



AMERICA HOMEKEY, INC.

FHA

AMERICA HOMEKEY

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Maximum LTV					Refinance			Guidelines			
<b>Purchase and No Cash Out Refinance</b>					<b>No Cash Out Refinance:</b>			<b>Eligibility</b>			
<b>Maximum LTV Factors</b>					<b>Maximum loan amount is the lesser of the LTV in the Maximum LTV table or the existing debt calculation as described below:</b>			<ul style="list-style-type: none"> <li>• US Citizens, Inter vivos revocable trusts, Permanent and Non-Permanent Resident Aliens, Non-Occupant Co-Borrowers.</li> <li>• Owner Occupied Primary Residence Only. (except streamline refinance.)</li> </ul>			
<b>≤ \$50K</b>		<b>&gt; \$50K - \$125K</b>		<b>&gt; \$125K</b>	To calculate existing debt, add together the amount of the applicable items listed below, any refund of UFMIP must then be subtracted from the total:			<b>Documentation</b> <ul style="list-style-type: none"> <li>• All borrowers must have valid social security number.</li> <li>• All borrowers must have at least one valid credit score.</li> <li>• Borrowers using non-traditional credit are not allowed.</li> </ul>			
Low Closing Cost		98.75%		97.65%	97.15%	<ul style="list-style-type: none"> <li>• Existing first lien, Any purchase money second mortgage, Any junior liens over 12 months old, Borrower paid closing costs, Prepaid expenses, Borrower paid repairs required by the appraisal, Discount points</li> <li>• Other fees acceptable by the appropriate Homeownership Center (HOC)</li> <li>• The amount of the existing first mortgage may include up to 60 days interest maximum, but may not include delinquent interest.</li> <li>• Prepaid expenses may include the per diem interest, hazard insurance premium deposits, mortgage insurance premium, and any real estate tax deposits needed to establish the escrow account.</li> </ul>					
High Closing Cost		98.75%		97.75%	97.75%	If the property was acquired less than one year before the loan application and is not already FHA-insured, the original sales price of the property (rather than the appraised value) must be used in determining the maximum mortgage. Expenditures for repairs and rehabilitation incurred after the purchase of the property may be added to the original sales price when calculating the mortgage amount. NOTE: \$500 cash back is allowed for minor adjustments in estimated versus final closing costs.			<b>DTI Ratios</b> <ul style="list-style-type: none"> <li>• For manual underwriting: 31/43% Ratios may be exceeded only when significant compensating factors exist.</li> <li>• Loans using an AUS may exceed the ratios above.</li> </ul>		
<b>Low Closing Cost states</b> (Closing costs at or below 2.1% of sales price): AZ, CA, CO, ID, IL, IN, NM, NV, OR, UT, WA, WI, & WY. <b>High Closing Cost states</b> (Closing costs above 2.1% of sales price): AL, AK, AR, CT, DC, DE, FL, GA, HI, IA, KS, KY, LA, MA, MD, ME, MI, MO, MN, MS, MT, NC, ND, NE, NH, NJ, NY, OH, OK, PA, RI, SC, SD, TN, TX, VT, VA, WV					<b>Cash Out Refinance:</b>			<b>Underwriting Method</b>			
<b>Standard Mortgage Limits</b>					<b>If owned less than 12 months, use the lesser of either of the following:</b>			<ul style="list-style-type: none"> <li>• Retail - Min FICO = 540. AUS approval required for scores &lt; 580. Refer to the FHA credit policy grid for manual u/w.</li> <li>• Wholesale - 580+ FICOs only (except FHA Streamline w/ VOMs). AUS approval (DU or LP) required, except for FHA Streamline refi.</li> </ul>			
<b>Region</b>		<b>1 Unit</b>	<b>2 Units</b>	<b>3 Units</b>	<b>4 Units</b>	<b>If owned 12 months or more, FHA will allow a cash-out refinance up to 95% of the appraised value subject to all of the following:</b>			<b>Property Flipping</b>		
<b>Low Cost Areas</b>		\$271,050	\$347,000	\$419,400	\$521,250	<ul style="list-style-type: none"> <li>• Property is the borrower's principal residence for at least 12 months prior to loan application date.</li> <li>• No payment may be more than 30 days late within the last 12 months. Payment must be current for the month due.</li> <li>• 1-2 unit properties only. (Max loan amount = \$417,000 for 2 unit properties.)</li> <li>• Subordinate financing may remain in place only if it is subordinate to the FHA-insured first mortgage (regardless of the total indebtedness or CLTV) and the homeowner qualifies with scheduled payments on all liens.</li> <li>• New secondary financing is limited to 95% CLTV.</li> </ul> NOTE: Cash-out refinances are not permitted for FHA loans in Texas.			<ul style="list-style-type: none"> <li>• If 90 days or less since property last sold: The property is not eligible for FHA financing.</li> <li>• 91 to 180 days since property last sold: If the resale price is ≥ 100% over the seller's acquisition price, a second FHA appraisal (from a different appraiser) is required; second appraisal must be paid for by seller or broker. If the resale price is &lt; 100% over the seller's acquisition price, then no additional appraisal documentation is needed.</li> </ul>		
<b>High Cost Areas</b>		\$362,790	\$464,449	\$561,411	\$697,696	<b>Streamline Refinance</b>			<b>Time restrictions do not apply:</b> FHA REOs, relocation agency properties, property inherited by seller, or sales by government agencies. REO sales by Mortgage companies and their subsidiaries may also be allowed.		
<b>Alaska &amp; Hawaii</b>		\$544,185	\$696,673	\$842,116	\$1,046,544	<ul style="list-style-type: none"> <li>• Must result in an immediate payment reduction to the borrower.</li> <li>• Generally, does not require documentation for verifying income, assets, credit rating, appraisal, or source of funds. In some cases, however, an appraisal or credit report may be necessary.</li> <li>• Are designed to lower the monthly principal and interest payments on a current FHA-insured mortgage; however, it does not allow for cash back to the borrower, except for minor adjustments at closing, not to exceed \$500.</li> <li>• Closed on or after April 24, 1992, are exempt from the 0.5% annual premium of the mortgage, provided the loan being refinanced closed prior to July 1, 1991.</li> </ul>					
A complete schedule of FHA mortgage limits for all areas is available at: <a href="https://entp.hud.gov/idapp/html/hicostlook.cfm">https://entp.hud.gov/idapp/html/hicostlook.cfm</a>											
<b>Note:</b> Loans in MSAs whose limits are still below \$362,790, can fund in the standard FHA program. Only those MSAs whose limits are greater than \$362,790 must use the FHA Jumbo program											
<b>Upfront and Annual MIP</b>											
<b>Greater than 15 year terms</b>			<b>15 year or less terms</b>								
<b>LTV</b>	<b>UFMIP</b>	<b>Annual</b>	<b>LTV</b>	<b>UFMIP</b>	<b>Annual</b>						
> 95%	1.75%	0.55%	> 90%	1.75%	0.25%						
≤ 95%	1.75%	0.50%	≤ 90%	1.75%	0.00%						
<b>Streamline Refinance:</b> UFMIP = 1.50%; Annual MIP follows the above grids.											
<b>MIP Notes:</b>											
<ul style="list-style-type: none"> <li>• The number of years will be determined when the loan balance equals 78% LTV, provided that the borrower has paid the annual MIP for at least 5 years, (scheduled or actual.)</li> <li>• Loan amount multiplied by Annual premium, divided by 12 months equals monthly MIP.</li> <li>• All FHA loans will have upfront and monthly premiums, except as noted above.</li> <li>• Pricing and loan program eligibility are determined using the base loan amount prior to financing UFMIP</li> <li>• UFMIP must be 100% financed into the mortgage or paid entirely by cash: partial financing not allowed</li> </ul>											
<b>Loan Program Names and Terms</b>											
<b>Fixed Rate Programs</b>		<b>Terms</b>		<b>ARM Programs</b>		<b>Terms</b>					
Gov 15		10, 15 yrs		Gov ARM 1y		30 yrs					
Gov 30		20, 25, 30 yrs		Gov ARM 3/1		30 yrs					
Gov 30 Buydown		30 yrs		Gov ARM 5/1 w/1-1-5 Caps		30 yrs					
For additional information, refer to America HomeKey's Guide, <a href="http://www.FHA.gov">www.FHA.gov</a> , or <a href="http://www.hud.gov/groups/lenders.cfm">www.hud.gov/groups/lenders.cfm</a>											