortgage is not subject to terms of a bond program DPA- cannot restrict the transfer of servicing rights for the first mortgage or require prior notification or approval from the sponsoring authority in the event of the transfer of the first mortgage's servicing rights 		
Subordinate Financing	<ul style="list-style-type: none"> Approved DPA's permitted 		



Reserves	<ul style="list-style-type: none"> Reserves required for 3-4 unit properties – 3 month PITI Manual Underwrites require 1 months PITI reserves
Mortgage/Rent History	<ul style="list-style-type: none"> Follow AUS findings unless credit is limited then underwriter has the discretion to request a bona-fide VOR or 12 months cancelled checks
Occupancy	<ul style="list-style-type: none"> Owner Occupied Primary residence only. (acceptable non-occupying co-borrowers are allowed)
Debt to Income Ratio	<ul style="list-style-type: none"> Follow AUS findings
Bankruptcy	<ul style="list-style-type: none"> Minimum 2 Years
Foreclosure	<ul style="list-style-type: none"> Minimum 3 Years completed. Seasoning based off the property transfer date
Property Types	<ul style="list-style-type: none"> Single Family Attached and Detached, Condo, PUD and Manufactured Homes (Manufactured homes require a 680 score and a limit of 10 acres)
Condominium	<ul style="list-style-type: none"> Condominium must be currently approved by HUD (FHA).
Mortgage Insurance	<ul style="list-style-type: none"> 1.75% UFMIP
Cash out	<ul style="list-style-type: none"> 85% (minimum FICO of 600 required)
Appraisal	<ul style="list-style-type: none"> Full FHA 1004 Appraisal is required. Wholesale orders appraisals through Mortgage Machine portal Non-Delegated Correspondents- order appraisals through their AMC's
Escrows	<ul style="list-style-type: none"> Escrow of Tax, Insurance and MIP are required on all loans.
Property Flips	<ul style="list-style-type: none"> Flip transactions are eligible. (seller must have acquired property 90 days prior to date of sales contract and Case #)
Number of Financed Properties	<ul style="list-style-type: none"> Limit to one other FHA financed property unless applicants meet FHA special criteria for exception
Non Arm's Length Transactions	<ul style="list-style-type: none"> Allowed – must meet HUDs "Identity of Interest" guidelines
Eligible States	<ul style="list-style-type: none"> Eligible in all Mid America Mortgage licensed states.
IRS Tax Transcript and W2 Transcript Policy	<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