

Effective 4-16-2025 Subject to change without notice. <i>Updates in italics.</i>	Conventional (FNMA)	FHA (No Manual Underwrites Except Streamline Refi)	VA (No Manual Underwrites Except IRRRL)	USDA (No Manual Underwrites Except Streamline Refi)	Non- Conforming ARM	Solutions Jumbo (5/1, 7/1, 10/1 ARMS & 30 yr fixed)
Max Loan Amount	Conforming limit \$806,500 High Balance – OK	\$524,225 for 1 unit <i>Ok high cost area</i> \$1,209,750 for 1 unit	\$806,500 *Depends on amount of available Eligibility OK High Balance	The lower of \$806,500 or the Area Based Limits for USDA	\$806,500	\$2,000,000*  *Loan size exception may be available.
Max LTV/CLTV	LTV's listed are for 1 unit properties (SFR, Condo, PUD)					
Primary Purchase	95/95* or 97/97* If >95% must be HomeReady or 1 borrower must be 1 <sup>st</sup> Time homebuyer  *ok 105 CLTV if Community 2nd	96.5/105*  *ok 105 CLTV if Governmental Entity	100/100  Funding Fee can be financed on top of 100%	100/105*  *ok 105 CLTV if Governmental Entity	97/97	95/95* \$806,501 - \$1mil 80/80 \$1mil - \$2mil *LTV >80 must be 5/1 or 7/1
Primary Rate/Term Refi	95/95 or 97/97 if refi of existing Fannie Mae loan	97.75/97.75	IRRRL 100  Mortgage must be current	Existing USDA Refi Only 101*  *Funds over 100 only for financing upfront guarantee	95/95	95/95* \$806,501 - \$1mil 80/80 \$1mil - \$2mil *LTV >80 must be 5/1 or 7/1
Primary Cash Out Refi	80/80	80/80  Must be 0x30 on mortgage	90/90  Max LTV/CLTV <u>including</u> the Funding Fee is 90%.	Not Allowed	80/80	80/80 \$806,500 - \$1mil 60/60 \$1mil - \$2mil
2 <sup>nd</sup> Homes	90/90 Purchase 90/90 Rate/Term 75/75 Cash Out	Not Allowed			Max 80/80  Follow loan size/LTV above	
Investment Properties	85/85 Purchase 75/75 Rate/Term 75/75 Cash Out	Not Allowed				

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Max # of Financed Properties	Home Ready – Max 2 Primary residence – No Max 2 <sup>nd</sup> home or investment – Max 10 with restrictions if >6	4	No Max	2  Can only have USDA property and 1 other property. Cannot have another RD loan, current home no longer meets needs	4	
Debt Ratio	Per DU		Per DU Must meet minimum monthly residual requirements	29%/41% Ratio waiver may be granted by GUS	43% 5/1 Qualify with Fully Indexed Rate*  *Note Rate + 2% or Margin + Index	43% 5/1 Qualify with Fully Indexed Rate*  *Note Rate + 2% or Margin + Index
Credit Score	620		600	620	720 > 95% 680 < or = 95%	740
Student Loan Payment Calculation	Use amount on credit report, if listed. If not listed, use 1% of balance or fully amortized payment amount.	Use payment amount on credit report or the actual documented payment when payment is above \$0 OR .50% of loan balance when credit report is \$0	Must verify deferred at least 12 months or compare payment to anticipated payment. See Guidelines	Must use the monthly payment on credit report if >\$0 OR .50% of loan balance	Use credit report payment. If none listed, use 1% of balance.	
Derogatory Credit Requirements						
Bankruptcy	Ch 7 – 4 yr  Ch 13 2 yr from discharge 4yr from dismissal Multiple BK’s in past 7 yrs – waiting period is 5yr	Ch 7 – 2 yr  Ch 13 – 2 yr from discharge or dismissal date	Ch 7 – 2 yr  Ch 13 must be discharged No waiting period once discharged  Ch 13 dismissed – 2 yr	Ch 7 – 3 yr  Ch 13 must be discharged No waiting period once discharged  Ch 13 dismissed – 2 yr	<=80% LTV 4 yr  >80% LTV 7 yr	7 yr

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Foreclosure	7 yr Foreclosure in BK, use BK guidelines	3 yr FHA case number must be assigned after waiting period	2 yr	3 yr from application date – if previous USDA foreclosure 7yrs	7 yr	7 yr
Short Sale	4 yr also includes Mtg Charge-off	3 yr FHA case number must be assigned after waiting period	2 yr	3 yr from application date	<=80% LTV 4 yr >80% LTV 7 yr	7 yr
Judgments	Must be paid in full	Must be paid in full or have agreement with creditor to make monthly payments & payment history shows no late pays. Must have made 3 months of payments	Must be paid in full Or have agreement with creditor to make monthly payments with 12+ payments made.	Must be paid in full or have agreement with creditor to make monthly payments & payment history shows no late pays. Must have made 3 months of payments	Must be paid in full	
Collections	SFR Primary - Don't need to pay 2-4 unit primary or 2 <sup>nd</sup> home- Must be paid if TOTAL > \$5000  Investment – Individual accts >\$250 must be paid or TOTAL >\$1000 must be paid	Must be paid if TOTAL = \$2000 or verify payment arrangements have been made & include payment in DTI or if payment arrangements have not been made, use 5% of balance as payment and include in DTI.  (Medical collections are excluded from this requirement)  NOTE: Charge-offs do not need to be paid.	Must be paid if TOTAL = \$1000  (Medical collections are EXCLUDED from this requirement)  NOTE: Charge-offs do not need to be paid if 12+ months old. Borrower must provide LOX for charge-offs.	Must be paid if TOTAL = \$2000  Collections with an existing payment agreement can be left open but must be included in DTI.  (Medical collections are excluded from this requirement)  NOTE: Charge-offs do not need to be paid	Don't need to pay	

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Disputed Accounts	Follow DU. If not listed to be removed and re-evaluated, ok to leave.	Disputed derogatory accounts with cumulative balances >\$1000 must have the dispute removed and new credit pulled.	Disputed accounts must be removed and new credit pulled.	Disputed derogatory accts (excluding medical collections and charge-offs) with cumulative balances >\$2000 must have dispute removed & new credit pulled. Non-derog disputed accounts - see guidelines.	Disputed mortgage accounts must be removed and new credit pulled and associated to DU	
Maximum Acreage	No Max must supply like sized comps and not be income producing	40 acres Not income producing			40 acres Properties >10 acres must meet the following: Typical for the area, Max 35% land to value Not income producing	
Manufactured Homes <small>*Double-wide on own land</small>	Purchase or Rate/Term 95% Cash Out 65%	Not Allowed				
Seasoning Requirements						
Purchase	If seller has owned <3 mos, document any increase in sales price	Seller must be in title for at least 90 days from date of PA. If owned 91-180 days & sales price increased 100%, a 2 <sup>nd</sup> FHA appraisal is required	Seller must be in title at the time PA is executed.	Seller must be in title at the time the PA is executed.	If seller has owned <3 mos, document any increase in sales price	

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Rate/Term	At least 1 borrower must have been in title at time of application. Cannot currently be listed for sale.	If owned <12 mos use lower of sales price or appraised value. If listed within 90 days – not eligible.	If listed within 90 days – not eligible. Must be 210+ days from note date of loan being paid off and must have 6+ monthly payments made.	If owned <12 mos use lower of sales price or appraised value. If listed within 90 days – not eligible.	Must be in title 6+ months to use appraised value.  Cannot be listed for sale on date of loan application.	
Cash Out	Property must be owned >6 mos, unless delayed financing guidelines are met. Cannot currently be listed for sale. Existing mortgage must be 12+ months old.	Must be primary residence for last 12 months. Must be 210+ days from note date of loan being paid off.	Property must be owned >6 mos. If listed within 90 days – not eligible. Must be 210+ days from note date of loan being paid off and must have 6+ monthly payments made.	Not Allowed	Property must be owned >6 mos, unless delayed financing guidelines are met.  Cannot be listed for sale within 6 mos, prior to app date.	
Large Deposits	Any individual deposit > 50% of borrowers monthly qualifying income (Purchases Only)	Any deposit > 1% of the property sales price	Any single deposit >50% of the qualifying monthly income	Investigate all recurring deposits and non-recurring deposits >\$1000	Any single deposit >50% of the qualifying monthly income	
Gift Requirements	Gift Letter Evidence of Gift Transfer Evidence of Gift Receipt	Gift Letter Evidence of Gift Transfer Evidence of Gift Receipt	Gift Letter Evidence of Gift Transfer Evidence of Gift Receipt		Not Allowed for minimum down payment requirements	

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Water Test Requirements						
When is it Required?	Required if requested in the purchase contract OR the appraiser cites concerns on the appraisal		Required on all properties with a well	Required on all properties with a private or shared well OR if requested in the purchase contract OR the appraiser cites concerns on the appraisal. Existing Property requirements: Coliform, Nitrates, Lead New Construction requirements: Coliform, Nitrates, Lead, Arsenic	Required if requested in the purchase contract OR the appraiser cites concerns on the appraisal.	
Expires When?	1 year	120 days @ time of disbursement	90 days	150 days @ loan closing	1 year	
Items Required to be Tested	No specific required items, unless specified in purchase contract or appraisal, or listed above.					
Septic Inspection Requirements						
When is it required?	Required if requested in the purchase contract OR cited by the appraiser	Required if requested in the purchase contract OR the appraiser cites concerns on the appraisal	Required on all properties with septic systems located in the following states: AK, ID, MA, NE, NJ or TX OR if requested in purchase contract OR the appraiser cites concerns on the appraisal.	Required if requested in the purchase contract OR the appraiser cites concerns on the appraisal.	Required if requested in the purchase contract OR cited by the appraiser OR the property has been vacant for 30+ days.	

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Expires When?	If requested by the borrower, i.e. in purchase contract - up to 1 year.  If cited by appraiser – must be completed after appraisal was completed.		If requested by the borrower, i.e. in purchase contract - up to 1 year.  If cited by appraiser – must be completed after NOV was issued.	If requested by the borrower, i.e. in purchase contract - up to 1 year.  If cited by appraiser – must be completed after appraisal was completed.		
Well Test/Inspection Requirements						
When is it required?	Required when requested in the purchase contract or the appraiser cites concerns on the appraisal.					
Expires When?	If requested by the borrower, i.e. in purchase contract - up to 1 year. If cited by appraiser – must be completed after appraisal was completed.					
Escrow Holdbacks	Work must be complete prior to purchase by Servion	\$1000 Minimum Escrow Repair Holdback		Restrictions apply Check guidelines	Work must be complete prior to purchase by Servion	
Doc Expiration	4 months	120 days credit 180 days appraisal		120 days	120 days	
Escrow Policy	An escrow account for property taxes and insurance premiums (including homeowners and flood insurance) is required on ALL loans that exceed 80.00% LTV and ALL Government (FHA, VA, USDA) loans regardless of LTV. Servion Mortgage requires that the borrower escrow for both taxes and insurance. For loans at 80% LTV and below, if the borrower chooses to set up an escrow account, it must be for both taxes and insurance. Servion Mortgage does not allow for the escrow of only one, either taxes or insurance.					
Channel Options	Delegated Correspondent Wholesale Retail	Delegated Correspondent DE Correspondent Wholesale Retail	Delegated Correspondent Wholesale Retail	Delegated Approved Lender Sponsored Agent Retail	Correspondent Wholesale Retail	
State Restrictions	Partner must be approved to complete Texas Cash Out (50a6) transactions.					
Servicer	Servion, Inc.					