

## MATRIX:

### Primary Residence – Owner Occupied

Transaction	Number of Units	Maximum LTV/CLTV
Purchase	1 Unit	100%
Cash-Out Refinance	1 Unit	100%

### FICO Score Requirements

Description	FICO
Minimum FICO	580

### Manufactured Home VA Standard Programs:

VA 30 Year Fixed	6006-88
VA 15 Year Fixed	6306-88

<b>Minimum Loan Amount</b>	<ul style="list-style-type: none"> <li>Min loan amount \$60,000</li> <li>Min loan amount \$75,000 for properties located in NY and TX</li> </ul>
<b>Loan Limit</b>	Conforming loan limits only – High balance loan amounts not allowed.
<b>1031 Exchange</b>	Funds from 1031 Tax Deferred Exchanges are not an acceptable source of funds.
<b>4506 Transcripts</b>	4506 Transcripts are required per income documentation type.
<b>Assets</b>	Cryptocurrency such as Bitcoin and Ethereum may NOT be used for down payment funds or closing funds. These types of assets must be backed out of the borrower's assets.
<b>AUS</b>	<ul style="list-style-type: none"> <li>Desktop Underwriter (DU) only.</li> <li>Loan Product Advisor (LP) is not allowed.</li> <li>A manual downgrade from Approve/Eligible to Refer is required if additional information not considered by DU affects the overall insurability or eligibility of the loan.</li> </ul>
<b>Borrower Eligibility</b>	<ul style="list-style-type: none"> <li>The borrower must be a qualified Veteran                             <ul style="list-style-type: none"> <li>U.S. Citizens</li> <li>Permanent Resident Aliens with proof of lawful permanent residency in the United States.</li> <li>Non-Permanent Resident Alien Immigrants with proof of lawful permanent residency in the United States.</li> </ul> </li> <li>The following are ineligible as borrowers                             <ul style="list-style-type: none"> <li>Corporations</li> <li>Foreign Nationals</li> <li>Irrevocable Trusts</li> <li>Non-Resident Aliens</li> <li>Partnerships</li> <li>Real Estate Syndicates</li> </ul> </li> </ul>
<b>Cash-Out Transactions</b>	<p>There must be an existing lien against the subject property. Properties owned free and clear are not eligible</p> <p><b>Note: This is a VA requirement, not an overlay.</b></p> <p>The loan is eligible if it meets the following requirements:</p> <ul style="list-style-type: none"> <li><b><u>Document the borrower has made at least six consecutive monthly payments on the loan being refinanced beginning with the payment made on the first payment due dates.</u></b></li> </ul>

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	<ul style="list-style-type: none"> <li>• <b><u>The first payment due date of the new refinance loan occurs no earlier than 210 days after the first payment date of the loan being refinanced.</u></b></li> </ul>
<b>Co-Borrower</b>	The Veteran's legally married spouse only. All other co-borrowers are ineligible.
<b>Community Property States</b>	<ul style="list-style-type: none"> <li>• Arizona</li> <li>• California</li> <li>• Idaho</li> <li>• Louisiana</li> <li>• Nevada</li> <li>• New Mexico</li> <li>• Texas</li> <li>• Washington</li> <li>• Wisconsin</li> </ul>
<b>Construction to Perm</b>	Not Eligible
<b>Credit Report</b>	<ul style="list-style-type: none"> <li>• A new credit report may not be pulled once the file has been submitted to underwriting.</li> <li>• A new credit report is allowed only after the existing credit report has expired.</li> </ul>
<b>Credit Score</b>	Minimum 580
<b>Deed Restrictions</b>	Age restricted communities only (55+). All other deed restrictions are ineligible.
<b>DPA/MCC</b>	Not Eligible
<b>Debt-to-Income Ratio</b>	<p>DU Approve/Eligible: Per DU findings                      DU Refer and Manual Underwrite: 41%</p> <ul style="list-style-type: none"> <li>• The DTI may exceed 41% up to a maximum of 50% when the residual income exceeds 120% of the required amount and significant documented compensating factors exist such as:                             <ul style="list-style-type: none"> <li>▪ Excellent credit history</li> <li>▪ Conservative use of consumer credit</li> <li>▪ Minimal consumer debt</li> <li>▪ Long-term employment</li> <li>▪ Significant liquid assets</li> <li>▪ Sizable down payment</li> <li>▪ The existence of equity in refinancing transactions</li> <li>▪ Little or no increase in shelter expense</li> <li>▪ Military benefits</li> <li>▪ Satisfactory homeownership experience</li> <li>▪ High residual income</li> <li>▪ Low debt-to-income ratio</li> <li>▪ Tax credits for child care</li> <li>▪ Tax benefits of homeownership</li> </ul> </li> </ul>
<b>Electronic Signatures</b>	<p>The following loan documents may not contain e-signatures:</p> <ul style="list-style-type: none"> <li>• Notes and Riders to the Note;</li> <li>• Security Instruments and Riders to the Security Instruments;</li> <li>• Notice of Right to Cancel (Rescission); and</li> <li>• Powers-of-Attorney</li> </ul>
<b>Energy Efficient Mortgage (EEM)</b>	Not Eligible
<b>Escrow Waivers</b>	Not Allowed
<b>Future Income</b>	Not Allowed
<b>Ineligible Properties</b>	<ul style="list-style-type: none"> <li>• Assisted Living Facilities</li> <li>• Bed and Breakfast Establishments</li> <li>• Board and Care Facilities</li> <li>• Commercial Properties</li> <li>• Condotels</li> <li>• Co-ops</li> </ul>

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	<ul style="list-style-type: none"> <li>• Dome Homes</li> <li>• Hawaii Properties Located in Lava Flow Zones 1 and 2</li> <li>• Houseboats</li> <li>• Land Trusts</li> <li>• Log Homes</li> <li>• Mixed Use Properties</li> <li>• Mobile Homes</li> <li>• Native American Lands</li> <li>• Properties Currently in Litigation</li> <li>• Properties Located in Designated Coastal Barrier Resource System (CBRS) Areas</li> <li>• Properties with Ratings of C5, C6, or Q6</li> <li>• Properties with Zoning Violations</li> <li>• Timeshares</li> <li>• Unimproved Land</li> <li>• Working Farms and Ranches</li> </ul>
<b>IRRRL Refinance Transactions</b>	Not Allowed
<b>Joint Loans/Vet/Non-Vet Loans</b>	Not Eligible
<b>Leasehold</b>	Not Eligible
<b>Manual Underwriting</b>	Allowed per VA requirements
<b>Manufactured Home</b>	<ul style="list-style-type: none"> <li>• Must be classified and titled as real property <b>at the time of the loan application.</b></li> <li>• Must be existing construction (permanently affixed to the foundation).</li> <li>• ALTA 7 or state specific equivalent Title Endorsement is required.</li> </ul>
<b>Marijuana Related Business/Employment</b>	Income received from a marijuana related business or employment may not be used as qualifying income.
<b>Mortgage Differential Income</b>	Not Eligible
<b>Non-Traditional Credit</b>	Not Allowed
<b>Occupancy</b>	<p><b>United States law requires a Veteran obtaining a VA loan to occupy the subject property as his/her primary residence.</b></p> <ul style="list-style-type: none"> <li>• Occupancy must occur within 60 days of closing.</li> <li>• Occupancy by the Veteran's spouse or dependent children satisfies the occupancy requirements for a Veteran <b>who is on active duty</b> and cannot occupy the property within 60 days.</li> <li>• Single or married service members, while deployed from their permanent duty station, are considered to be on temporary duty status and able to meet the occupancy requirements.</li> <li>• The occupancy requirement is met if the Veteran will retire within 12 months. Retirement must be <b>verified with a specified date and the retirement income must be used to qualify for the loan.</b></li> </ul> <p><b>The use of the subject property as a seasonal home does not meet VA's occupancy requirements.</b></p>
<b>PACE/HERO Obligations</b>	Not Allowed
<b>Power-of-Attorney</b>	<ul style="list-style-type: none"> <li>• Must meet VA requirements</li> <li>• <b>May not be used on cash-out refinance transactions</b></li> </ul>
<b>Sales Concessions</b>	Sales concessions cannot exceed 4% of the appraised value.
<b>Sales Contract</b>	Assigned sales contracts are not allowed.
<b>Section 8 Vouchers</b>	Not Eligible

<b>State Restrictions</b>	2-4 units in New Jersey, not allowed Properties in West Virginia, not allowed Properties in U.S. Possessions or Territories, not allowed Texas 50(a)(6) transactions, not allowed
<b>Temporary Buy Downs</b>	Not Eligible
<b>Termite Reports</b>	<ul style="list-style-type: none"> <li>• Regardless of the location of the property, a termite inspection is always required if the appraisal report indicates evidence of wood-destroying insect damage or an active infestation.</li> <li>• Termite inspections are required on properties if the property is located in an area where the probability of termite infestation is “very heavy” or “moderate to heavy” as shown on the Termite Infestation Probability (TIP) Map published in The Council of American Building Officials (CABO) one and two family dwelling code.             <ul style="list-style-type: none"> <li>▪ If there is a question about the location of an infestation or probability boundary line in relation to the subject property, contact the VA Regional Loan Center of jurisdiction to determine if the requirement is applicable.</li> </ul> </li> <li>• The pest control operator must meet all requirements of the state where the subject property is located. In states which require the use of a state inspection form, the state form is acceptable for VA purposes.</li> <li>• Inspection reports are valid for VA purposes for 90 days from the date of inspection.</li> <li>• <b>Termite reports must be clear of all active infestation, dry rot, fungus infections and earth to wood contact.</b></li> </ul> <p>Termite reports and clearances are required in the following states:</p> <ul style="list-style-type: none"> <li>• Alabama, Arizona, Arkansas, California, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii*, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Mississippi, Missouri, Nebraska, Nevada, New Jersey, New Mexico, North Carolina, Oklahoma, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Utah, Virginia, and West Virginia</li> </ul> <p>*Required on all existing residential properties including condo projects that are five stories or less in height.</p> <p>Termite reports and clearances are required in certain Counties of the following states:</p> <ul style="list-style-type: none"> <li>• Michigan: Allegan, Barry, Berrien, Branch, Calhoun, Cass, Hillsdale, Ionia, Jackson, Kalamazoo, Kent, Lenawee, Livingston, Macomb, Mason, Monroe, Muskegon, Oakland, Oceana, Ottawa, St. Clair, St. Joseph, Van Buren, Washtenaw, and Wayne.</li> <li>• New Hampshire: Termite reports are required in the following Counties: Belknap, Cheshire, Hillsborough, Merrimack, Rockingham, Strafford, and Sullivan.</li> <li>• New York:: Bronx, Broome, Columbia, Delaware, Dutchess, Greene, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Suffolk, Sullivan, Ulster, and Westchester.</li> <li>• Vermont: Bennington and Windham.</li> </ul> <p>Termite reports and clearances are not required in the following states:</p> <ul style="list-style-type: none"> <li>• Alaska, Colorado, Idaho, Maine, Minnesota, Montana, North Dakota, South Dakota, Washington, Wisconsin, and Wyoming.</li> </ul> <p>Oregon – Contact the Denver Regional Loan Center</p>
<b>Verification of Employment/Verification of Deposit/Verification</b>	<ul style="list-style-type: none"> <li>• The use of a Verification of Employment (VOE) and/or a Verification of Deposit (VOD) only is not allowed.             <ul style="list-style-type: none"> <li>▪ At a minimum paystubs and bank statements are required. At their</li> </ul> </li> </ul>

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<b>or Mortgage/Rent</b>	discretion, underwriters may require additional income/asset documentation. <ul style="list-style-type: none"><li>• When the borrower's current lender or landlord is a private party, the use of a Verification of Mortgage (VOM) or Verification of Rent (VOR) only is not allowed.<ul style="list-style-type: none"><li>▪ Copies of the borrower's most recent, consecutive 12 months cancelled checks are required.</li></ul></li></ul>
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