



Applicable Program Codes: FHAHB 30, 15, 5/1

CMAC FHA HIGH BALANCE DU				
Purchase				
Occupancy	Unit	Min FICO	Max LTV/CLTV	Max Loan Amount
Primary	1	600	96.50%/96.50%	See FHA Loan Limit in Matrix
	2	600	96.50%/96.50%	
	3	620	96.50%/96.50%	
	4	620	96.50%/96.50%	
Rate/Term Refinance				
Occupancy	Unit	Min FICO	Max LTV/CLTV	Max Loan Amount
Primary	1	600	97.75%/97.75%	See FHA Loan Limit in Matrix
	2	600	97.75%/97.75%	
	3	620	97.75%/97.75%	
	4	620	97.75%/97.75%	
Streamline Refinance				
Occupancy	Unit	Min FICO	Max LTV/CLTV	Max Loan Amount
Primary	1	580	97.75%/97.75%	See FHA Loan Limit in Matrix
	2	580	97.75%/97.75%	
	3	620	97.75%/97.75%	
	4	620	97.75%/97.75%	
Secondary	1	580	97.75%/97.75%	See FHA Loan Limit in Matrix
	2	580	97.75%/97.75%	
	3	620	97.75%/97.75%	
	4	620	97.75%/97.75%	
Investment	1	580	97.75%/97.75%	See FHA Loan Limit in Matrix
	2	580	97.75%/97.75%	
	3	620	97.75%/97.75%	
	4	620	97.75%/97.75%	
Cash-Out Refinance				
Occupancy	Unit	Min FICO	Max LTV/CLTV	Max Loan Amount
Primary	1	600	85%/85%	See FHA Loan Limit in Matrix
	2	620	85%/85%	
	3	640	85%/85%	
	4	640	85%/85%	

Mortgage Insurance				
Base Loan Amount	LTV	UFMIP	Annual MIP	Annual Duration
Loan Terms > 15 Years				
> \$625,500	≤ 90.00%	1.75%	1.00%	11 Years
	> 90.00% & ≤ 95.00%		1.00%	Mortgage Term
	> 95.00%		1.05%	Mortgage Term
≤ \$625,500	≤ 90.00%	1.75%	0.80%	11 Years
	> 90.00% & ≤ 95.00%		0.80%	Mortgage Term
	> 95.00%		0.85%	Mortgage Term
Loan Terms ≤ 15 Years				
> \$625,500	≤ 78.00%	1.75%	0.45%	11 Years
	> 78.00% & ≤ 90.00%		0.70%	Mortgage Term
	> 90.00%		0.95%	Mortgage Term
≤ \$625,500	≤ 90.00%	1.75%	0.45%	11 Years
	> 90.00%		0.70%	Mortgage Term
Streamline, Simple Refinance of Previous FHA endorsed loan on or before May 31, 2009				
Base Loan Amount	LTV	UFMIP	Annual MIP	Annual Duration
All Mortgage Term				
All	≤ 90.00%	0.01%	0.55%	11 Years
	> 90.00%			Mortgage Term

Program Details

1. Appraisal

- Full appraisal is required for all submissions (except streamline).
- FHA appraisal transfer are allowed when case number is transferred from one lender to another loan.

2. AUS

- DU Approve/Accept recommendations are allowed.
- AUS Refer responses will be manually underwritten.

3. ATR/QM

- Loan must be Safe Harbor Qualified Mortgages as defined under HUD, Dodd-Frank and CPA.

4. Cap

- 2/2/5

5. Credit Report

- A Full Tri-Merge credit report is required for all borrowers.

6. Down Payment Assistance

- Are permitted in accordance with FHA Guidelines

7. Eligible Borrowers

- U.S. Citizens and Permanent Resident aliens
- Non-permanent resident aliens may qualify (refer to HUD Handbook 4000.1)
- Non-occupant co-borrowers:
 - Purchase transactions are limited to 75% LTV when secured by 2-4 unit properties.
 - Not eligible for cash-out refinance
- Borrower's name on case number assignment must match borrower's name in LOS, note and mortgage.

8. Eligible Property Types

- 1-4 Unit property
- PUD
- Manufactured homes (double-wide only) - not eligible for any purchase or cash-out refinance. Not eligible for rate/term, streamlined refinance unless the existing loan is serviced by Flagstar.
- Condominium (Prior approval required)

9. Employment/Income

- 4506T
 - Follow FHA for employment verification
 - A fully executed IRS Form 4506-T must be included in all loan files
 - 1040 Transcript are required for the following income:
 - Self-employed
 - Commission greater than 25%
 - Rental income documented on Schedule E
 - Employed by family
 - Fixed income types such as disability, social security, retirement, etc.

10. Escrow

- Escrow waiver not allowed
- Escrow account must be established for:
 - Real estate taxes
 - Monthly mortgage insurance premiums
 - Hazard insurance premiums
 - Special assessments
 - Ground rents

11. High Price Mortgage Loan

- High Price Mortgage Loan not falling within Safe Harbor will not be purchase.

12. Index

- 1 Year Treasuries

13. Ineligible Property Types

- Manufactured home (single-wide)
- Cooperative
- Working farm, ranch or orchard

14. Loan Amounts

- Minimum - None
- Maximum - See FHA Loan Limits in Matrix

15. Loan Terms

- 30 and 15 years

16. Margin

- 2.25%

17. Power of Attorney

- Permitted for purchase or rate and term refinance only. Cash-out may only use military durable power of attorney.
- May not be e-signed

18. Rate/Term Refinances

- Loan must be current
- New Loan may include any accrued late charges/escrow shortages

19. Ratios

- As Determined by AUS

20. Seller Contributions

- 6% Max

21. Streamline Refinance

- Borrower must made at least six payments on the FHA-insurance mortgage being refinanced.
- Mortgage with less than 12-month history must make all payments on time. More than 12 month history can have 1 x 30 in the pass and 0 x 30 for the prior 3 months to loan application.
- Net tangible benefit
- Second Home and Investment permitted provided new loan is not an ARM.