## **2-4 Units Comparison Matrix** (Owner Occupied)



	Conforming		FHA		VA	
	2 Unit	3-4 Units	2 Unit	3-4 Units	2 Unit	3-4 Units
Max DTI*	Determined by LPA / DU (typically 50%)		55%		60%	
Minimum FICO*	580 LPA / 620 DU		600		600	
Max LTV	85% LPA / 80% DU 80% LPA/DU		96.5%		100%	
Home Ready/ Home Possible	95% Freddie LPA 85% FNMA DU	95% Freddie LPA 75% FNMA DU				
Appraisal	Full with Interior photos & Rent Schedule		Full with Interior photos & Rent Schedule		Full with Interior photos & Rent Schedule	
Landlord Experience	Not Required		Not Required		Not Required	Not Required But highly recommended
Rent Loss	Not Required		Not Required		Not Required	
Reserves	<b>Determined by LPA/DU</b> (Typically 2 – 6 months)	6 months	<b>Not required</b> (2 months desirable)	<b>3 months</b> (6 months desirable)	<ul> <li>None if rent income not used to qualify.</li> <li>6 months if rent income used to qualify</li> </ul>	
Rental Income Used to Qualify	<ul> <li>Allowed with no Landlord experience</li> <li>Generally 75% of Gross Rents</li> </ul>		<ul> <li>Allowed with no Landlord experience.</li> <li>100% of Net Rents</li> </ul>	<ul> <li>Allowed with no Landlord experience.</li> <li>100% of Net Rents</li> <li>Must pass Self Sufficiency Test</li> <li>PITI &lt; (Net Rents - Vacancy</li> </ul>	<ul> <li>Allowed</li> <li>75% of Net Rents.</li> <li>100% may be used if Borrowers has 2 years of Landlord experience and 6 Months reserves</li> </ul>	
Gifts	<ul> <li>Allowed from blood relatives after 5% of Borrowers own funds.</li> <li>Cannot be used for reserve requirement</li> </ul>		• <b>Allowed</b> from blood relatives and/or close family friends	<ul> <li>Allowed from blood relatives and/or close family friends.</li> <li>Cannot be used for reserve requirement.</li> </ul>	<ul> <li>Allowed from blood relatives.</li> <li>Cannot be used for reserve requirement.</li> </ul>	

\* DU or LPA Approval required. Max DTI and Minimum FICO on this table are for reference purposes only. Actual Minimum FICO and Maximum DTI is determined by DU and LPA.

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