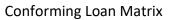


Documentation Standards	All loans must meet standard loan documentation and qualification requirements		
Exceptions	Exceptions to guideline requirements will be made on a case-by-case basis		
Minimum Loan Amount	For loans under \$50,000, please contact your AE.		
Products and terms	• 30, 25-, 20-, 15-, and 10-Year terms under standard conforming product		
	 Custom amorti 	zations available under Retained pr	oduct only
		eady /Home-style / RefiNow 30 yr. T	
	Freddie Mac He	ome Possible 30 yr. Term (retained	product)
Transaction Type		Purchase/Rate Term Refinance	Cash Out Refinance
Maximum LTV/CLTV	Property Type	Up to loan limit FRM	Up to loan limit FRM
Owner Occupied	1 Unit/Condo/PUD	97%	80%
	2 Unit	85%	75%
	3-4 Unit	75%	75%
	1 Unit/Condo/PUD	90%	75%
Second Home	2 Unit	N/A	N/A
	3-4 Unit	N/A	N/A
	1 Unit/Condo/PUD	85%	75%
Investment Property	2 Unit	75%	70%
	3-4 Unit	75%	70%
DU/LP Eligibility	 DU Approve or LP approval – AUS approval required No Manual Underwrites 		
Qualifying Ratios	Per DU/LP		
97 LTV Conforming	 The 97% LTV purchase requires at least one borrower to be a first-time homebuyer unless using the Home Ready program 97% Rate/Term refinance - FNMA must be the owner of the existing mortgage 		
HomeReady, HomeStyle, & RefiNow Matrix	• <u>HomeReady</u> / <u>Home-style</u> / <u>RefiNow</u>		
Fannie Mae Originating and Underwriting link	• <u>https://www.fa</u>	anniemae.com/singlefamily/origina	ting-underwriting
Fannie Mae Eligibility Matrix	 <u>https://www.fanniemae.com/content/eligibility_information/eligibility-matrix.pdf</u> 		
Fannie Mae Day 1 Certainty Link Validation Services	 <u>https://www.fanniemae.com/singlefamily/day-1-certainty</u> 		
Freddie Mac Eligibility Matrix	<u>http://www.freddiemac.com/singlefamily/factsheets/sell/ltv_tltv.htm</u>		
HomePossible Fact Sheet	Home Possible		
Credit Scores	 Minimum Credit Score 620 Full Tri Merged Credit Report (minimum 2 scores) All borrowers must have open active trade lines No non-traditional credit 		
Eligible Borrowers	 US Citizens Permanent Resident Aliens Non-Permanent Resident Alien All borrowers must have valid S/S# 		





3rd Party Processing	• If utilizing a 3rd party for processing services- Will need 3 rd party invoice
Down Payment Seller Assist/ICP	 1-unit properties do not require 5% down payment from the borrower. All funds can come from acceptable gift sources. 2-4-unit properties require a minimum 5% from borrower's own funds. Gift funds permitted after 5% down payment has been met. Investment Property – requires borrowers own funds for down payment. Gift funds not permitted on Investment Property purchase treated like an inducement and deducted dollar for dollar from the sales price for purposes of calculating LTV Second homes require a minimum of 5% borrower's own funds Standard FNMA guidelines apply.
	 Seller side disbursements are examined closely. All real estate commissions and non-lien related expenses (marketing expenses, finder's fee, referral fees, and consultant fees) must not exceed 8% of the sales price. Any combination of these disbursements exceeding 8% will be treated like an inducement and deducted dollar for dollar from the sales price for purposes of calculating LTV
Non-Occupant Co-borrower	LP or DU allowed. Preferred AUS DU
Bankruptcy and/or Foreclosure	 BK Discharge must be seasoned for 4 years Foreclosure must be seasoned for 7 years Short sale charge off must be seasoned for 4 years
Property Type	 The following property/occupancy types are permitted 1-4-unit residences (manufactured housing now eligible – please refer to back of guide) -Manufactured homes follow FNMA requirements: Manufactured homes (doublewide only) follow standard credit score requirements (maximum 10 acres) Condominiums Freddie Mac does not allow limited review in Florida Townhouse PUD Subject property over 20 acres must be submitted on Retained Product
Number of Financed Properties	 5-10 Financed Properties Permitted Click n' Close, Inc. will not extend more than 4 loans to any one individual
Closing in a Trust	 Revocable Trusts only – see your Account Executive regarding specific documents to collect of file submission
4506C	 Required on all files. Please review IRS transcript policy on page 2 of this document
Cash Out	 A loan is defined as cash out if the amount exceeds \$2000 or 2% of the loan amount. Non purchase money seconds are considered cash out First mortgage being paid off through the transaction be at least 12 months old as measured from the note date of the existing loan to the note date of the new loan Texas Cash out. Please indicate A06 product in pricing engine for appropriate product delivery
Properties Flipping	Follow FNMA Guidelines
Temporary Buy downs	• Permitted (2/1 and 1/0)



Mortgage Insurance Reserves	 Mortgage insurance is required on all loans over 80% LTV Do allow financed Single Premium mortgage insurance LPMI is available Must meet AUS 	
	 Please verify requirements that are determined by # of financed properties owned in your AUS findings. 	
DP Assistance	Down payment programs are not permitted.	
Appraisals	 Appraisals must be ordered through Mortgage Machine oranapproved AMC. If Correspondent- Correspondent must order through the AIR compliant AMC and the appraisal must be in the correspondent's name 	
Desk Reviews	 If DU collateral Underwriter comes back with a score of 3.8 and higher – this will trigger a desk review requirement. 	
Properties Listed for Sale	 On any refinance transaction, property may not be listed for sale at time of application. For cash out transactions, if listed for sale within the last 6 months, the property must be taken off the market prior to application date and the max LTV/CLTV is 70% 	
Non-Arm's Length Transactions	• Flip transactions are not permitted. Family transfers/Title changes examined closely.	
Eligible States	Eligible in all Click n' Close, Inc. licensed states	
IRS Tax Transcripts and W2 Transcript policy	 No Transcripts are required when all income information used to decision a loan is made exclusively of wage earner income reported on a W-2 and /or fixed income reported on a 1099 (Ex. Social Security or VA benefits), unless required by AUS. Self-employed, commissioned and rental income will require tax transcripts Instances where Tax Transcripts would be required regardless of income and employment sources. Handwritten paystubs are used as verification of income Borrower(s) is employed by a family member Relationship between the parties Borrower is employed by the Third-Party Originator Company the underwriter's or QC discretion, if needed to verify income calculations or to address red flags If Tax returns are delivered with the file at time of application Use of Dividends, Interest income, and Capital Gains income, will require full tax Transcripts 	