

FHA VIP Program Matrix

Transaction Type	Occupancy	FHA VIP			FHA EZ				
		Min MDCS	Maximum LTV/CLTV		AUS	Min MDCS	Maximum LTV		AUS
Purchase	O/O	640 Standard	96.50%	96.50%	Approve or Accept Eligible	620	96.50%	96.50%	Approve or Accept Eligible
Rate and Term	O/O	640 Standard	97.75%	100.00% ¹	Approve or Accept Eligible	620	97.75%	100.00% ¹	Approve or Accept Eligible
Streamline Refinance	O/O	640 Standard	97.75%	100.00% ¹	Not Applicable	620	97.75%	100.00% ¹	Not Applicable
Cash Out	O/O	640 Standard	80.00%	80.00%	Approve or Accept Eligible	620	80.00%	80.00%	Approve or Accept Eligible

FHA MIP Matrix ²						2024 Loan Limits Limits				
LTV	UFMIP	Annual	LTV	UFMIP	Annual	Region	1 Unit	2 Unit	3 Unit	4 Unit
> 15 Year Term and Loan Amount ≤ \$726,200			≤ 15 Year Term and Loan Amount ≤ \$726,200			Low Cost Areas	\$498,257	\$637,950	\$771,125	\$958,350
≤ 95%	1.75%	0.50%	≤ 90%	1.75%	0.15%					
> 95%	1.75%	0.55%	> 90%	1.75%	0.40%	High Cost Areas	\$1,149,825	\$1,472,250	\$1,779,525	\$2,211,600
> 15 Year Term and Loan Amount > \$726,200			≤ 15 Year Term and Loan Amount > \$726,200							
≤ 95%	1.75%	0.70%	≤ 78%	1.75%	0.15%	A complete schedule of FHA Mortgage limits for all areas is available at: https://entp.hud.gov/idapp/html/hicostlook.cfm				
> 95%	1.75%	0.75%	78.01 - 90%	1.75%	0.40%					
			> 90%	1.75%	0.65%					

Simple Refi and Streamline Refinance: For loans endorsed on or before 5/31/09, the UFMIP will be .01% and Annual MIP will be .55%. For all other streamlines, please use grid above.

Program Guidelines

Available Products	F30VIP - FHA 30-Year Fixed Rate F30VIPBD - FHA 30-Year 2-1 Buydown Fixed Rate	F30EZ FHA 30-Year Fixed Rate F30EZBD - FHA 30-Year 2-1 Buydown Fixed Rate
Borrower Eligibility	US Citizens Permanent Resident and Non-Permanent Resident Aliens All borrowers must work for companies with a physical commercial location – no residences.	Inter Vivos Revocable Trusts Non-Occupant Co-Borrowers
Underwriting	Open Mortgage Credit Report Required Open 3rd Party VOE validating 2 years of earnings directly from employer Current Paystubs Covering 30-Days of Employment Minimum 2-Years on Current Job Wage Earners Only: Self-Employed & Investment Income Not Allowed	Minimum Loan Amount \$50,000 AUS Approve / Eligible: Manual Underwrites or downgrades not allowed Departing Residence Income not allowed Downpayment Assistance Programs not allowed Maximum DTI: 55.00% (> 55% requires 2 comp factors, must be AUS A/E)
FHA VIP Credit Depth Tradeline Requirements	<p>Standard Balance</p> <ul style="list-style-type: none"> 640 Credit Score With a Verifiable 12 Month Housing History : 3 Trades Rated for 12 Months with one major trade with a high balance greater than or equal to \$5000 with and overall credit history of 24 months. Note: VOR required if borrower(s) renting. With No Verifiable 12 Month Housing History: (1) 3 Trades Rated for 12 Months with one major trade with a high balance greater than or equal to \$5000 with and overall credit history of 24 months AND 2 months verified PITIA reserves or (2) 5 Trades Rated for 12 Months with one major trade with a high balance greater than or equal to \$5000 with and overall credit history of 48 months. 	
Income Documentation Requirements	<p>The following documents are required at submission and prior to potential conditional approval:</p> <ul style="list-style-type: none"> Paystubs covering 30 days worth of consecutive earnings FHA VIP: WGL 3rd Party VOE validating 2 years of earnings directly from employer FHA EZ: WGL 3rd Party Auto Pull WVOE Income may not exceed 200% of AMI or the borrower must provide 60 days of bank statements (dated prior to application) supporting income All borrowers with income greater than 125% of salary range on salary.com (or other approved salary key) are not eligible or must provide 60 days of bank statements (dated prior to application) supporting income All files where bank statements are provided for assets, reserves, or to support income must be supported by a direct third party VOD 	
Residual Income	Residual Income Test Required for all loans with DTI in excess of 50% or loan decision credit score < 640: See Residual Income Matrix	

1. Unlimited CLTV is applicable to Government Entities or HUD Approved Non-Profit Subordinate Liens

2. MIP: LTV ≤90% will be assessed at 11 years and at an LTV >90%, MIP will apply for the duration of the loan term. All loans will have upfront and monthly premiums, except as noted above. Pricing and loan program eligibility are determined using the base

Program Guidelines	
Eligible Properties	<p>Single Family Detached Single Family Attached</p> <p>2-4 Unit Detached/Attached Planned Unit Developments</p> <p>Rural Properties Multi Wide Manufactured Homes (if located in flood zone - subject to elevation certification)</p> <p>FHA Project Approved Low-rise and High-rise Condominiums (including manufactured homes zoned as a condo)</p>
Ineligible Properties	<p>Condotels/Hotel Condominiums Timeshares Single Wide and Multi-Unit Manufactured Homes</p> <p>Mobile Homes Unimproved Land Income Producing Properties</p>
State Restrictions	Texas 50 (a) (6) Refinance Mortgages are NOT allowed.
2-1 Buydown	<p>2-1 Buydown Option Available for 30-Year Fixed Rate Standard</p> <p>Purchase Only: Seller or Builder paid buydowns allowed - borrower paid buydown are not permitted</p> <p>Buydown included in the 6% interested party contribution limit - borrower must meet MRI requirement of 3.5%</p> <p>Borrower must qualify at note rate</p>
Earnest Money Deposit	<p>Earnest Money that exceeds 1% of the sales price must be verified as by obtaining the following:</p> <ul style="list-style-type: none"> • Copy of borrower's cancelled check • Certified copy of receipt of funds by Settlement Agent • A verification of deposit or bank statement showing the average balance was sufficient to cover the amount of the earnest money deposit at the time of the deposit.
Cash On Hand	Not Allowed
Gift Funds	<p>Obtain a gift letter signed and dated by the donor and Borrower that includes all the following:</p> <ul style="list-style-type: none"> • The donor's name, address, telephone number • The donor's relationship to the Borrower - must be an eligible donor • The dollar amount of the gift <u>and</u> a statement that no repayment is required. <p>Verify and document the transfer of gifts from the donor to the Borrower in accordance with the following requirements:</p> <ul style="list-style-type: none"> • If the gift funds have been verified in the Borrower's account, obtain the donor's bank statement showing the withdrawal and evidence of the deposit into the Borrower's account • If the gift funds are not verified in the Borrower's account, obtain the certified check or money order or cashier's check or wire transfer or other official check evidencing payment to the Borrower or settlement agent, and the donor's bank statement evidencing sufficient funds for the gift amount • For gifts of land or equity, obtain proof of ownership by the donor and evidence of the transfer of title to the Borrower. <p>Cash on Hand is not an acceptable source of donor gift funds</p>
Eligible Gift Donors	<p>The following individuals are eligible to be gift donors</p> <ul style="list-style-type: none"> • Borrower's Family Member • Borrower's Employer or Labor Union • A close friend with a clearly defined and documented interest in the borrower • A charitable organization • A governmental agency or public entity that has a program providing homeownership assistance to low- or moderate-income families of first-time homebuyers. <p>Only Family Members can provide an equity credit as a gift on a property being sold to other Family Members</p>
Family Members	<p>Family Member is defined as follows, regardless of actual or perceived sexual orientation, gender identity, or legal marital status:</p> <ul style="list-style-type: none"> • Child, parent, or grandparent- a child is defined as a son, stepson, daughter, or stepdaughter- a parent or grandparent includes a stepparent/grandparent or foster parent/grand parent • Spouse or domestic partner • Legally adopted son or daughter, including a child who is placed with the borrower by an authorized agency for legal adoption • Foster child • Brother, Sister, Step-Brother, or Step-Sister • Uncle or Aunt • Son-in-Law, daughter-in-law, mother-in-law, father-in-law, brother-in-law, or sister-in-law <p>NOTE: A Cousin is NOT considered an eligible family member for Gifts of Equity</p>

Residual Income Matrix									
Loan Amounts < \$80,000					Loan Amounts ≥ \$80,000				
Family Size	Northeast	Midwest	South	West	Family Size	Northeast	Midwest	South	West
1	\$390	\$382	\$382	\$425	1	\$450	\$441	\$441	\$491
2	\$654	\$641	\$641	\$713	2	\$755	\$738	\$738	\$823
3	\$788	\$772	\$772	\$859	3	\$909	\$889	\$889	\$990
4	\$888	\$868	\$868	\$967	4	\$1,025	\$1,003	\$1,003	\$1,117
5	\$921	\$902	\$902	\$1,004	5	\$1,062	\$1,039	\$1,039	\$1,158
Over 5	Add \$75 for each additional member up to a family of seven				Over 5	Add \$80 for each additional member up to a family of seven			
Northeast	CT, MA, ME, NH, NJ, NY, PA RI, VT								
Midwest	IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD, WI								
South	AL, AR, DE, DC, FL, GA, KY, LA, MD, MI, NC, OK, PR, SC, TN, TX, VA, WV								
West	AK, AZ, CA, CO, HI, ID, MT, NV NM, OR, UT, WA WY								
Residual Income	<p>Calculating Residual Income:</p> <ul style="list-style-type: none"> • Calculate the total gross monthly income of all occupying borrowers • Deduct from gross monthly income the following items: <ul style="list-style-type: none"> ▫ Federal and State income taxes ▫ Debt showing on credit report (including NBS debt) ▫ Municipal or other income taxes ▫ Gross up of any Non-Taxable Income ▫ Proposed total monthly fixed payment (i.e. PITIA + MIP) ▫ Estimated maintenance and utilities ▫ Retirement or Social Security • Subtract the sum of the deductions from the table above from the total gross monthly income of all members of the household of the occupying borrowers • The balance is residual income <p>Calculating Gross Monthly Income:</p> <ul style="list-style-type: none"> • Gross monthly income should be calculated only for the occupying borrowers consistent with the requirements of HUD Handbook. • Do not include bonus, part-time or seasonal income that does not meet the requirements for effective income as stated in HUD Handbook. • Do not include income from non-occupying co-borrowers, co-signers, non-borrowing spouses, or other parties not obligated on the mortgage. <p>Calculating Monthly Expenses:</p> <ul style="list-style-type: none"> • If available, mortgagees must use Federal and state tax returns from the most recent tax year to document state and local taxes, retirement, Social Security and Medicare. If tax returns are not available, mortgagees may rely upon current pay stubs. • For estimated maintenance and utilities in all states, mortgagees should multiply the living area of the property (square feet) by \$0.14. 								