

Wholesale / Broker
Nationstar Matrix with LTV > 80%
 (Fannie Mae / Freddie Mac)
 MI required



1/18/2011

Purchase								
Owner Occupied		Max Loan Amt	Maximum			MAX D/R	Mortgage History ⁽²¹⁾ (last 12 mos)	BK History ⁽¹⁴⁾
			LTV / CLTV	Market ⁽⁷⁾⁽⁸⁾	FICO ⁽¹⁹⁾			
Primary	1 Unit ⁽²⁾	\$417,000	97% / 97% ⁽³⁵⁾	Non Restricted	700	41% / 45% ⁽²³⁾ 41%	0 x 60	Discharged > 4 yrs
	1 Unit / Condo ⁽²⁾ /Attached Housing	\$417,000	95% / 95%	Non Restricted	660	41% / 45% ⁽²³⁾		
			95% / 95%	Restricted Tier 1	680	41%		
Primary	2 Unit	\$533,850	80%	Non Restricted	680	41% / 45% ⁽²³⁾		
Second Home	1 Unit Detached only	\$417,000	90%	Non Restricted	720	41%		

Rate Term Refinance								
Owner Occupied		Max Loan Amt	Maximum			MAX D/R	Mortgage History ⁽²¹⁾ (last 12 mos)	BK History
			LTV / CLTV	Market ⁽⁷⁾⁽⁸⁾	FICO			
Primary	1 Unit / Condo ⁽²⁾ /Attached Housing	\$417,000	95% / 95%	Non Restricted	680	41%	0 x 60	Discharged > 4 yrs.
			90% / 90%	Restricted Tier 1	680			
			90% / 90%	Restricted Tier 2	720			
Primary	2 Unit	\$533,850	80% / 80%	Non Restricted	680			

Underwriting Guideline Requirements (All Loans must be submitted through DU 8.2 or LP)

Collateral	
1 Appraisal	A full 1004 (interior/exterior) appraisal or 2055 (drive-by) required. Must be ordered through a VMC. Form 1004 MC (03/09) required on all appraisals.
2 Condos	HOA Questionnaire required - Restricted Markets Tier 1 and Tier 2 Max LTV 90%; non-restricted Max LTV 95%; - condos and attached housing in FL are ineligible. See Condo Approval Policy Section K of UW Guidelines.
3 Conversion of Primary Residence or Pending Sale	Must qualify borrowers using both PITI payments. Properties pending sale which have not sold at the time the subject closes require 6 mos. reserves (both properties) if < 30% equity, 2 mos. reserves (both properties) if > 30% equity. AVM required. Conversions to Investment Property require 6 months reserves. Rental income cannot be utilized unless > 30% equity.
4 Land Contracts, Mfg Homes	Not eligible.
5 Listed For Sale	Properties listed for sale in the past 60 days require UW Manager approval. Property must be taken off the market prior to the loan application date.
6 Seasoning	Properties purchased in the prior 6 months ineligible. Purch. <12mos requires appraisal review if FMV > purchase price.
7 Restricted Markets Tier 1	If property is located in a declining market as noted by MGIC county matrix, follow Restricted Tier 1 Market parameter LTV guidelines above.
8 Restricted Markets Tier 2	If property is located in AZ, CA, FL & NV -- Max 90% LTV for Rate Term and 720 min FICO. CA see MGIC county list for Tier 1 and Tier 2 designation.
9 Short Term Refinances & Subordination Liens	Payoff of any subordinate loan is not allowed. Additionally, any refinance of a loan which paid off a subordinate loan within the last 6 months is also considered cash out. Subordinate liens must resubordinate.
10 Rent Loss Insurance	6 mo of coverage required if subject is an investment or 2-4 unit owner occupied dwelling and rent from the subject is being used to qualify the loan.
11 Second Homes	Borrower can own no other residential properties other than the primary residence. Property must be located in a resort or recreational area, be outside the geographic location of the primary residence, be suitable for year-round residency, have full kitchens, separate rooms for eating & sleeping, no lock-out bedrooms or be part of any rental pool agreement. No rental income can be used for qualifying purposes.
12 Payoff of a purchase-money second lien allowed in All Markets when:	<ul style="list-style-type: none"> The junior lien was originated as a purchase-money second mortgage (seller or institutional financing) with the first and second lien recorded simultaneously, or The only draw of a Home Equity Line of Credit (HELOC) was for the acquisition of the subject property as supported by the HUD-1 and loan history. LTV is 95% or lower
13 Construction to Perm	Non-Restricted and Tier 1 - Max LTV 95% - Requires 700 FICO - Tier 2 markets requires 720 FICO.
Credit	
14 Bankruptcy	Discharged < 4 yrs ineligible. Multiple filings within past 7 years must be discharged > 5 years.
15 Collections/Chargeoffs	Refer to DU/LP stipulations
16 Continuity of Obligation	If property was purchased < 12 mos ago, must use < of original purchase price or appraised value for FMV if no acceptable continuity of obligation exists. Acceptable continuity includes the following: 1) At least one borrower on the new loan was a borrower on the existing loan to be financed 2) Borrower has been on title or residing in the property the last 12 mos. and has paid the mortgage the last 12 mos. 3) Borrower recently inherited the property or it was legally rewarded (divorce, separation, etc.) If borrower on title 6 mos. or more, and a lien exists with no acceptable continuity of obligation, max LTV = 50%.
17 Judgments/Liens	Outstanding judgments and liens must be paid at or prior to loan closing per AUS findings.
18 Foreclosure	Must be >7 years. Deeds in Lieu of Foreclosure must be > 4 years. > 7 years if LTV ≥ 90%.
19 FICO	Use the lowest FICO (middle of 3; lower of 2) for all borrowers. Credit must show 3 open & active tradelines w/12 mos. history.
20 Minimum Payment	5% of balance for revolving/installment accounts if payment not reporting to Credit Bureau.
21 Mortgage History	Full 12 month history required; Exceptions require UW Manager approval. Must be < 30 at closing
22 Non-Resident	See Underwriting Bulletin #09-004 for eligibility requirements.
Income / Assets	
23 Debt Ratio	41% max DTI. 45% allowed for primary purchases and refinances with FICO ≥ 740 and Fixed Rate or 5 year or greater ARM.
24 Non-Taxable Income	Nontaxable Social Security, Pension, Workers Comp and Disability Retirement income may be grossed up 25% provided continuation for minimum 3 yrs and nontaxable is verified via tax returns.
25 Documentation/4506T	Full income documentation loans only; DU/LP stipulations are acceptable with a minimum of one paystub and prior years W-2. In addition, IRS form 4506T must be executed on all loans prior to closing.
26 Primary Conversions	Rental income may not be utilized unless >30% equity per AVM.
27 Minimum Reserves	Minimum 2 months PITI on all transactions. If existing home is not sold 2 mos PITI for each property, 6 mos if < 30% equity in current residence.
Purchase Money	
28 Buyer Contribution	3% minimum own funds.
29 Seller Contribution	Owner Occupied - Max 6% <90% LTV; Max 3% >90% LTV. Down payment assistance program not eligible.
Products	
30 Loan Size	Loan Amount < \$50,000 Requires VP of Underwriting approval.
31 Maximum Loan Size	See matrix above
32 Recommendations Allowed	DU approved eligible; DU expanded approval (EA 1); LP accept or LP Caution A- minus with "eligible" ratings allowed. Refer, Caution and ineligible ratings do not qualify for Nationstar financing.
33 Cashout	Cashout refinance are ineligible
34 Documentation Age	Must be < 90 days old at time of closing. Excludes appraisal which must be < 120 days.
35 Refi Plus Program	See additional requirements in DU Refi Plus Matrix.
36 Adjustable Rate Mortgages (ARMs)	Qualifying rate = Greater of note rate plus 2% or fully-indexed rate on 3/1 and 5/1 ARMs, note rate for 7/1 and 10/1 ARMs. Fully-indexed rate = Index + Margin, rounded to the nearest 1/8th percent. 1) Index = Wall Street Journal 1-year LIBOR 2) Margin = 2.25% 3) Terms available = 3/1, 5/1, 7/1, 10/1 4) Caps (initial/periodic/lifetime) : Approve/Eligible -- 2/2/6 (3/1 ARM), 5/2/5 all others 5) EA/Caution findings not eligible 6) TX 50(a)(6) loans: not eligible