



## Overlays

### **Minimum Credit Scores:**

Conforming 620, Conforming 97% LTV 660, USDA 620 with GUS approval, FHA 580 with approval, FHA 620 manual, and FHA 640 for streamline.

MAI will consider exceptions but significant extra underwriting time will be required.

### **Maximum DTI:**

USDA 45%, Conforming 50%, FHA 55%.

### **Minimum Loan Amount:**

\$50,000 FHA, USDA, Conforming. \$100,000 ECOP.

### **Minimum Square Footage:**

SFR – 800 square feet, Condo – 600 square feet.

### **Minimum time off market:**

1 day for Rate/Term, 30 Days for a Cash Out.

- Conforming & Government loans must have approved AUS Findings
- MAI will only finance two properties per borrower. Spousal loans count as loans for borrower
- Power of Attorney on Rate/Term loans and Purchase by exception basis. One borrower must be present to sign.
- Power of Attorney loans must also include an explanation of the extenuating circumstances.
- No Hazard Insurance applications or Binders; a Dec page that is in force is required.
- Deed Restricted Properties are not allowed except for certain Age restricted communities.
- Repairs noted on the appraisal must be completed prior to closing, Final inspection required.
- Manufactured homes may take significantly more time in underwriting, min score is 660.



- *Properties must be held fee-simple (leasehold properties are not eligible)*
- *VOD's are not permitted. Two months assets statements with all pages required.*
- *MAI must pull the IRS transcripts(including amended returns ) from the IRS prior to closing.*
- *Short Pay/Interest Credit loans must closed by the 5th of the month.*
- *Properties may not have an unexpired Redemption Period prior to closing.*
- *Properties on a Private Road must have a recorded road maintenance agreement.*
- *Private Transfer Fee Covenants are generally ineligible. Conventional loans only will be reviewed if covenants were created prior to 2/08/2011. Clear documentation of the creation of the covenants and the permitted uses of the fees will be required.*
- *No loans can close outside the United States and no funds can be sent abroad.*
- *Non-Occupant Co-Borrower Income considered on exception basis only.*
- *When rental income is used, a copy of the current lease is required.*
- *Rental income on the subject property is not allowed when purchasing an investment property*
- *No loans for borrowers in the residential mortgage/real estate industry (this includes builder /construction)*
- *MAI loans must close in the name of the borrower not trust or LLCs. Exceptions can be made on certain ECOP/Non-QM to close in LLC.*

## **State specific overlays**

- *No TX cash-outs.*
- *FL investment condos are ineligible. Exceptions will be considered for established projects on loans with a maximum LTV of 70%, where DU offers a limited review of the project."*



## Overlays that apply to FHA loans

- *Max condo LTV in FL is 80%.*
- *All FHA to FHA Refinances must fund the same month they are signed (date of closing)*
- *If borrower has a previous short sale/ pre-foreclosure sale / deed-in-lieu/mortgage modification, it must be completed at least 36 months and one day prior to the current Case File Number Assignment Date based on the date the property was transferred out of the borrower's name, not the bankruptcy discharge date.*
- *FHA Financing through MAI is not allowed in deemed Military Impact Areas. Current counties are: Bryan, Camden & Liberty in GA. Jefferson, St. Lawrence & Lewis in NY.*
- *Spot Condos/DELRAP approvals are not eligible.*
- *To be eligible for a new government loan (FHA, VA or USDA) financed through MAI, the borrower may not have an outstanding previous government loan. Unless the previous government loan is being paid off by a government loan refinance.*
- *FHA streamline refinances have a max CLTV of 125%.*
- *Max CLTV/HCLTV 85% on Cash Out Transactions.*
- *Borrower cannot pay any fees for the seller at closing (i.e. short sale fees, delinquent taxes)*
- *Electronic signatures are allowed for any documents in the loan process, but wet signatures are required for closing documents.*
- *All noncash out FHA refinances (Streamline & Rate/Term), require a NTB form to be completed.*



## **Overlays that apply to USDA loans**

- *If borrower has a previous short sale/ pre-foreclosure sale / deed-in-lieu / mortgage modification, it must be completed at least 36 months and one day prior to the current loan application based on the date the deed transferred out of the borrower's name.*
- *Income must be calculated from current paystub; offer letter / awards letter stating borrower will be receiving a raise is not acceptable.*
- *A full VOE (FNMA form 1005) and paystub is required for all occupants 18 and older who will reside in the subject property, regardless if they are on the loan. This is for income eligibility verification.*

*To be eligible for a new government loan (FHA, VA or USDA) financed through MAI, the borrower may not have an outstanding previous government loan. Unless the previous government loan is being paid off by a government loan refinance.*

- *On USDA loans, a borrower may not own any other housing.*
- *Electronic signatures are not allowable for any documents in the loan process (wet signatures are required, copies of the forms with wet signatures are still permissible)*
- *Minimum of 2 trade lines opened for a minimum of 12 months required (can be opened or closed accounts)*