



<u>Occupancy</u> Owner Occupied Investment	<u>Minimum FICO</u> 620 640
Loan Purpose	<ul style="list-style-type: none"> <li>▪ • Credit Qualified Streamline Refinance</li> <li>▪ • Non-Credit Qualified Streamline Refinance</li> </ul>
Approval Type	<ul style="list-style-type: none"> <li>▪ Manual underwriting for non-credit qualifying and credit qualifying streamlines (No AUS)</li> </ul>
Occupancy	<ul style="list-style-type: none"> <li>▪ Owner-occupied and Investment properties</li> </ul>
Eligible Properties	<ul style="list-style-type: none"> <li>▪ Attached/Detached SFRs</li> <li>▪ PUDs</li> <li>▪ HUD-approved Condos</li> <li>▪ 2-4 Units</li> </ul>
Credit Scores	<ul style="list-style-type: none"> <li>▪ Owner Occupied Minimum Score 620</li> <li>▪ Investment Minimum Score 640</li> <li>▪ Minimum of 1 FICO score required for each borrower</li> </ul>
Maximum Loan Amount	<ul style="list-style-type: none"> <li>▪ The maximum Base Loan Amount is:               <ul style="list-style-type: none"> <li>○ • The lesser of:                   <ul style="list-style-type: none"> <li>▪ The outstanding principle balance of the existing Mortgage                       <ul style="list-style-type: none"> <li>• Interest due on the existing Mortgage; AND</li> <li>• MIP due on existing Mortgage; OR</li> </ul> </li> <li>○ • The original principle balance of the existing Mortgage (including financed UFMIP)</li> </ul> </li> </ul> </li> <li>▪ • Less any refund of UFMIP (if financed in original Mortgage).</li> </ul>
Subordinate Financing	<ul style="list-style-type: none"> <li>▪ <u>No Max CLTV</u></li> </ul>
Max Fees Included in Loan Amount Calculation	<ul style="list-style-type: none"> <li>▪ The loan amount calculation may include up to 30 days of interest and 2 months prorated MIP when it shows on the payoff demand. The lender credit may pay all closing costs including fees on the payoff that are not included in the loan amount calculations. <b>If the payoff shows interest as a daily per diem we cannot include 30 days of interest.</b></li> </ul>
Credit	<ul style="list-style-type: none"> <li>▪ Borrowers must provide a signed LOE for all delinquent credit in the past 24 months. A mortgage rating with credit scores is required for all non-credit qualifying streamlines.</li> </ul>
Mortgage Lates	<ul style="list-style-type: none"> <li>▪ 0x30 for last 6 months prior to case number assignment</li> <li>▪ Max 1x30 for previous six months for all Mortgages</li> </ul>
Collection Accounts	<ul style="list-style-type: none"> <li>▪ Refer to 4000.1:               <ul style="list-style-type: none"> <li>- II.A.4.b.iv. P (TOTAL)</li> <li>- II.A.5.a.iv.Q (Manual)</li> </ul> </li> <li>▪ Borrower cannot be late, delinquent, or in default of any federal debt.</li> </ul>
Short Sale	<ul style="list-style-type: none"> <li>▪ A borrower is not eligible for a new FHA insured mortgage if they pursued a short sale agreement simply</li> </ul>

	<p>to take advantage of a declining market.</p> <ul style="list-style-type: none"> <li>▪ If borrower was current at time of short sale, the borrower is considered eligible for a new FHA mortgage when: <ul style="list-style-type: none"> <li>- A borrower is considered eligible for a new FHA mortgage if:</li> <li>- From the Date of the Case Number Assignment on the New mortgage, all mortgage payments on the prior mortgage were made within the mortgage due for the 12 month period preceding the short sale month period preceding the short sale</li> <li>- Installment debt payments for the same time period were also made within the same month due</li> </ul> </li> </ul>																				
<p><b>Bankruptcy &amp; Foreclosures</b></p>	<ul style="list-style-type: none"> <li>▪ For a Bankruptcy discharged or a Foreclosure recorded within the last 3 years, no 30-day late payments or derogatory credit of any type is acceptable from the date Bankruptcy was filed or Foreclosure was recorded.</li> <li>▪ Seasoning requirements must be met prior to FHA Case Number assignment.</li> <li>▪ Seasoning Requirements: <ul style="list-style-type: none"> <li>- Chapter 7 - 2 years</li> <li>- Chapter 13 - 2 years</li> <li>- Foreclosure and deed-in-lieu - 3 years</li> </ul> </li> <li>▪ Refer to manual underwriting guidelines</li> </ul>																				
<p><b>Loan Limits</b></p>	<ul style="list-style-type: none"> <li>▪ Streamline refi's WITHOUT an appraisal are not subject to the new max mortgage amounts <ul style="list-style-type: none"> <li>o The maximum insurable mortgage cannot exceed the outstanding principal balance minus the applicable refund of the UFMIP plus the new UFMIP that will be charged on the refinance</li> <li>o The term of the mortgage must be the lesser of 30 years or the unexpired term of the mortgage plus 12 years. A borrower may not refinance from a 15 year loan to a 30 year loan.</li> </ul> </li> <li>▪ Streamline refi's WITH an appraisal are not allowed. Refer to Simple Refi guidelines for all closing cost to be included.</li> </ul>																				
<p><b>Net Tangible Benefit</b></p>	<ul style="list-style-type: none"> <li>▪ A Net Tangible Benefit is a reduced Combined Rate, a reduced term, and/or a change from an ARM to a Fixed rate mortgage that results in a financial benefit to the Borrower.</li> <li>▪ Combined Rate refers to the interest rate on the mortgage plus Mortgage Insurance Premium (MIP) rate.</li> </ul> <table border="1" data-bbox="695 1019 1906 1406"> <thead> <tr> <th data-bbox="695 1019 993 1081"><b>From:</b></th> <th data-bbox="993 1019 1203 1081"><b>To:&gt;</b></th> <th data-bbox="1203 1019 1304 1081"><b>Fixed Rate New Combined Rate</b></th> <th data-bbox="1304 1019 1602 1081"><b>1Year ARM New Combined Rate</b></th> <th data-bbox="1602 1019 1906 1081"><b>Hybrid ARM New Combined Rate</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="695 1081 993 1170">Fixed Rate</td> <td data-bbox="993 1081 1203 1170"></td> <td data-bbox="1203 1081 1304 1170">At least 0.5 percentage points below the prior Combined Rate</td> <td data-bbox="1304 1081 1602 1170">At least 2 percentage points below the prior Combined Rate</td> <td data-bbox="1602 1081 1906 1170">At least 2 percentage points below the prior Combined Rate</td> </tr> <tr> <td data-bbox="695 1170 993 1289">Any ARM With &lt; 15 Months to Next Payment Change Date</td> <td data-bbox="993 1170 1203 1289"></td> <td data-bbox="1203 1170 1304 1289">No more than 2 percentage points above the prior Combined Rate</td> <td data-bbox="1304 1170 1602 1289">At least 1 percentage points below the prior Combined Rate</td> <td data-bbox="1602 1170 1906 1289">At least 1 percentage points below the prior Combined Rate</td> </tr> <tr> <td data-bbox="695 1289 993 1406">Any ARM With &gt; 15 Months to Next Payment Change Date</td> <td data-bbox="993 1289 1203 1406"></td> <td data-bbox="1203 1289 1304 1406">No more than 2 percentage points above the prior Combined Rate</td> <td data-bbox="1304 1289 1602 1406">At least 2 percentage points below the prior Combined Rate</td> <td data-bbox="1602 1289 1906 1406">At least 1 percentage points below the prior Combined Rate</td> </tr> </tbody> </table>	<b>From:</b>	<b>To:&gt;</b>	<b>Fixed Rate New Combined Rate</b>	<b>1Year ARM New Combined Rate</b>	<b>Hybrid ARM New Combined Rate</b>	Fixed Rate		At least 0.5 percentage points below the prior Combined Rate	At least 2 percentage points below the prior Combined Rate	At least 2 percentage points below the prior Combined Rate	Any ARM With < 15 Months to Next Payment Change Date		No more than 2 percentage points above the prior Combined Rate	At least 1 percentage points below the prior Combined Rate	At least 1 percentage points below the prior Combined Rate	Any ARM With > 15 Months to Next Payment Change Date		No more than 2 percentage points above the prior Combined Rate	At least 2 percentage points below the prior Combined Rate	At least 1 percentage points below the prior Combined Rate
<b>From:</b>	<b>To:&gt;</b>	<b>Fixed Rate New Combined Rate</b>	<b>1Year ARM New Combined Rate</b>	<b>Hybrid ARM New Combined Rate</b>																	
Fixed Rate		At least 0.5 percentage points below the prior Combined Rate	At least 2 percentage points below the prior Combined Rate	At least 2 percentage points below the prior Combined Rate																	
Any ARM With < 15 Months to Next Payment Change Date		No more than 2 percentage points above the prior Combined Rate	At least 1 percentage points below the prior Combined Rate	At least 1 percentage points below the prior Combined Rate																	
Any ARM With > 15 Months to Next Payment Change Date		No more than 2 percentage points above the prior Combined Rate	At least 2 percentage points below the prior Combined Rate	At least 1 percentage points below the prior Combined Rate																	

	<ul style="list-style-type: none"> <li>If the mortgage term is reduced the net tangible benefit test is met if: the new interest rate does not exceed the current interest and the combined principle, interest and MIP payment does not increase by more than \$50.</li> </ul>
<b>Payment History Documentation</b>	<ul style="list-style-type: none"> <li>Streamline refinances must evidence at least 6 months mortgage history prior to case assignment AND;</li> <li>At least 210 days must have passed from the closing date of the loan being refinanced AND;</li> <li>6 Full months have passed</li> <li>Borrower may not refinance a previous rental property to owner occupied streamline for 12 months prior to the application</li> </ul>
<b>Maximum DTI Ratios</b>	<ul style="list-style-type: none"> <li>No DTI calculated for Non-Credit Qualifying Streamline</li> <li>DTI for Credit-Qualifying Streamline per HUD Handbook 4000.1 (manual underwriting guidelines)</li> </ul>
<b>Documentation Requirements</b>	<p>Streamline Refinance</p> <ul style="list-style-type: none"> <li>No income or debts on the 1003 or LT</li> <li>Employment info and mortgage lien needs to be on the 1003</li> <li>Salaried borrowers require a verbal VOE</li> <li>Mortgage statement with breakdown of PITI and copy of current Note</li> <li>Signed but not processed 4506T form is required</li> <li>Self-employed borrowers require verification of the business through a 3rd party source</li> </ul> <p>Credit qualifying Streamline Refinance - NO AUS or Appraisal Required with Manual Underwrite up to 31% / 43% DTI. For DTI over 31% / 43% must follow manual underwriting guidelines.</p> <p>When you are removing a borrower off the previous loan:</p> <ul style="list-style-type: none"> <li>30 days' worth of paystubs - W-2 borrower</li> <li>2 years tax returns - self employed</li> <li>2 years W-2's - W-2 borrower</li> <li>Credit refresh is required prior to preparation of loan documents</li> <li>Mortgage statement with breakdown of PITI and copy of current Note</li> <li>Most recent bank statement - fixed income borrower</li> <li>Award letters - fixed income borrower</li> <li>Processed 4506-T</li> <li>Must follow manual underwriting guidelines</li> </ul>
<b>State Restrictions</b>	<ul style="list-style-type: none"> <li>Streamlines are not allowed on TX50A6 loans</li> </ul>
<b>Termite Inspection</b>	<ul style="list-style-type: none"> <li>Not required</li> </ul>
<b>AVM/Appraisal</b>	<ul style="list-style-type: none"> <li>Not required</li> </ul>
<b>Notes for Investment Properties</b>	<ul style="list-style-type: none"> <li>No manufactured allowed</li> <li>Cannot do a Streamline with an appraisal</li> <li>Maximum base loan amount is the existing outstanding principal balance less MIP refund plus UFMIP</li> <li>Fixed rate only</li> <li>Max 4 unit limitation</li> </ul>
<b>For Complete Information</b>	<p><a href="#">Click here</a> to access the most current FHA Handbook 4000.1</p>

V.I.P. Mortgage, Inc. does not discriminate in any aspect of a credit transaction on the basis of sex, marital status, race, religion, national origin, age, income derived from public assistance, or the good faith exercise of rights under the Consumer Credit Protection Act.

