

Wholesale / Broker

Nationstar Agency Matrix
(Fannie Mae / Freddie Mac)

Loans exceeding 80% require MI-refer to MI vendor guidelines



Follow published Guidelines by FNMA / Freddie Mac unless otherwise noted below.

12/2011

Purchase & Rate/Term Refi						
Occupancy		Max Loan Amt	Max LTV / CLTV ⁽²⁾	Min FICO ⁽¹⁴⁾	MAX D/R ⁽¹⁹⁾	Mortgage History (last 12 mos) ⁽¹⁶⁾
Primary	1 unit	\$417,000	97% / 97% 95% / 95% ⁽³²⁾	620	45%	0 x 60
Primary	2 unit	\$533,850	80% / 80% ⁽³²⁾	620	45%	0 x 60
Primary	3-4 unit	\$645,300 / \$801,950	80% / 80% ⁽³²⁾ 75% / 75%	620	45%	0 x 60
Second Home	1unit	\$417,000	90% / 90% 85% / 90% ⁽³²⁾	620	45%	0 x 60
Investment	1 unit	\$417,000	85% / 85% Purch ⁽³²⁾ 75% / 75% Refi ⁽³²⁾	620	45%	0 x 60
Cashout Refinance						
Occupancy		Max Loan Amt	Max LTV / CLTV ⁽²⁾	Min FICO ⁽¹⁴⁾	MAX D/R ⁽¹⁹⁾	Mortgage History (last 12 mos) ⁽¹⁶⁾
Primary	1 unit	\$417,000	85% / 85% 80% / 80% ⁽³²⁾	620	45%	0 x 60
Primary	2 unit	\$533,850	75% / 75% ⁽³²⁾	620	45%	0 x 60
Primary	3-4 unit	\$645,300 / \$801,950	75% / 75% ⁽³²⁾	620	45%	0 x 60
Second Home	1unit	\$417,000	75% / 75% ⁽³²⁾	620	45%	0 x 60
Investment	1 unit	\$417,000	75% / 75% ⁽³²⁾	620	45%	0 x 60
Underwriting Guideline Requirements - DU / LP Approval required on all loans ⁽²⁸⁾						
Collateral						
1	Appraisal	A full 1004 (interior/exterior) appraisal or 2055 (drive-by) required. Must be ordered through a VMC. Form 1004 MC (3/09) required on all appraisals.				
2	Condos	HOA Questionnaire required. 75% max LTV on Second Home Condos. 75% max LTV on Investment Condos with Full Review/CPM approval. CA Condos may require earthquake insurance on FHLMC loans. See Condo Approval Policy Section 6.13 of UW Guidelines.				
3	FL Condos	Primary 75% Max LTV with Limited Review/CPM approval; 80% Max LTV with Full Review or Special Approval Designation. Second Home 70% Max LTV with Limited Review/CPM approval; 75% Max LTV with Full Review or Special Approval Designation. Investment properties not eligible. Special Approval Designation applies to FNMA loans only. See Condo Section 6.13 of UW Guidelines.				
4	Mfg / Coops / Land Contracts	Manufactured homes and Land Contracts and Coops are ineligible.				
5	Listed For Sale or Purchase < 6 mos.	Properties listed for sale are ineligible for refinance. Property must be taken off the market prior to the loan application date. Cashout Refi not allowed if property purchased in prior 6 months. Max 70% LTV on cash out refinances, if property listed within the last 6 months.				
6	Maximum Number of Financed Properties	Unlimited if subject property is owner-occupied. Max 4 financed properties allowed if the subject property is a second home, investment property or if loan is a Cashout Refinance. 5-10 financed properties allowed with VP Underwriting approval-see section 7.7 of the UW Guidelines for eligibility and requirements.				
7	Seasoning	Properties purchased in the prior 6 months must use purchase price or FMV, whichever is less. Purch. < 12 mos. requires appraisal review if FMV > purchase price. Purchase and Rate/Term Refis only on properties with < 6 mos. seasoning. 120 days seasoning required from date of purchase for rate/term loans for FHLMC.				
8	Short Term Refinances	Payoff of any subordinate non-purchase money loan is considered a cash-out refinance. Additionally, any refinance of a loan which paid off a subordinate non-purchase money loan within the last 6 months is also considered cash out.				
9	Rent Loss Insurance	6 mo of coverage required on subject property only if subject is an investment or 2-4 unit dwelling and rent from subject is being used to qualify the loan.				
Credit						
10	Bankruptcy	Chapter 13: Must be discharged > 2 years prior to closing. BK dismissals must be > 4 years. Chapter 7: Must be discharged or dismissed > 4 years prior to closing. Multiple Bankruptcy filings within past 7 years must be discharged/dissolved > 5 years.				
11	Collections/Chargeoffs	Refer to DU/LP stipulations				
12	Judgments/Liens	Outstanding judgments and liens must be paid at or prior to loan closing				
13	Foreclosure	Must be > 7 yrs. Manner of payment or status code of "8" or "9" or any foreclosure-related comments reporting on credit is considered a foreclosure. Deeds in Lieu of Foreclosure and Short Sales must be > 2 years (>4 yrs for FHLMC) if LTV ≤ 80%. >4 yrs is LTV ≤ 90%. > 7 yrs if LTV > 90%.				
14	Minimum FICO	Use the lowest FICO (middle of 3; lower of 2) for all borrowers.				
15	Minimum Payment	5% of balance for revolving/installment accounts if payment not reporting on Credit Bureau. Include all revolving payments regardless of the number of payments remaining. No payment required on installments if <10 payments remain except for car leases. Revolving accounts paid at closing must be closed to exclude from d/r.				
16	Mortgage History	Full 12 month history required; Exceptions require UW Manager approval. < 30 at closing.				
17	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%.				
18	Non-Permanent Resident	See Underwriting Bulletin #09-004 for eligibility requirements.				
Income / Assets						
19	Debt Ratio	45% max DTI (exceptions to 50% with AUS Approval)				
20	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. If more than 50% of total income is nontaxable, maximum DTI is 45%. Gross up on other types of nontaxable income and DTI up to 50% will be considered on an exception basis with AUS Approval.				
21	Documentation/4506T	Full income documentation loans only; must follow DU/LP stipulations. Minimum documentation level for salaried wage earners is one paystub and verbal VOE. In addition, IRS form 4506T must be executed on all loans prior to closing.				
22	Minimum Reserves	As required by DU/LP; 6 mos. (PITIA) required on subject property if it is an investment property. 2 mos. reserves on each additional investment property owned up to 4 total. Subject Property requirements: No reserves required on 1 unit primary residence, 6 months reserves on 2-4 units, 2 mos. reserves required if second home, 70% of stocks, bonds or mutual funds and 60% value of retirement funds may be used as reserves. See #22 for additional reserve requirements				
Purchase Money						
23	Conversion of Primary Residence or Pending Sale	Must qualify borrowers using both PITI payments. Conversions and 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 per AVM. Former residence, rental income may only be utilized if >30% equity, executed lease and security deposit is verified.				
24	Buyer Contribution	Min 3% - May be a 100% gift on 1 unit principal residence. Min 5% on second homes with LTV's > 80%				
25	Seller Contribution	Owner Occupied and Second Home - LTV ≤ 90% Max 6%. LTV > 90% Max 3%. Investment Max - 2%. DP assistance program not eligible.				
Products						
26	Loan Size	Loan Amount < \$50,000 Requires VP of Underwriting approval.				
27	Maximum Loan Size	See Matrix Above				
28	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.				
29	Documentation Age	Must be < 90 days old at time of closing. (Excludes appraisal which must be < 120 days old)				
30	DU Refi Plus Program	See additional requirements attached in separate matrix.				
31	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 ARM's. 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				
32	FHLMC	Maximum LTV/CLTV for FHLMC. Reduce LTV 5% with secondary financing.				