

# FHA Plus Matrix

FHA Parameters for Credit 640+

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As of 2/1/12

Minimum Credit Score Limitations				Refinance			
Product/Term		FHA Plus Min Fico 640	Mid-Island Advantage Fico 540-639	No Cash Out Refinance:			
30 Yr Standard Loan Limit		640	540	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:			
30 Yr High Balance		640	620	<ul style="list-style-type: none"> <li>Existing 1st lien, any purchase money 2nd lien, any junior liens over 12 mos. 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 30 days interest maximum, but may not include delinquent interest.</li> <li>Prepaid expenses may include the per diem interest, hazard insurance, mortgage insurance, and any real estate tax deposits needed to establish the escrow account.</li> </ul>			
15 Yr Standard Loan Limit		640	620	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 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.			
5/1 Treasury ARM		640	Not Available	Subordinate financing may remain in place (max cltv and combined loan limits apply) if the homeowner qualifies with scheduled payments on all liens. NOTE: \$500 cash back is allowed for minor adjustments in estimated versus final closing costs.			
<b>Maximum LTV / CLTV - see attached for Advantage Loans</b>							
Purchase		No Cash Out Refinance		Cash Out Refinance			
96.50%		97.75%		85%			
<b>Maximum CLTV on ALL loans are shown above and all mortgages are limited to the Geographical Maximum.</b>							
<b>2012 FHA Mortgage Limits - see FHA High Balance Notes below</b>							
Region		1 Unit	2 Units	3 Units	4 Units		
Low Cost Areas		\$271,050	\$347,000	\$419,400	\$521,250		
High Cost Areas		\$729,750	\$934,200	\$1,129,250	\$1,403,400		
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>Upfront and Annual MIP (case numbers assigned on or after 4/18/11)</b>							
Greater than 15 year terms			15 year or less terms				
LTV	UFMIP	Annual	LTV	UFMIP	Annual		
≤ 95%	1.00%	1.10%	≤ 78%	1.00%	0.00%		
> 95%	1.00%	1.15%	78.01% - 90%	1.00%	0.25%		
			> 90%	1.00%	0.50%		
<b>Streamline Refinance:</b> UFMIP = 1.00%; Annual MIP follows the above grids.							
MIP Notes:							
<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>Base 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>							
Fixed Rate Programs		Terms	ARM Programs		Terms		
Gov 15 Product 1591		15 yrs	Gov ARM 5/1 w/1-1-5 Caps Treasury Index 2.250 Margin Product 0591		30 yrs		
Gov 30 Product 3091		30 yrs					
<b>FHA High Balance Notes</b>							
1 Unit		2 Unit		3 Unit		4 Unit	
>\$417,000		>\$533,850		>\$645,300		> \$801,950	
Eligibility: minimum credit score 620							
<b>Guidelines</b>							
<b>Eligibility</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> <li>15- to 30-year fixed rate 5/1 ARMs with 30-year terms.</li> </ul>							
<b>Documentation</b>							
<ul style="list-style-type: none"> <li>All borrowers must have valid social security number.</li> <li>Borrowers using non-traditional credit are subject to Mortgagee Letter 2008-11</li> </ul>							
<b>DTI Ratios</b>							
<ul style="list-style-type: none"> <li>For manual underwriting: 31/43%</li> <li>Ratios may be exceeded only when significant compensating factors exist.</li> <li>Loans using an AUS may exceed the ratios above.</li> <li>First time homebuyers – max 45% DTI regardless of AUS. May exceed 45% DTI with 720+ credit</li> </ul>							
<b>Property Flipping</b>							
<ul style="list-style-type: none"> <li>If 90 days or less since property was last sold: Permitted under certain conditions. Refer to FHA Single Family updates/ 76FR6149.</li> <li>91 to 180 days since property was last sold: If the resale price is &gt; 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.</li> <li>Time restrictions don't apply to: FHA REO, relo agency props, prop inherited by seller and sales by gov't agencies.</li> </ul>							
<b>Special Requirements on 3-4 Unit Properties</b>							
<ul style="list-style-type: none"> <li>Purchase and refinance transactions must have 3 mos PITI reserves which may not be derived from gift or proceeds from cash out refinance.</li> <li>The property must be self-sufficient (including the owner occupant unit) - 85% of gross rents (based on HOC) less the proposed PITI.</li> </ul>							
<b>Additional Restrictions for Loan Amounts &gt; \$417,000</b>							
<ul style="list-style-type: none"> <li>1-4 Unit properties located in appraiser or DU designated soft markets, with loan amounts &gt; \$417,000 (excluding UFMIP) will require a second appraisal; appraisal must be ordered from a different, FHA approved appraiser.</li> <li>Max. 85% LTV on Cash out refinance</li> </ul>							

For additional information:  
[fha.gov](http://fha.gov) or [hud.gov](http://hud.gov)

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