



FINANCE of AMERICA
- MORTGAGE -
A BLACKSTONE COMPANY

Eligible States:
 AL,AR,AZ,CA,CO,CT,DC,DE,FL,GA,IA,ID,IL,IN,KS,
 KY,LA,MA,ME,MD,MI,MN,MO,MS,NC,NH,NJ,NM,
 OK,OH,OR,PA,RI,SC,TN,TX,UT,VA,VT,WA,WI,WV

LP Open Access Matrix (Wholesale)

October 26, 2015

Product Codes

Fixed Rate up to 105%: 30yr= 2300, 20yr= 2301, 15yr= 2302

Fixed Rate LTV 105.01% to 125%: 30yr= 2303, 20yr= 2304, 15yr= 2305

	Owner Occupied		Second Home		Investment Property	
	Max LTV/CLTV	Min FICO	Max LTV/CLTV	Min FICO	Max LTV/CLTV	Min FICO
1 Unit/ PUD / Condo	125%/Unlimited	620	105%/Unlimited	620	105%/105%	660
2 Units	105%/Unlimited	620	N/A		105%/105%	660

- The Max DTI allowed for LTV's between 105.01 to 125% is 65%
- 3-4 Unit properties are not eligible
- Conforming Fixed Rate products only (Arm's and Super Conforming Loan amounts are not eligible on this product)
- Brokers are suggested to provide LP findings with their loan submissions. Credit reports must be from one of the following approved vendors:
Kroll Factual Data and Credco
***NOTE: If LP findings are not provided, Finance of America Mortgage will run an internal credit report & LP on behalf of the Broker. (Broker credit reports may not be used when Finance of America Mortgage runs LP) ***
- *Note-All LP findings must be re-run to match the value determination provided on the findings in order to accept the HVE waiver. Any LP AUS that exceeds the maximum allowed LTV after re-running to match this value will not be eligible. **See detailed guidelines under "appraisal requirements" for additional requirements**



October 26, 2015

LP Open Access Guidelines (Wholesale)

Program Loan Terms & Description	<ul style="list-style-type: none"> Fixed Rate- 30 Year, 20 Year & 15 Year Rate & Term (limited cash-out) refinance only. Cash out to borrower cannot exceed \$250.
Underwriting Method	<ul style="list-style-type: none"> LP "Accept" findings only (Manual underwriting and A- or Caution findings are not accepted)
Max DTI Ratio	<ul style="list-style-type: none"> For LTV's up to 105%- The DTI is Per LP Findings For LTV's of 105.01%-125% The DTI is capped at 65%
Mortgage Insurance	<p>If LP findings indicate that MI exists and that MI is required, the loan is eligible considering the following:</p> <ul style="list-style-type: none"> Loan must be currently insured by one of Finance of America Mortgage's MI vendors (<i>Essent, MGIC, National, Radian or UGI (United Guaranty)</i>) only. Any other MI vendors are not eligible. The same coverage percentage on the loan being refinanced will be carried over on the new loan which also includes loans that were offered a reduced coverage percentage at origination. The loan does not need to increase to higher "standard" coverage. There should not be additional premium due if the current loan has single premium LPMI or had a single premium borrower paid MI. If the current loan has monthly MI, they must continue with borrower paid monthly MI on the new loan. LPMI is not an eligible MI type, must switch to monthly borrower paid MI with borrower consent. The loan may not change to single premium or LPMI. New loan amount premium may change based on loan amount but based on the coverage percentage on the existing loan, the premium rate will remain the same MI Cancellation Certificate issued by the MI provider listed in the AUS findings must be provided if the MI policy has been terminated or cancelled and MI will not be required regardless of AUS findings. <p>Note: Finance of America Mortgage Underwriter will request all MI transfers</p>
Ineligible Property Type	<ul style="list-style-type: none"> 3-4 Unit properties, Manufactured homes, Co-ops, Mixed Use, Timeshare, Construction to Perm, Condotel, Leasehold Estates, Hobby Farms, Log Homes, Properties exceeding 40 acres or more <i>Additional ineligible property types are listed in the Finance of America Mortgage detailed guidelines</i>
Eligible Properties	<ul style="list-style-type: none"> SFR, PUD (Attached/Detached), 2 unit properties, Condominiums (attached and detached) meeting Condominium guidelines, Modular Homes (subject to 2nd signature), Deed Restricted Properties (subject to a clause in the deed that Foreclosures are exempt from the restriction) <i>See detailed guidelines for specifics</i>
Eligible Borrower Citizenship	<ul style="list-style-type: none"> U.S Citizens & Permanent and Non-Permanent Resident Aliens are allowed with a valid social security number. Non-Resident Aliens (foreign nationals) are not allowed.
LP Open Access Requirements	<ul style="list-style-type: none"> Relief (Open Access) Requirements: Existing loan must have a Freddie Mac settlement date on or before May 31, 2009. To determine if the existing loan is currently owned by Freddie Mac, go to: https://www.freddiemac.com/corporate/ Homeowners may also contact FHLMC at 800-373-3343 to determine if their existing loan is owned by Freddie Mac Mortgage being refinanced must be seasoned for at least three months The Relief Refinance Mortgage must result in at least "ONE" of the following borrower benefits : <ul style="list-style-type: none"> Reduced interest rate of the first lien mortgage Replacement of an ARM, Initial Interest Mortgage (or any mortgage with an interest-only period) or balloon/reset mtg with a fixed rate, fully amortizing mtg Reduction in the amortization term of the first lien mortgage Reduction in the monthly principal and interest payment of the first lien mortgage LP must identify the program as a LP Open Access case file (Offering Identifier- Relief Refinance) with an "Accept" Risk Class finding Mortgage Proceeds must be used to only: Pay off the first mortgage (amount including only the unpaid principal balance & interest accrued through the date the mortgage being refinanced is paid off Pay related Closing Costs, Financing Costs and Prepays/Escrows not to exceed the lesser of 4% of the current unpaid principal balance (UPB) of the mortgage being refinanced or \$5000 Disburse cash to the Borrower not to exceed \$250 The New Refinance Loan will be Ineligible if: <ul style="list-style-type: none"> LP finding Risk Class is less than an "Accept" There is New subordinate financing Construction to Permanent
Ineligible Existing Loan	<ul style="list-style-type: none"> Loans delivered to Freddie Mac after May 31, 2009 Loans subject to credit enhancement or current repurchase request from Freddie Mac Loans not currently owned by Freddie Mac Loans that have Lender-purchased Mortgage Insurance. Loans that are currently subject to any repurchase request from Freddie Mac Loans with Reverse mortgage, second mortgage, and government mortgages. Loans that are not identified as LP Open Access case file on the AUS findings. The mortgage being refinanced has recourse, indemnification or other credit enhancements(i.e.- modified or restructured)
Borrower Eligibility	<ul style="list-style-type: none"> Borrowers on the existing mortgage must match the borrowers on the new mortgage. Additional borrower(s) may be added as long as the original borrower(s) stays on the new loan. (Note: Non-occupying borrowers may not be added to a Mtg secured by a primary residence) An existing borrower may be removed from the new refinance, if the following requirements are met: <ul style="list-style-type: none"> * At least one borrower(s) from the mortgage being refinanced is retained * A borrower may be removed through the refinance and stay on the deed as long as the security instruments are signed If the borrower is being removed due to death or divorce, documentation supporting such will need to be provided for the file
Subordinate Financing	<ul style="list-style-type: none"> New Subordinate financing is not permitted. Existing subordinate liens must be re-subordinated. The payoff of subordinate liens with the new mortgage is not permitted.



LP Open Access Guidelines (Wholesale)

Maximum Number of Financed Properties	<ul style="list-style-type: none"> There are no limits on the number of financed properties the borrower owns on the LP Open Access program
Multiple Loans to One Borrower (Number of Properties Finance of America Mortgage will Finance)	<ul style="list-style-type: none"> Finance of America Mortgage may finance up to Four (4) properties (to include joint or total ownership) with a Maximum of \$1.5 million (excluding Jumbo)
Age of Credit Documents	<ul style="list-style-type: none"> Credit documents cannot be older than 90 days from the funding date. These documents include credit report, employment, income, and asset. Prelim is good for 90 days. Appraisals are good for 90 days (Note: A recert of value from 90-120 will <u>only</u> be required if the appraiser states the property area is not stable or is declining)
Credit	<ul style="list-style-type: none"> Credit Report: Broker credit reports are only accepted if LP is provided at submission and the credit report is from one of Finance of America Mortgage's approved vendors (Kroll Factual Data and Credco) Mortgage History: Per LP findings Credit Inquiries: The report must list all credit inquiries that were made in the previous 120 days. (All inquiries must be explained in the file) Credit: A Tri-merge report must be obtained for all borrowers. Each borrower must have at minimum 2 scores (regardless of LP findings) Minimum Trade lines: Per LP findings with Accept Disputed Accounts: Considered an inaccuracy to the borrowers fico. All accounts that are in dispute must be explained and the dispute must be removed Authorized User Account: Per LP findings Collections / Charge-off Accounts: Follow LP findings <ul style="list-style-type: none"> If AUS does not require payoff of collections accounts, borrowers are not required to pay off outstanding collections, regardless of the amount, provided the collection will not threaten the first lien position.
Monthly Debt Obligations	<ul style="list-style-type: none"> HELOC Payment: <ul style="list-style-type: none"> Current monthly payment reflected on the credit report may be used for qualifying ratios. If the amount is not shown on the credit report, use the current payment reflected on the billing statement. Installment Debts: <ul style="list-style-type: none"> Payments on installment debts with more than 10 months of remaining payment must be included in the DTI. Installment debts may be paid off or paid down to 10 or fewer monthly payments for qualifying. (Unless the monthly debt obligation significantly affects the borrower's ability to meet their credit obligations). *Note: Pay downs may be Limited to One installment debt per borrower/loan application if the borrower does not have sufficient liquid funds in the bank to cover the remaining balance. *All pay downs require liquid funds to support the remaining balances of each debt being paid down to qualify the loan* Deferred Installment Debts: <ul style="list-style-type: none"> Deferred Installment debts must be included in Debt Ratios as follows: <ul style="list-style-type: none"> For deferred installment debt, other than Student loans, if minimum payment is not shown on credit report, then use: <ul style="list-style-type: none"> a copy of the payment letter; or forbearance agreement that reflects a future monthly payment For Student Loan Deferment- Use the <u>greater</u> of the following: <ul style="list-style-type: none"> 1% of the outstanding balance; or the actual documented payment Lease Payments: <ul style="list-style-type: none"> The lease payment must be included in the DTI regardless of the remaining number of payments. Co-signed Debts: <ul style="list-style-type: none"> Evidence the primary obligor has made payments as agreed for the last 12 months (Provide copies of 12 month canceled checks) No history of delinquencies in the last 12 months Copy of the note, agreement, or any document to evidence the borrower is the co-signer, not the primary obligor. Debts paid by Business for Self-employed borrowers: <ul style="list-style-type: none"> Debts paid by business for self employed borrowers may be excluded from the monthly obligation when all of the following requirements are met. <ul style="list-style-type: none"> No late payments in the last 12 months and no more than 1x30 in the last 24 month period. Evidence, such as 12 months canceled checks, that the debt has been paid out of company funds The underwriter may condition for CPA or borrower to prepare P&L (Cash Flow Analysis) that the business took the payment of the debt into consideration. Revolving Accounts: <ul style="list-style-type: none"> Use the monthly payment shown on the credit report. If not available, use the 5% of the outstanding balance. Payoff of Revolving Accounts <ul style="list-style-type: none"> If the revolving account is paid off, but not closed, there must be a \$10 payment included in the DTI and LP re-run with acceptable findings.
Bankruptcy	<ul style="list-style-type: none"> Extenuating circumstances are not eligible. Chapter 7 or 11 - 4 years from discharge date Chapter 13 - 2 years from discharge date or 4 years from dismissal date. Multiple Bankruptcy within 7 years - 5 years from most recent discharge or dismissal date.
Foreclosure	<ul style="list-style-type: none"> Extenuating circumstances are not eligible. 7 years from completion
Deed in Lieu of Foreclosure & Short Sale	<ul style="list-style-type: none"> Extenuating circumstances are not eligible. Deed-in-lieu: 4 years from the execution date Short Sale: 4 years from the completion date
Property Listed for Sale	<ul style="list-style-type: none"> Properties listed for sale must have been taken off the market at least one day prior to the date of the application as evidenced by the listing cancellation. Written confirmation from borrower for all property types that subject is not currently listed. Borrower(s) to provide written confirmation that they intend to live in the property on an owner occupied transaction that had been listed.



LP Open Access Guidelines (Wholesale)

Income	<p><u>A signed 4506-T and validated Tax Transcripts are required on all transactions (Note: Transcripts may not be used in lieu of returns for self employed borrowers or borrowers that receive rental income-)</u></p> <ul style="list-style-type: none"> · **See specific Income Documentation Requirements for the LP Open Access program attached to these guidelines · Salaried Borrowers: <ul style="list-style-type: none"> · Current 30 day paystub. · Self-employed Borrower: <ul style="list-style-type: none"> · Per LP Findings · When LP is a <u>Streamline</u> Accept & LP requires 1 year of tax returns, the underwriter may obtain just 1 year, providing the borrower has been self-employed for the last two years. If the AUS is a <u>Standard</u> Accept, 2 years tax returns are required. Regardless of LP feedback, proof of a minimum of 2 year history of self-employment must be provided in all cases. · If the most recent signed personal tax return cannot be provided due to a filing of an extension, the additional documentation must be provided: <ul style="list-style-type: none"> *Note: to use 2014 income (or any income) for a self employed borrower, the income must validate <ul style="list-style-type: none"> - Copy of the most recent federal tax extension and proof of payment, - A copy of the previous year's tax returns · Verification of existence of business by a 3rd party source must be 30 calendar days prior to the Note Date · <u>Earnings from a Corporation (1120) can only be taken into consideration if the borrower owns 100% of the business.</u> <p>"Other" Income Types - See Finance of America Mortgage detailed guidelines for a specifics</p> <ul style="list-style-type: none"> · Underwriter discretion to request additional Income Documents.
Rental Income	<ul style="list-style-type: none"> · The following additional requirements apply. <ol style="list-style-type: none"> 1. <u>Subject Property:</u> <ul style="list-style-type: none"> - Provide appraisal form 998 - Schedule E or copy of lease or rental agreement (if the property is not on the Schedule E because it was acquired subsequent to filing tax returns). 2. <u>N/O property owned that is not the subject property:</u> <ul style="list-style-type: none"> - Schedule E or copy of lease or rental agreement (if the property is not on the Schedule E because it was acquired subsequent to filing tax returns).
Verbal Verification of Employment	<ul style="list-style-type: none"> · Verbal Verification of Employment is required for all borrowers: <ul style="list-style-type: none"> - Salaried and commission income - Verbal VOE within 10 days prior to note date. - Self-employed income - Verbal VOE within 30 days prior to note date. - If a borrower is in the military, a military Leave of Earnings Statement dated within 30 days of Note date is acceptable.
Assets & Reserves	<ul style="list-style-type: none"> · 1 month Bank statement or VOD(s) for all assets used for cash to close **See attached Asset Requirements for the LP Open Access program** · <u>Reserves:</u> (Must be based off the full monthly payment amount of the property (P & I, Hazard insurance, Taxes and when applicable : Mortgage Insurance, Lease payments, HOA, Payments to Secondary financing) <ul style="list-style-type: none"> - If LP reflects assets used for reserves on a 1 unit primary residence, they must be documented · <u>The following reserves are required regardless of LP findings:</u> <ul style="list-style-type: none"> - 1 unit Owner Occupied - Follow LP findings - 2 - 4 Unit Owner Occupied- 6 months reserves for the subject property - <u>2nd Home</u>- 2 months reserves for the subject property AND 2 months reserves for each additional second home that the borrower has an ownership interest or on which the borrower is obligated - <u>Investment Properties</u>- 6 months reserves for the subject property AND 2 months reserves for each additional Investment Prop that the borrower has an ownership interest in or on which the borrower is obligated
Gift Funds	<ul style="list-style-type: none"> · Owner occupied and 2nd home is allowed · Gift donor must be blood or legal relative, domestic partner, or fiancé. · Gift letter must contain the amount of the gift, donor's name, address, phone number and relationship. · The donor should state that repayment is not expected. · If gift has already been deposited into borrowers account, provide copy of cancelled check, deposit slip and donor ability. If the gift funds have not been deposited in the borrowers account, the borrower must provide evidence of transfer of funds from the donor to the borrower with copies of cancelled checks, bank statements etc. from each party. If the gift is deposited into escrow directly, copy of cashiers check with donors name will be required.
Condominiums	<ul style="list-style-type: none"> · Finance of America Mortgage is not required to perform a review of condo projects. Finance of America Mortgage will only rep and warrant that the property is not a Condotel, Co-Op, Houseboat project or Timeshare · Provide a Copy of a current HOA statement or provide Name of association and amount of monthly dues · <u>Insurance</u>- Copy of the Master/Blanket Hazard Policy is required (To include fidelity coverage). If the blanket policy does not provide "walls in" coverage (aka- HO6 coverage), the borrower will need to obtain it separately.



LP Open Access Guidelines (Wholesale)

Appraisal Requirements	<ul style="list-style-type: none"> · <u>Property Value may be determined by one of the following options:</u> 1. HVE (Home Value Explorer) <ul style="list-style-type: none"> · The Value provided by LP on the initial HVE submission must be re-entered and re-run to validate the exact value for the HVE waiver · *Note- The HVE value is valid for 90 days after Finance of America Mortgage initially runs LP. The Note must be dated prior to 90 days to utilize the HVE value* · Property must be a 1 or 2 unit dwelling · HVE point value must have a forecast standard deviation no greater than 0.20 (a confidence score of "H" (high) or "M" (medium) as reported on the HVE report · HVE findings may not be greater than 90 days old prior to the note date · If the HVE findings are greater than 0.20- Finance of America Mortgage will require a full appraisal 2. Full new appraisal ordered through a Finance of America Mortgage approved AMC company <ul style="list-style-type: none"> · Transferred appraisals are not permitted. · Appraisal reports must be dated no more than 90 days from the Note date (Re-Certifications of value are not accepted) · Max 40 Acres
Non-Permitted Additions and Garage Conversions	<ul style="list-style-type: none"> · Appraiser to comment that the addition or conversion was completed in a workmanlike manner · Appraiser to comment if there are any health and safety issues · Appraiser to comment that the addition conforms to the homes structure · Appraiser to comment if there is a second kitchen (If there is an illegal 2nd kitchen, loan must meet all of the accessory unit guidelines below)
Accessory Unit (Unpermitted illegal units)	<ul style="list-style-type: none"> · The illegal unit (addition) conforms to the subject neighborhood and to the market · Property must be appraised based on its current use and must report that the improvements represent illegal use · Borrower cannot use rental income to qualify from the illegal 2nd unit · Appraiser to comment that the improvements are typical for the market area by supporting this with "3"comparable properties that have the same illegal use · Hazard insurance policy must include the total square footage of the property (including the illegal unit)
Power of Attorney	<ul style="list-style-type: none"> · A power of attorney is acceptable provided it is "specific" and meets the following: <ul style="list-style-type: none"> * Reference the subject property address (in addition to a legal description) * Authorize the attorney-in-fact to enter into a real estate transaction and indicates that the mortgagor specifically appoints that specific person * Match the legal name(s) on POA to the typed name(s) & signature(s) for the borrower. If legal signature is different from typed, a notarized name affidavit required * Borrowers must sign and date the POA and it must be notarized * Must be recorded prior to, or concurrent with, the date of the security instrument * Must not contain any blank fields and is approved by the title company · On ALL transactions, the initial application must contain signatures of all borrowers (Not the POA) to the transaction unless the following occur: <ul style="list-style-type: none"> * Military Personnel- Lender needs to obtain the absent borrowers signature on the application by mail or fax * Incapacitated Borrowers (*Where required by applicable law): The lender must obtain a copy of the documents making the appointment of the guardianship
Escrow / Impound Waiver	<ul style="list-style-type: none"> · <u>California</u>: Escrow / impounds may be waived for loans with the LTV less than 88.99% · <u>States other than California</u>: Escrow / impounds may be waived for loans with the LTV less than or equal to 80%. (80.00% or lower) · Escrow Waiver Request should be noted on the 1008 Form.
Funding into the Month	<ul style="list-style-type: none"> · Allowed through the 5th calendar day of the following month.
Approved States	<ul style="list-style-type: none"> · AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, IA, IL, IN, KS, KY, LA, MA, ME, MD, MI, MN, MO, NC, NH, NJ, NM, OH, OK, OR, PA, RI, SC, TN, TX¹, UT, VA, VT, WA, WI, WV. · ¹<u>Texas</u>: Texas (50)(a)(6) loans are not eligible. · ²<u>Michigan</u>: The Minimum loan amount allowed is \$10,000



Documentation Requirements for LP Open Access	
Income Type	Documentation Requirement
All Employment Income	Verbal verification of employment
Base Pay (Salary or Hourly) Bonus, Overtime, Tip and Auto or Housing Allowance Income	YTD Paystub documenting 30 days of income *Applies to primary employment, secondary employment *
Commission Income	One Paystub or One year Personal Tax Return
Self-Employment	Complete signed individual federal tax return for the most recent year <u>and</u> Verification of existence of the business through a 3 rd party source no more than 30 calendar days prior to the note
Military Income-Military Reserve Income	YTD Leave and Earnings Statement within 30 days of the note date
Unemployment Compensation & Seasonal Employment	YTD paystub documenting 30 days of income or evidence of current receipt and amount of unemployment compensation and evidence that it is associated with seasonal employment
Rental Income	An executed lease/rental agreement or the most recent complete individual federal tax return
Retirement Survivor and dependent benefit income Long Term Disability Income Social Security Public Assistance Income Foster Care Income	One of the following: Award letter, one year personal tax return, Form SSA-1099, or one month bank statement reflecting direct deposit



<p>Temporary Leave Income</p>	<p>Lender must receive:</p> <ul style="list-style-type: none"> • A paystub documenting pre-leave income • Written statement signed by the borrower confirming the borrowers intent to return to the current employer <p>If evidence is received from the borrower's employer indicating that the borrower does not have the right to return to work after the leave period, the loan is in-eligible</p>
<p>Notes Receivable</p>	<p>Copy of the Note and most recent one-month bank statement evidencing receipt of income</p>
<p>Dividend and Interest Capital Gains Royalty Payments</p>	<p>Copy of the complete individual federal tax return for the most recent one-year period. Evidence of sufficient assets to support the qualifying income for dividend/interest income and capital gains</p>
<p>Trust Income</p>	<p>Copy of the Trust Agreement</p>
<p>Tax Exempt Income</p>	<p>Most recent complete individual federal tax return evidencing that the income, or portion of the income, is nontaxable. (Only the nontaxable portion may be grossed up)</p>
<p>Asset Type</p>	<p>Documentation Requirement</p>
<p>Depository or Non Depository accounts, including but not limited to: Checking Savings Money market, Stock, Bond or Retirement</p>	<p>Most recent monthly or quarterly account statement. *All other assets (other than depository and non-depository accounts) must meet the Streamlined Accept documentation requirements as per Freddie Mac guidelines</p>