



# FHA Jumbo

AMERICAN HOMEKEY

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as of April 7, 2008

## Maximum LTV and Credit Score Restrictions\*

Finance Type	1 Unit	2 Units	3 Units	4 Units	Guideline
All	> \$362,790	> \$464,449	> \$561,411	> \$697,696	Min 620 credit score
Purchase & No Cash Out	> \$417,000	> \$533,850	> \$645,300	> \$801,950	Max 97.75% LTV**
Purchase & No Cash Out	≤ \$417,000	≤ \$533,850	≤ \$645,300	≤ \$801,950	Max 97.75% LTV
Cash Out	> \$417,000	> \$533,850	> \$645,300	> \$801,950	Max 85% LTV

\*For properties in Alaska and Hawaii, restrictions above apply with AK/HI limits. \*\*See appraisal requirements for properties located in declining market.

## FHA Jumbo Mortgage Limits\*

Region	1 Unit	2 Units	3 Units	4 Units
Minimum 48 states	\$362,791	\$464,450	\$561,412	\$697,697
Maximum 48 states	\$729,750	\$934,200	\$1,129,250	\$1,403,400
Minimum AK & HI	\$544,186	\$696,674	\$842,117	\$1,046,545
Maximum AK & HI	\$1,094,625	\$1,401,300	\$1,693,875	\$2,105,100

\*Maximum loan limits are determined by geographic areas. A complete schedule of FHA mortgage limits for all areas is available at: <https://entp.hud.gov/idapp/html/hicostlook.cfm>

**Note:** 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

## Upfront and Annual MIP

Upfront	Annual MIP
1.50%	0.50%

### MIP Notes:

- 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)
- Loan amount multiplied by Annual premium, divided by 12 months equals monthly MIP.
- FHA 203(b) loans, both fixed and adjustable rate, will have upfront premiums and monthly premiums
- The financed UFMIP is not included in the statutory loan limit. When the UFMIP is financed, the loan amount is rounded down to the nearest dollar
- UFMIP must be 100% financed into the mortgage or paid entirely by cash: partial financing not allowed

## HUD Case Numbers/Suffix Codes

Program	SFR/PUD/2-4 Unit	Condos
Fixed Rate	203(b)	703
		234(c) 734

For additional information: See AHK Guidelines, <http://www.FHA.gov> or <http://www.HUD.gov>

## Refinance

**No Cash Out Refinance:** Maximum loan amount is the lesser of the LTV in the Maximum LTV table or the existing debt calculation as described below:

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:

- Existing first lien (may include up to 60 days interest maximum, but may not include delinquent interest), Any purchase money second mortgage, Any junior liens over 12 months old, Borrower paid closing costs, Prepaid expenses, Borrower paid repairs(if required), Discount points
- 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.

### Cash Out Refinance

**If owned less than 12 months or loan amount > \$417,000 use the lesser of either of the following:**

- 85% of the appraised value or original sales price

**If owned 12 months or more and loan amount < \$417,000:**

FHA will allow a cash-out refinance up to 95% subject to all of the following:

- Property is the borrower's principal residence for at least 12 months prior to loan application date
  - No payment may be more than 30 days late within the last 12 months. Payment must be current for the month due
  - 1-2 unit properties only
  - Subordinate financing may remain in place only if it is subordinate to the FHA-insured first mortgage (regardless of the total indebtedness or combined LTV) and the homeowner qualifies with scheduled payments on all liens
  - New secondary financing is limited to 95% CLTV
- NOTE: Cash-out refinances are not permitted for FHA loans in Texas

## Appraisal

**Standard FHA appraisal guidelines apply**

All appraisals for FHA loans must be completed using the following forms:

- Statement of Limiting Conditions
- Appraiser's Certification

**Based on the property type, the following appraisal report must be used:**

- Att/Det SFR & PUD - URAR Form #1004
  - Condominium - Condo Form #1073
  - 2-4 Units - Small Residential Income Property Form #1025
  - Att/Det SFR & PUD - URAR Form #1004
- Purchase and R/T Refi ≥ 95% LTV with loan amount >417K and located in declining mkt. require a 2nd appraisal

## Guidelines

### Eligibility

- US Citizens, Inter vivos revocable trusts, Permanent and Non-Permanent Resident Aliens, Non-Occupant Co-Borrowers
- Owner Occupied Primary Residence Only (except streamline refinance)
- 30-year fixed rate

### Documentation

- All borrowers must have valid social security number
- All borrowers must have at least one valid credit score
- Minimum 620 credit score required
- Borrowers using non-traditional credit are not allowed

### DTI Ratios

- For manual underwriting: 31/43% (manual u/w not available at this time)
- The maximum ratios may be exceeded only when significant compensating factors are present
- Loans using automated underwriting may exceed the ratios above

### Underwriting Method

- Loan programs may be manually underwritten or submitted to AUS

### Property Flipping

- If 90 days or less since property was last sold: The property is not eligible for FHA financing
  - 91 to 180 days since property was 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 < 100% over the seller's acquisition price, then no additional appraisal documentation is needed
- Time restrictions do not apply to: FHA REOs, Relocation agency properties, Property inherited by seller