

## Manual Underwriting Product Eligibility Matrix: Stable and Declining Markets

Loan Amount	Occupancy	Loan Purpose	Property Type	Retail & Non-Retail Stable Markets		Non-Retail Declining Markets	
				Max LTV/CLTV	Min FICO	Max LTV/CLTV	Min FICO
≤ \$417,000	Primary Residence	Purchase or Rate/Term Refinance	Single Family or Condo	97*	720	N/A	N/A
		Purchase or Rate/Term Refinance	Single Family or Condo	95	660	95	700
			Co-op	95	660	90	720
		Cash-Out Refinance	Single Family	85	700	N/A	N/A
		Construction-to-Permanent	Single Family	95	700	N/A	N/A
	Second Home	Purchase or Rate/Term Refinance	Single Family or Condo	90	720	90	720
	Investment Property	Purchase	Single Family	85	720	N/A	N/A
≤ \$533,850	Primary Residence	Purchase or Rate/Term Refinance	Two-Unit	90	700	N/A	N/A
\$417,001 to FHFA Max	Primary Residence	Purchase or Rate/Term Refinance	Single Family or Condo	95	700	95	720
			Co-op	95	700	90	720
		Construction-to-Permanent	Single Family	90	700	N/A	N/A

Manual Underwriting Product Eligibility Requirements: Stable and Declining Markets	
<b>Manual Underwriting</b>	Loans not scoring DU Approve/Eligible, LP Accept/Eligible, or not scored via DU/LP are deemed to be manual underwrites. Manually underwritten loans must meet the product eligibility criteria as outlined within this matrix and the eligibility standards as outlined within the Underwriting Guideline Manual.
<b>Non-Permanent Resident Aliens</b>	Non-permanent resident aliens must meet the eligibility requirements as denoted in Section 3.1
<b>Non-Arms Length Transactions</b>	Non-arms length transactions must be submitted to Essent for underwriting
<b>Appraisal Requirements</b>	Property Inspection Waivers (PIW) or Property Inspection Alternatives (PIA) such as Fannie Mae Form 2075 are ineligible
<b>Declining Markets</b>	Non-Retail Declining Markets: Properties located in Arizona, Florida and Nevada are designated as being located in declining markets; see Florida Condominiums eligibility
<b>Florida Condominiums</b>	Non-delegated submissions only; Primary Residence; Purchase; Max 90% LTV/CLTV; Min 720 FICO; Max DTI 41%
<b>Debt-to-Income Ratio</b>	Max DTI 45%; Max DTI 41% if FICO <720
<b>Reserve Requirements</b>	2 months PITI or the product required minimum; Investment Property: 6 months PITI required
<b>*LTV/CLTV &gt; 95%</b>	Non-delegated submissions only
<b>Loan Amounts Above \$417,000</b>	Must meet area specific permanent high cost loan limit as set by FHFA
<b>Cash-Out Refinance</b>	Max cash out: \$150,000; temporary buydowns ineligible; ARMs with an initial fixed-rate period of <5 years ineligible
<b>Construction-to-Permanent</b>	Purchase or Rate/Term Refinance; See section 4.2.5 for LTV/CLTV calculation; one-time and two-time close transactions permitted
<b>Renovation Loans</b>	Eligible upon lender-specific program approval; additional restrictions may apply
<b>ARMs</b>	Min initial fixed period: 3 years; 3-year and 5-year ARMs qualify at the greater of the initial rate + 2% or the fully indexed rate; 7-year and 10-year ARMs qualify at the initial rate
<b>Temporary Buydowns</b>	Max 95% LTV/CLTV; See Section 4.4 for restrictions
<b>Ineligible Properties</b>	Manufactured/mobile homes; non-warrantable condominiums; condominium hotels (condo-tels); apartment/hotel conversions; model home leasebacks; vacant lots/land; time-share properties; homes unsuitable for year-round occupancy; unimproved land; earth, berm, dome, log and straw bale homes; working farms, orchards and ranches; student housing projects ("kiddie" condos); 3-4 units
<b>Ineligible Products</b>	Interest only; balloons; loans with scheduled or potential negative amortization; graduated payment mortgages
<b>Borrower Contributions</b>	Primary Residence: 3% of borrower's own funds required Second Home: 5% of borrower's own funds required Investment Property: 15% of borrower's own funds required
<b>Non-Occupying Co-Borrower</b>	Max LTV/CLTV 95%; DTI based on occupant borrower's income/debt profile; Max DTI 45%; Max DTI 43% if FICO <720
<b>Loan Representative FICO Score</b>	Lower of two or middle of three repositories to determine each borrower's representative score; lowest representative score across all borrowers; minimum of two valid credit scores must be obtained for each borrower; non-traditional/no credit score is ineligible