


# FHA Portfolio Loan Matrix (600+ FICO)

as of Apr 26, 2011

Product Guidelines						Additional Guidelines					
											
<b>For Case Number Assignments on or after 1/1/2009</b>											
Purchase			Rate & Term Refinance			Cash Out Refinance					
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%		0.25%	
≤ 95%		1.00%		1.10%		≤ 90%		1.00%		0.50%	
<b>Streamline Refinance: N/A in Portfolio. See Standard and Premium Matrix</b>											
<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 Portfolio Loans:</b>											
<ul style="list-style-type: none"> <li>• <b>600 Minimum Fico. Lowest middle score of all borrowers.</b></li> <li>• <b>No Non Occupant Co-Signers.</b></li> <li>• <b>3.5% down payment must come from the borrowers own funds.</b></li> <li>• <b>Gift funds can be used for additional down payment and or closing costs.</b></li> <li>• <b>No Streamline Refinances. (See Standard and Premium)</b></li> <li>• <b>Must have a verified 12 Month housing history as evidenced by a credit report (for reporting mortgages) 0x30, copy of the most recent 12 month's cancelled checks or management VOR. No private VOR's or rent supplements allowed.</b></li> <li>• <b>1-2 Unit, Manufactured Homes, and FHA Approved Condo's only</b></li> <li>• <b>No New Subordinate Financing.</b></li> <li>• <b>Max base loan amount (prior to UFMIP) is the lower of FHA's max county limit or \$417,000 for SFR or \$533,850 for 2 Unit.</b></li> <li>• <b>Max base loan amount for HI and AK is 625,500.</b></li> <li>• <b>Short Sales; no mortgage late payments allowed on any loan modification/short refinances or short sale. See mtgee letter 09-52</b></li> <li>• <b>No Section 8 or loans in a Military Zone Impact Area.</b></li> <li>• <b>Pay off revolving debt to qualify is not allowed if housing pmt is increasing.</b></li> <li>• <b>Mortgage Credit Rejects are allowed on a case-by-case bases; must be AUS Approved/Accepted</b></li> </ul>											
<b>Rate &amp; Term Transactions:</b> <ul style="list-style-type: none"> <li>• See FHA Guidelines</li> <li>• Properties listed for sale: The listing must have been cancelled at least 1 day prior to the application.</li> </ul>											
<b>Cashout Transactions: See Mortgagee letter 09-08</b> <ul style="list-style-type: none"> <li>• Properties listed for sale: The listing must have been cancelled for at least 90 days prior to the application.</li> <li>• Cash-out refinances are not permitted in TX.</li> <li>• Max cash in hand is \$100,000.</li> </ul>											
<b>General</b> <ul style="list-style-type: none"> <li>• A borrower cannot have more then one FHA loan at a time. The only exception is if they are relocating greater then 100 miles from their original location.</li> <li>• A borrower may not own more than 2 financed properties.</li> <li>• All multi family purchases - borrower must qualify on their own without using the rental income</li> </ul>											
<b>Streamlined 203K:</b> <ul style="list-style-type: none"> <li>• See seperate guidelines; <a href="http://www.afrwholesale.com/203k_Streamlined">www.afrwholesale.com/203k_Streamlined</a></li> </ul>											
<b>Manufactured Housing Guidelines (600-619) See Mortgagee Letter 2009-16</b> <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> <li>• Grants and gifts are acceptable to use for cash to close over and above the initial 3.5% down payment. The initial 3.5% down payment must come from the borrowers own funds.</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>• 31/43% (Can go up to 40/45 with an AUS approval)</li> </ul>											
<b>Underwriting Method:</b> <ul style="list-style-type: none"> <li>• Manual Refer or DU/LP Approve Eligible/Accept</li> </ul>											
<b>AFR fees:</b> <ul style="list-style-type: none"> <li>• Flood Cert: \$12.00</li> </ul>											
<b>Expiration Dates:</b> <ul style="list-style-type: none"> <li>• Appraisal: 120 days</li> <li>• Appraisal with recert of value: 180 days</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. 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. <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>											