

loan amounts > FHFAmax

PRODUCT ELIGIBILITY MATRIX

Loan Amounts > FHFA Max Guideline Summary

Effective: September 18, 2017

LOAN PURPOSE	PROPERTY TYPE	MAX. LTV/CLTV	MAX. LOAN AMOUNT	MIN. FICO
PRIMARY RESIDENCE				
Purchase or Rate/Term Refinance	Single Family/Condo/Co-op	95	\$850,000	700
		90	\$1,000,000*	720
		85	\$1,500,000*	740
Construction-to-Permanent	Single Family/Condo	90	\$850,000	720
		90	\$1,000,000*	740
SECOND HOME				
Purchase or Rate/Term Refinance	Single Family/Condo	90	\$650,000	720
		90	\$850,000	740
Construction-to-Permanent	Single Family/Condo	90	\$650,000	720

*Loan Amounts >\$850,000 require a Non-Delegated submission

LOAN AMOUNTS > FHFA MAX PRODUCT ELIGIBILITY REQUIREMENTS

Non-Retail	Eligible
Loan Programs	Fixed Rate; 5 yr. ARM; 7 yr. ARM; 10+ yr. ARM
Eligible Borrowers	U.S. Citizens; Permanent Resident Aliens; Non-Permanent Resident Aliens; Inter Vivos Revocable Trusts
Appraisal Requirements	Loan Amounts ≤\$1,000,000: Full Appraisal Report Loan Amounts >\$1,000,000: 2 Full Appraisal Reports OR 1 Full Appraisal Report + Field Review
Documentation Type	Full doc only; Alt Doc and all other streamline documentation is ineligible
Credit Requirements	Mortgage Lates: 0 X 30 in last 12 months, 0 X 60 in the last 24 months; Installment/Revolving Lates: 0 X 60 in last 12 months, 1 X 60 in last 24 months; Judgments, Liens, Collections, Charge-Offs: must be paid off; disputed collections may remain open to Max. \$250 per account or \$1,000 in total; Borrowers with invalid or no credit bureau score: ineligible; Chap 7 & 11 Previous Bankruptcy: 4 yrs. since discharge (2 yrs. with documented extenuating circumstances); Chap 13 Previous Bankruptcy: 2 yrs. since discharge/4 yrs. since dismissal (2 yrs. with documented extenuating circumstances); Multiple Bankruptcy Filings in Past 7 Years: ineligible; Foreclosure: 5 yrs. since date of title transfer (3 yrs. with documented extenuating circumstances); Short Sale/Deed in Lieu: 4 yrs. since date of title transfer (2 yrs. with documented extenuating circumstances); Min. 3 traditional trade lines evaluated for at least 12 months for each borrower
Income	Salaried/W-2 Borrowers: Past 2 yrs. W-2s or past 2 yrs. IRS tax transcripts; Most recent 30 days paystubs indicating year-to-date (YTD) earnings; Pre-funding verbal verification within 10 business days of closing; verification of business phone number and address, must be verified by an independent third party, document name and title of person providing verification Self-Employed Borrowers: 2 yrs. evidence of self-employment required; Most recent 2 yrs. personal and business federal income tax returns; Pre-funding verbal verification within 30 calendar days of closing; verification of the existence of the business, business phone number and address, must be verified by an independent third party, document name and title of person providing verification Capital Gains Income: 2 yrs. personal tax returns if no more than 30% of total income; 3 yrs. personal tax returns if greater than 30% of total income; 2 yr. average for qualification if tax returns evidence realized capital gains for last 2 yrs.; support for continuance for next 3 yrs.; verification of ownership & control of assets
Debt-to-Income Ratio	Loan Amounts ≤\$850,000: Max. 43% DTI; Loan Amounts >\$850,000: Max. 41% DTI
Eligible Property Types	SFR; Condominiums; Cooperatives; Standard condo and cooperative project approval review required; Cooperatives only eligible in the states of CA, CT, IL, MA, MD, MI, MN, NJ, NY, PA, VA and D.C.
Qualification Rate	Fixed Rate & 7 yr. & 10+ yr. ARMs: Note Rate; 5 yr. ARM: Greater of the fully indexed fully amortized rate or Note Rate +2%
Reserves	Loan Amounts ≤\$850,000: 6 months PITI required Loan Amounts >\$850,000: 12 months PITI required First-Time Homebuyer: 12 months PITI required Two most recent monthly bank statements required to verify funds to close and reserves
Borrower Contributions	Loan Amounts ≤\$1,000,000: 5% of borrower's own funds required; Loan Amounts >\$1,000,000: 10% of borrower's own funds required
Seller Contributions	>90% LTV: Max. 3%; ≤90% LTV: Max. 6%
4506-T	All IRS Form 4506-T must be signed, completed and dated at application and at closing by all borrowers
Ineligible Properties	Manufactured housing; 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; >10 acres; working farms, orchards and ranches; student housing projects ("kiddie" condos); 2-4 units
Ineligible Products	Interest only; loans with scheduled or potential negative amortization; streamline refinances; renovation loans; loans with terms greater than 30 years; graduated payment mortgages
Ineligible Attributes	Post-closed loans; refinances of previously modified loans

NOTE: Please see the Essent Underwriting Guideline Manual on essent.us for full details.

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