

FNMA High Balance Overlay

All loans must follow Conforming Agency guidelines unless specifically noted in this overlay.

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Product Information

Loan Programs

- Available on Conforming 15 and 30 Year Fixed Rate

Product Codes

High Balance 15 Year Fixed WS-HB15YRFIX
High Balance 30 Year Fixed WS-HB30YRFIX

Minimum and Maximum Loan Amounts Available in High Cost Areas

Continental U.S.:

Minimum: \$417,001.
Maximum: \$729,750. 1 Unit
 \$934,200. 2 Unit

Refer to [HIGH COST LIMIT AREAS](#) for eligible areas and loan limits

LTV and Credit Score

Note: For FNMA High Balance DU Refi Plus loans, follow the DU Refi Plus Overlay for maximum LTV/CLTV Limitations and credit score minimums.

Primary Residence		Purchase and Rate/Term	
Property Type	Maximum LTV/CLTV	Minimum Credit Score	
1 Unit	90%/90%*	720	
1 Unit	75%/75%	660	
2 Unit	75%/75%	740	
Second Home			
1 Unit	65%/65%	740	
Investment			
1-2 Unit	65%/65%	740	
Primary Residence		Cash Out	
1 Unit	60%/60%	740	

*Rate/Term >80% Maximum Loan Amount \$625,500.00 – All loans over 80% LTV Subject to M.I. Approval

Property Eligibility

Property Types

- One or Two unit properties
- 3-4 units are not eligible
- Condominiums- Limited Project Review per DU only

Transaction Requirements

Cash Out Refinance Transactions

- Cash Out transactions require a minimum of six months seasoning (six payments made) from application date
- No limit to the amount of Cash Out

Borrower Eligibility

- Non-Permanent Resident Alien is not eligible.

Financed Properties

- No limit if financing a primary residence; borrowers may not own more than four financed properties if financing a second home or investment property

Gifts

- Allowed on Primary Residence Only

Reserves – Regardless of AUS findings

- Primary Residence – 2 Months
- Second Home – 2 Months
- Investment – 6 Months

Seller/Interested Party Contributions

- Maximum 3% - Primary and Second Home
- Maximum 2% - Investment

Appraisal Requirements

- Full Appraisal with interior and exterior inspection required regardless of DU Findings
- Form 1004MC, Market Condition addendum is required for all appraisals
- PIW is not Allowed, unless DU Refi Plus eligible
- Appraisals must be dated within 90 days of note date
- On all transactions except DU Refi Plus, a field review is required if:
 - LTV/CLTV > 75% and value ≥ \$1 Million.
 - Use the lower of Appraised value or Field Review or Sales price to calculate LTV.

Investment Properties

- Follow Rental Income Qualifying Matrix on Conforming Conventional Loans
- Rent Loss Coverage is required for all investment properties and 2 unit owner occupied

Title Vesting

Title must be held as individual, or in a FNMA-eligible revocable living trust

If title vesting is in a trust:

- *The trust may be the only title holder. A Trust in title jointly with an individual or another Trust is not allowed.*
- *The subject property must be included in the listing of the Trust's assets.*
- *Accepted on all occupancies.*

Underwriting and Qualifying Ratios

DU Findings

- All loans must receive an Approve/Eligible through DO/DU.
 - Manual Underwrites are not eligible

Credit History

- 0 X 30 Payment history on all housing debts for the last 12 months for all mortgages. If mortgage history is not reported on the credit report, direct verification of payment history for 12 months is required.
- Previous Bankruptcies should be fully discharged for at least 7 full years.
- Any history of Foreclosure or equivalent (deed-in-lieu, short sale, etc.) is not permitted
- See Conforming Fixed for additional credit history guidelines.
- Follow DU Findings for Income and Asset Documentation

Maximum Ratios

- Per AUS not to exceed Maximum of 45%

Mortgage Insurance

- Not Applicable