

VA GUIDELINE SUMMARY MATRIX

(Purchase and Cash Out Refinances for all loan limits)

as of July 30, 2010

Loan Limits for Purchase and Cash Out Refinance				Guidelines				Guidelines			
Units	Loan Amount	Credit Score	Min. Reserves	Eligible Borrowers				Eligible Property Types			
1-4 Units	\$417,000	640	N/A	<ul style="list-style-type: none"> An eligible veteran is a person who served on active duty in the Army, Navy, Air Force, Marines, or Coast Guard, and who, (except for a service member on active duty) was discharged or released from active duty under conditions other than dishonorable; or Members of the Reserves and National Guard are eligible upon completion of 6 years of service; or Unmarried surviving spouses of veterans who died as a result of service or service-connected causes. 				<ul style="list-style-type: none"> Single-family residence, PUD (detached), VA-approved condominiums & attached PUDs, or 2-4 units Owner Occupied Primary Residence Only. Loans > \$417,000: Single-family residence, PUD or condominium only. 			
1 Unit	\$417,001 - \$650,000*	720	6 Months								
<ul style="list-style-type: none"> VA loan amounts greater than \$417,000 & up to \$650,000 are now based on the 2010 MSA limits. Purchase: Max. loan amount at 100% LTV/CLTV with full entitlement is \$650,000. Refinance: Max. 90% LTV/CLTV, plus VA funding fee. The maximum guaranty for loan amounts greater than \$417,000 vary depending upon the location of the property. To calculate the maximum loan amount (and guaranty) for a particular property/county: http://www.homeloans.va.gov/docs/2010_county_loan_limits.pdf 				<ul style="list-style-type: none"> Contributions may not exceed 4% of the value of the property as indicated on the NOV Normal discount points and payments of buyer's closing costs will not be considered a concession for purposes of determining total concession 				<ul style="list-style-type: none"> Underwriting Method 640 minimum credit score required for all borrowers, regardless of AUS decision. (refer to Loan Limits matrix for High Balance FICO requirements) All loans may be manually underwritten or submitted to DU® or LP®. 			
Entitlement/Guaranty				Seller Contributions/Concessions				Documentation			
Loan Amount	Maximum Potential Guaranty			<ul style="list-style-type: none"> Contributions may not exceed 4% of the value of the property as indicated on the NOV Normal discount points and payments of buyer's closing costs will not be considered a concession for purposes of determining total concession 				<ul style="list-style-type: none"> All borrowers must have a valid social security number. All borrowers must have at least one valid credit score. Borrowers using non-traditional credit are not allowed. A completed and signed 4506-T is required for all borrowers on all loans. Loans > \$417,000: Full documentation required. Loans must be documented according to the VA Lender Handbook and may not use the AUS conditions as they relate to income and assets. 			
<= \$45,000	50% of the loan amount										
\$45,001 to \$56,250	\$22,500			<ul style="list-style-type: none"> Not allowed 				<ul style="list-style-type: none"> Loans > \$417,000: Full documentation required. Loans must be documented according to the VA Lender Handbook and may not use the AUS conditions as they relate to income and assets. 			
\$56,251 to \$144,000	40% of the loan amount or maximum \$36,000										
\$144,001 to \$417,000	25% of the loan amount or maximum \$104,250			<ul style="list-style-type: none"> 1 unit: No reserves required 2-4 units: No reserves required (when rental is not being used to qualify) 2-4 units: 6 months PITI required (when rental income is being used to qualify) Loan amounts \$417,001 - \$650,000: 6 months PITI 				<ul style="list-style-type: none"> For manual underwriting, the 41% maximum DTI ratio may be exceeded only when significant compensating factors are present. AUS approved loans may exceed the DTI ratios above. 			
\$417,001 to \$650,000	25% of the loan amount or maximum \$273,656										
<ul style="list-style-type: none"> Calculating the maximum loan amount: Loan amounts up to \$650,000 are allowed as long as the VA guaranty or a combination of the VA guaranty plus borrower's down payment and/or equity, equal to at least 25% of the lesser of the sales price or the subject property's reasonable value as documented in the NOV. The maximum guaranty on a VA loan is the lesser of the veteran's available entitlement or the maximum potential guaranty amount indicated above. The max. guaranty for loan amounts > \$417,000 varies depending upon the location of the property. 				<ul style="list-style-type: none"> Refinance Max. 90% LTV/CLTV: Based on the property value indicated on the CRV/NOV plus the VA funding fee. There must be a lien of record and the veteran must occupy the property Max. cash-out on loans > \$417,000: \$325,000 Refinance of the following loan types have additional requirements: construction loans, installment land sale contracts, and loans assumed by veterans where the interest rate was higher than the proposed refinance. <ul style="list-style-type: none"> These loans are not limited to 90% LTV/CLTV No cash back to the borrower. 				<ul style="list-style-type: none"> DTI Ratio For manual underwriting, the 41% maximum DTI ratio may be exceeded only when significant compensating factors are present. AUS approved loans may exceed the DTI ratios above. 			
Funding Fee Table				Refinance				Appraisal Requirements:			
PURCHASE LOANS				<ul style="list-style-type: none"> Max. 90% LTV/CLTV: Based on the property value indicated on the CRV/NOV plus the VA funding fee. There must be a lien of record and the veteran must occupy the property Max. cash-out on loans > \$417,000: \$325,000 Refinance of the following loan types have additional requirements: construction loans, installment land sale contracts, and loans assumed by veterans where the interest rate was higher than the proposed refinance. <ul style="list-style-type: none"> These loans are not limited to 90% LTV/CLTV No cash back to the borrower. 				<ul style="list-style-type: none"> Loan amounts <= \$650,000: VA required appraisal only. The CRV/NOV is valid for 6 mos. FNMA form 1004MC is required for all appraisals. 			
TYPE OF VETERAN	DOWN PAYMENT	% FOR 1ST TIME USE	% FOR SUBSEQUENT USE								
REGULAR MILITARY	0-4.99%	2.15%	3.30%	<ul style="list-style-type: none"> VA IRRRL loan guidelines are separate and not included in this matrix. 				<ul style="list-style-type: none"> For additional information: http://www.homeloans.va.gov/new.htm http://www.warms.vba.va.gov/pam26_7.html http://condopudbuilder.vba.va.gov/2.2/frames.html https://www.efanniema.com/sf/guides/duguides/pdf/vaduug.pdf 			
	5-9.99%	1.50%	1.50%								
	10% or more	1.25%	1.25%								
RESERVES / NATIONAL GUARD	0-4.99%	2.40%	3.30%	<ul style="list-style-type: none"> Loan amounts <= \$650,000: VA required appraisal only. The CRV/NOV is valid for 6 mos. FNMA form 1004MC is required for all appraisals. 							
	5-9.99%	1.75%	1.75%								
	10% or more	1.50%	1.50%								
CASH-OUT REFINANCE LOANS				Loan Program Names and Terms				For Additional Information:			
TYPE OF VETERAN	% FOR 1ST TIME USE		% FOR SUBSEQUENT USE	TYPE	PRODUCT CODE	TERM	CAPS & MARGIN	<ul style="list-style-type: none"> Loan amounts <= \$650,000: VA required appraisal only. The CRV/NOV is valid for 6 mos. FNMA form 1004MC is required for all appraisals. 			
REGULAR MILITARY	10/1/04-9/30/11: 2.15%		3.30%	FIXED 30	VAF30	30 YR	N/A				
RESERVES / NATIONAL GUARD	2.40%		3.30%	FIXED 15	VAF15	15 YR	N/A				
				5/1 ARM	VAA5/1	30 YR	1/1/5 caps, 2.25% margin				
				FIXED 30 HIGH BAL	VAF30HB	30 YR	N/A				
				FIXED 15 HIGH BAL	VAF15HB	15 YR	N/A				
				5/1 ARM HIGH BAL	VAA5/1HB	30 YR	1/1/5 caps, 2.25% margin				
<ul style="list-style-type: none"> All VA loans require a VA funding fee. Exceptions may be made to veterans with service-connected disabilities and to surviving spouses of veterans who die in service or from service-connected disabilities. All or part of the fee may be paid in cash at loan closing or may be included in the loan without regard to the reasonable value of the property or the computed maximum loan amount, as appropriate. Loan amount > \$417,000: If the combined loan amount plus funding fee exceeds the county limit, then that portion of the funding fee that exceeds the county limit may not be financed into the loan. 											