



## USDA Fully Amortizing Standard Loan Amounts

### PRODUCT MATRIX

USDA underwriting Guidelines Link:

<http://www.rd.usda.gov/publications/regulations-guidelines-handbooks>

#### PRIMARY RESIDENCE

Transaction Type	# of Units	Maximum LTV/CLTV/HCLTV	Minimum Credit Score
Purchase	1	100.00%*	620
USDA to USDA full Refinance No Cash out	1	100.00%*	620
Maximum Loan Limits		Continental US	
	1	\$424,100.00	

\* exclusive of financed guarantee fee

Guarantee Fee	<ul style="list-style-type: none"> <li>• Upfront Purchase Fee: <b>1.00% of the loan</b></li> <li>• Financed Guarantee Fee calculated: <b>(loan amount / .99) - loan amount</b></li> <li>• Not financed Guarantee Fee calculated: <b>loan amount * 1.0%</b></li> <li>• Upfront Refinance Fee: <b>1.0% of the loan</b></li> <li>• Financed Guarantee Fee calculated: <b>(loan amount / .99) - loan amount</b></li> <li>• Not financed Guarantee Fee calculated: <b>loan amount * 1.0%</b></li> <li>• Can be financed above the appraised value</li> <li>• Annual Fee: <b>-.350%</b></li> </ul>
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### USDA Requirements

Underwriting	AUS - Guaranteed Underwriting System (GUS) MAX DTI 45% regardless of AUS decision
Credit Requirements	<p>All borrowers must meet the minimum credit score requirements.</p> <p style="color: red;">If you receive an Accept score along with evidencing extenuating circumstance(s) and 2 years have elapsed since completion or discharge of Ch 7 you may be able to proceed. Ch 13 Bankruptcy or Short Sale (for Short Sales, exceptions can be made when the borrower was not delinquent at the time of Short Sale) along with an accept score.</p> <ul style="list-style-type: none"> <li>• When a Chapter 7 bankruptcy absolved the mortgage debt for the borrower any foreclosure or remaining foreclosure pending is an action against the property, not the borrower. The foreclosure action is not considered as adverse credit in the borrower's evaluation. A loan underwritten with the assistance of GUS will not be required to be manually down-graded when the bankruptcy discharge included the mortgage debt.</li> <li>• 3 years elapsed since completion of Foreclosure or Deed in Lieu</li> <li>• Federal debts: A borrower is ineligible for a guaranteed loan if they are presently delinquent on a non-tax Federal debt.</li> <li>• All judgment must be paid in full, or</li> <li>- Payment arrangements with the creditor have been made</li> <li>- The borrower has made regular and timely payments for the three months prior to loan application.</li> <li>- Prepaying scheduled payments as a means of meeting minimum requirements is unacceptable.</li> <li>- The payment agreement will be included in the debt-to-income ratio.</li> <li>• Collection Accounts: The lender is responsible for determining which collection accounts, if any, should be paid in full by the borrower prior to or at loan closing.</li> <li>- Determine if the total outstanding balance of all collections accounts of all borrowers is equal to or greater than \$2,000. Unless excluded by state law, collection accounts of a non-purchasing spouse in a community property state are included in the cumulative balance of all collections.</li> <li>- If the remaining outstanding balance of collection accounts are equal to or greater than \$2,000, any of the following actions will apply:             <ul style="list-style-type: none"> <li>• Payment in full of all collection accounts at or prior to closing.</li> <li>• Payment arrangements are made with each creditor for each collection account remaining outstanding. A letter from the creditor or evidence on the credit report is required to validate the payment arrangements.</li> </ul> </li> <li>• The borrower's adjusted income may not exceed the Rural Housing's limit for the area. Refer to the USDA Income</li> <li>• Eligibility website: <a href="http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?NavKey=home@1">http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?NavKey=home@1</a></li> <li>• To validate income documentation and disclosure provided by the borrower's and other adult household members that will reside in the home, each adult member of the household to complete and execute IRS Form 4506-T for the previous two years at the time.</li> </ul>
Income - Eligibility	<ul style="list-style-type: none"> <li>• Salaried: Paystubs covering the most recent 30 day period with YTD earnings and W2s for the prior two years. - VVOE within 10 business days prior to closing required.</li> <li>• Self-Employed: Most recent two years personal and business tax returns. YTD profit &amp; loss statement accompanied by a current balance sheet and YTD income and expense statement.</li> <li>• Other Types of Income: See Rural Housing Guidelines, 7 CFR 3555 and accompanying handbook.</li> </ul>
Concessions	Cannot exceed 6% of the Sales Price
Assets	<p>Reserves not required. When reserves are entered into the GUS, the Lender must develop a two month average. Assets such as 401ks, IRAs, etc, may be included up to only 60% of the vested value.</p> <p>The lender and the applicant are required to certify that the applicant is unable to secure credit upon terms and conditions which the applicant can reasonable fulfill. If the applicant meets the cumulative criteria of traditional credit as defined below, the applicant is ineligible for USDA loan.</p> <ul style="list-style-type: none"> <li>- The applicant has available personal non-retirement liquid assets funds of at least 20% for downpayment</li> <li>- The applicant can, in addition to the 20% down payment, pay all closing costs associated with the loan</li> <li>- The applicant can meet qualifying ratio's of no more than 28% PITI and 36% DTI when applying 20% down.</li> <li>- The applicant demonstrates qualifying credit for such a loan.</li> <li>- The conventional mortgage loan term is for a 30yr fixed rate loan without condition for PMI.</li> </ul>
Home Ownership Counseling	Rural Housing State Offices require Home Ownership Counseling for first time homebuyers. It is the lender's responsibility to ensure the home buyer education is completed in those states and include documentation to satisfy Rural Housing's requirements in the file.
CAIVRS	CAIVRS list must be checked and cleared.
Ineligible Loans	<p>The following are ineligible for purchase by EMM:</p> <ul style="list-style-type: none"> <li>• Texas Section 50(a)(6)</li> <li>• Manufactured Homes</li> <li>• Cash out refinance</li> <li>• Rate and Term non- USDA refi to USDA Refi</li> <li>• Temporary Buydown</li> <li>• Loan amount exceeding conforming loan limits</li> </ul>



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**Eligible Property Types**

- Single Family Attached/Detached
- PUDs and condos
- Leaseholds with a minimum length of lease of 15 years beyond the maturity date of the loan.
- Purchase Transactions must be located in an area designated as acceptable for Rural Housing.
- USDA to USDA Refinance
- USDA 502 Direct Loans



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<b>Ineligible Properties</b>	<ul style="list-style-type: none"> <li>• Assisted Living Projects</li> <li>• Builder Model Leaseback</li> <li>• Houseboats</li> <li>• Investment Securities</li> <li>• Manufactured Homes</li> <li>• Mobile Homes</li> <li>• Multi-family dwellings containing more than four units</li> <li>• Properties not suitable for year-round occupancy</li> <li>• Condo-Hotels</li> <li>• Properties with resale restrictions</li> <li>• Properties without full utilities installed to meet all local health and safety standards</li> <li>• Properties used for commercial or industrial purposes</li> <li>• Residential properties with a permanently affixed manufactured home on property</li> <li>• Tax-sheltered syndicates</li> <li>• Timeshare units</li> <li>• Unimproved land</li> <li>• Properties zoned commercial</li> <li>• Properties zoned agricultural</li> <li>• Working farm, ranch, or orchard</li> <li>• Co-op's</li> <li>• Properties served by cisterns</li> <li>• Geodesic Domes</li> <li>• 2-4 Units</li> </ul>
<b>USDA Rural Development Approval</b>	You must have a Conditional Commitment (Form RD 3555-18) from USDA- Rural Development in order to close your loan.
<b>Escrow Waiver</b>	Not permitted
<b>Higher Priced Mortgage Loans (HMPL)</b>	Higher Priced Mortgage Loans (HPML): are acceptable if all federal and state guidelines are met)
<b>Higher Priced Covered Transactions:</b>	EMM will NOT purchase loans that are considered Higher Priced Covered Transaction un the Ability to Repay and Qualified Mortgage Standards under the Truth in Lending Act (Regulation Z)
<p><small>Product and program guidelines subject to change without notice.</small></p> <p><small>Lender NMLS 2926. Equal Housing Lender, Equal Opportunity Employer. emmlends.com is a private, direct-endorsed local lender, in business for over 12 years serving clients nationwide through its network of home loan agents. The company offers products sponsored by Fannie Mae (FNMA), Freddie Mac (FHLMC), Home Affordable Refinance Program (HARP), Federal Housing Administration (HUD-FHA), U.S. Department of Veterans Affairs (VA), U.S. Department of Agriculture (USDA), individual state programs, and has access to a portfolio of private investors, nationwide. 3 Executive Campus, Suite 520 - Cherry Hill, NJ 08002.</small></p>	