

PURCHASE

Type	Maximum LTV*	Max Loan Amount**	Minimum Fico	Maximum Ratios	Mortgage Rental History
Standard	100% Excluding VA Funding Fee	\$636,150 Max loan amount including financed funding fee	580 if ≤ \$424,100 700 if > \$424,100	Per AUS and VA Guidelines	0 x 30 last 12 months

CASH OUT

Type	Maximum LTV*	Max Loan Amount**	Minimum Fico	Maximum Ratios	Mortgage Rental History
Standard	100% Excluding VA Funding Fee	\$636,150 Max loan amount including financed funding fee	580 if ≤ \$424,100 700 if > \$424,100	Per AUS and VA Guidelines	0 x 30 last 12 months

*Regardless of the LTV, the Veteran must have sufficient entitlement to guaranty the loan.

**If county limit allows. See VA loan limits for specific counties.

FUNDING FEE

VA Funding Fee Table - Applies unless Veteran is Exempt - Purchase Transactions

The VA funding fee is calculated on the Veteran's portion of the loan. If a reduced funding fee percentage is required as a down payment, the Veteran's benefits from this reduction as the funding fee will be calculated on his/her portion of the loan. Down payment must be made in liquid funds. Gift equity, borrowed funds or seller-equity is not an acceptable down payment to reduce the funding fee.

Type of Veteran/Military Status	Down Payment ¹	Percent for First Time Use Expires 9/30/24	Percent for Subsequent Use ² Expires 9/30/2024
	Less than 5%	2.15%	3.30%
5% or more (up to 10%)	1.50%	1.50%	
10% or more	1.25%	1.25%	
Reserves/National Guard	Less than 5%	2.40%	3.30%
	5% or more (up to 10%)	1.75%	1.75%
	10% or more	1.50%	1.50%
Disabled Veteran (Service-connected disability)	N/A	0.00%	0.00%

1. Does not include down payment from gift of equity or equity earned from lease-to-purchase transaction.

2. The higher subsequent use fee does not apply if the veteran's only prior use of entitlement was for a manufactured home NOT classified as real estate.

Joint loans: Apply the appropriate funding fee percentage to any portion of the loan allocable to a veteran using his/her entitlement who is not exempt from the funding fee.

VA Funding Fee Table

Cash Out Transactions

There are no reduced funding fees for regular refinances based on equity. Reduced fees only apply to purchase loans where a down payment of at least 5% is made.

Type of Veteran/Military Status	Percent for First Time Use	Percent for Subsequent Use
Regular Military	2.15%	3.3%*
Reserves/National Guard	2.40%	3.3%*

*The higher subsequent use fee does not apply to these types of loans if the Veteran's only prior use of entitlement was for a manufactured home.

COLLATERAL

Eligible Collateral	Owner Occupied Only. 1-4 Units, PUD and Condo.
Ineligible Collateral	Mobile Homes, Co-ops, Condo Hotels, Manufactured Homes, Modular Homes
Condos	Must be VA-approved condominium complex and meet all requirements.
Appraisal Requirements	VA Approved/ VA Fee panel appraisers

TYPES OF FINANCING

Purchase transactions	Permitted. Refer to LTV matrix above.
Cash out refinance	No seasoning requirements Credit score min 580 for loan amounts less than or equal to \$424,100. Minimum 700 FICO for loan amount greater than \$424,100. There is no limit on the amount of cash out proceeds. Refinance of a property that is Free and Clear is not allowed.

CREDIT

Non-Traditional Credit	Borrowers who have no established credit references may be eligible using non-traditional credit references. A minimum of 3 credit references each rated for 12 months is required. Non-traditional credit references may not be used to offset derogatory pay histories on traditional credit. Non-traditional credit may not be used to manufacture credit for borrowers with no credit history or enhance a credit history of a borrower with derogatory pay histories.
Insufficient Credit History	Borrowers with insufficient credit history may be eligible with adding non-traditional trade references. Non-traditional trade references may not be used to overcome poor pay histories of traditional credit. When using non-traditional trades to supplement an insufficient credit history, a minimum of 3 trade references rated for 12 months is required.
CAIVRS	CAIVR clearance must be obtained for all borrowers on the transaction.
Bankruptcy	Open bankruptcies are not eligible. Bankruptcies must be discharged and seasoned for a minimum of 2 years.
Social Security Numbers	Required for ALL borrowers. Photo I.D required. Name and address of the nearest relative.
Charge Offs	Do not need to be paid off
Collections	Credit Score < 680: Must be paid prior to closing. Credit Score 680+: Isolated collection accounts do not necessarily have to be paid off as a condition for loan approval. For example, a credit report may show numerous satisfactory accounts and one or two unpaid medical (or other) collections. In such instances, while it would be preferable to have collections paid, it would not necessarily be a requirement for loan approval. However, collection accounts must be considered part of the borrower's overall credit history and unpaid collection accounts should be considered open, recent credit. Borrowers with a history of collection accounts should have reestablished satisfactory credit in order to be considered a satisfactory credit risk.
Judgments/Liens	All outstanding judgments and liens must be paid prior to or at closing. Includes judgments and tax liens of non-purchasing spouses. This applies to community property states.
Foreclosure/Deed-in-lieu	Must be >2 years from date of trustee's deed. Documentation required, credit report is unacceptable. (CAIVRS-if applicable).
Late Payments	VA Credit Standards apply.
FICO	Credit score min 580 for loan amounts less than or equal to \$424,100. Minimum 700 FICO for loan amount greater than \$424,100. 2 reported credit scores required. Refer to non-traditional credit section for borrowers with no established credit.
Minimum Payment	5% of outstanding balance for revolving accounts if no payment is indicated.
Minimum Tradelines	Must meet the minimum FICO requirement and receive AUS approval.
Mortgage/Rental History	Per AUS decision. Mortgage/Rental Delinquencies: VOM/VOR with 0x30 in the previous 12 months required.
Non Purchasing Spouse	Credit report required in community property states. Debts must be added to DTI Ratio and Credit History may be considered.

INCOME/ASSETS					
Residual Income Requirements	Loan amounts \$79,999 and below				
	Family Size	Northeast	Midwest	South	West
	1	\$390	\$382	\$382	\$425
	2	\$654	\$641	\$641	\$713
	3	\$788	\$772	\$772	\$859
	4	\$888	\$868	\$868	\$967
	5	\$921	\$902	\$902	\$1,004
	Above 5	Add \$75 for each additional member up to a family of seven.			
	Loan amounts \$80,000 and above				
	Family Size	Northeast	Midwest	South	West
	1	\$450	\$441	\$441	\$491
	2	\$755	\$738	\$738	\$823
	3	\$909	\$889	\$889	\$990
	4	\$1,025	\$1,003	\$1,003	\$1,117
	5	\$1,062	\$1,039	\$1,039	\$1,158
Above 5	Add \$80 for each additional member up to a family of seven.				
*States are broken down by Region. Check with Underwriting for breakdown.					
Debt Ratio	Follow AUS Findings for DTI ≤ 45%. DTI > 45% requires a minimum of 2 compensating factors regardless of AUS findings. All loans must meet the residual income requirements regardless of DTI or AUS approval. Refer to VA Lending Guide for a list of VA acceptable compensating factors.				
Non-Taxable Income	Nontaxable income such as Social Security, Pension, Workers Comp and Disability Retirement income can be grossed up. Tax free income can not be grossed up to meet Residual Income, DTI only.				
Income	Residual income requirements apply and vary by region / loan amount / property type. See above matrix.				
Rental Income	Must have prior history of being a landlord to use.				
Assets	Must have sufficient assets to close. Non-liquid accounts may not be used as an asset for cash to close or reserves. Liquidated funds from non-liquid accounts can be used if liquidation and deposit into a demand deposit account are documented. Large deposits and / or deposits that are excessive for borrower's history need to be sourced and seasoned.				
Payoff Debt to Qualify	Payoff of revolving debt is allowed if paid in full prior to closing. Payoff & zero balance must be documented directly from credit. Cannot payoff on the HUD-1. On a case by case basis, accounts may need to be closed.				
Documentation/4506T	Full income documentation loans only. IRS Form 4506T must be processed and income validated for most recent 2 years.				
Minimum Reserves	1 Unit: None. 2-4 Units: Rental income NOT used to qualify: None 2-4 Units: Rental income USED to qualify: 6 months PITI Borrowers with non-traditional credit and insufficient credit and insufficient credit require 2 months PITI reserves.				
Gifts	Acceptable. Gift of Equity is acceptable but cannot be applied as down payment purposes to reduce the VA Funding Fee. Gifts are not allowed on transactions involving borrowers with non-traditional credit.				
Non Occupant Co-Borrower	Not Allowed				
Buyer Contribution	No minimum investment required.				
Seller Contribution	Seller can pay 100% of discount points and borrowers non-recurring closing costs. Seller can provide an additional amount not to exceed 4% of the estimated reasonable value to assist the borrower's payment of prepaid expenses and funding fee.				
GENERAL					
VA Prior Approval Required for:	All VA loans.				
Borrower Eligibility	Must be a veteran who served the minimum duty with other than a dishonorable discharge. Active duty with at least 181 days of duty. Un-remarried surviving spouse of eligible veteran (COE). Reservists / National Guard. Certificate of Eligibility must have sufficient entitlement to meet minimum 25% guaranty. All borrowers must occupy the subject property.				
Guaranty/Entitlement	Veteran must have sufficient entitlement and provide evidence of available entitlement.				
Loan Terms Available	30 and 15 year fixed.				
Qualifying Fixed Product	Qualify at Note Rate.				
Co-Borrower	Co-Borrower must be a veteran or spouse. All borrowers must occupy the subject property. Only borrower and spouse are permitted to be on title.				
Assumptions	Permitted.				
Escrow Waiver	Not Allowed				

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