

# GMFS Agency Investor Program



## AGENCY INVESTOR: EXPANDED DU/LP FOR INVESTOR PROPERTIES

SERVICING RELEASED ONLY

V.1 | 01/30/19

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## 1 OVERVIEW

This Product Eligibility Policy outlines the parameter requirements for residential mortgage loans to be sold to GMFS, LLC (“GMFS”). This document is an integral part of the loan underwriting review process and should be reviewed in conjunction with all potential fundings. Originators and sellers should become familiar with the contents of this document in its entirety.

The Product Eligibility Policy may not include all provisions or documents establishing the relationship between an originator or seller and GMFS, and is not intended to replace, modify, or otherwise alter the terms of a respective counterparty’s Mortgage Loan Purchase Agreement or any other applicable agreement.

GMFS seeks to purchase residential mortgage loans made to mortgagors with stable incomes and employment histories, and fully verified income and assets. All loans purchased by GMFS will be examined and evaluated to determine whether the proposed loans generally conform to these guideline parameters. The qualifying specifications and procedures are meant to serve as a principal foundation to qualify, and each borrower will be reviewed in its entirety on an individual basis.

Agency Investor loans that do not conform to the provisions of this Product Eligibility Policy will be comprehensively reviewed on a case-by-case basis. All applicable mitigating and compensating factors to a policy exception must be fully documented and will be reviewed and considered prior to granting or denying any request for purchase approval.

## 2 UNDERWRITING CRITERIA

The GMFS Overlays are intended to reference and supplement Fannie Mae’s Seller Guide. Originators should refer to the Fannie Mae Seller Guide for specific information concerning qualification requirements that are not specifically referenced in our Overlays. To the extent there is a difference in standards between GMFS Overlays and the Fannie Mae Guides, originators may rely on GMFS Overlays.

## 3 PROGRAM SUMMARY

Agency Investor loans must meet the below criteria:

1. File must contain a DU “Approve/Eligible” result or DU “Approve/Ineligible” (due to loan balance only) or LP “Accept/Eligible” or “Accept/Ineligible” (due to loan balance only)
2. Loan attributes must meet the Agency Investor product matrix

## 4 PRODUCT ELIGIBILITY

### 4.1 AVAILABLE PRODUCTS

30yr Fixed

## 5 PRODUCT MATRIX

### Conforming Balance & Agency Jumbo

PURPOSE	PROPERTY TYPE*	MINIMUM LOAN AMOUNT	MAXIMUM LOAN AMOUNT*	FICO	Max LTV/CLTV	Max DTI
Purchase/RateTerm	1 Unit	\$150,000	Agency Limit (#Units/State)	700	75/80	50%
				680	70/75	50%
Purchase/RateTerm	2-4 Units	\$150,000	Agency Limit (#Units/State)	720	75/80	50%
				700	70/75	50%
Cash Out	1 Unit	\$150,000	Agency Limit (#Units/State)	700	70/75	50%
Cash Out	2-4 units	\$150,000	Agency Limit (#Units/State)	700	65/70	50%

#### 2019 Conforming Balances

\*Contiguous States, DC 1 Unit (\$484,350), 2 Unit (\$620,200), 3 Unit (\$749,650), 4 Unit (\$931,600)  
 \*Alaska & Hawaii 1 Unit (726,525), 2 Unit (\$930,300), 3 Unit (\$1,124,475), 4 Unit (1,397,400)

#### 2019 Agency Jumbo

\*Contiguous States, DC 1 Unit (\$726,525), 2 Unit (\$930,300), 3 Unit (\$1,124,475), 4 Unit (\$1,397,400)  
 \*Alaska & Hawaii Not Applicable

Additional:

A 5% reduction in LTV for warrantable condos OR declining markets

### Exceeds Agency Balance Limits

PURPOSE	PROPERTY TYPE*	MINIMUM LOAN AMOUNT	MAXIMUM LOAN AMOUNT**	FICO	Max LTV/CLTV	Max DTI
Purchase/RateTerm	1 Unit	\$1 above agency jumbo balance	\$1,500,000	700	75/80	50%
				680	70/75	50%
Purchase/RateTerm	2-4 Units	\$1 above agency jumbo balance	\$1,500,000	720	75/80	50%
				700	70/75	50%
Cash Out	1 Unit	\$1 above agency jumbo balance	\$1,500,000	700	70/75	50%
Cash Out	2-4 units	\$1 above agency jumbo balance	\$1,500,000	700	65/70	50%

## 6 GEOGRAPHY

The following U.S. States and territories are not eligible:

- West Virginia, Mississippi, Guam, Puerto Rico, American Samoa, Northern Mariana Islands, and the U.S. Virgin Islands

## 7 PROPERTY REQUIREMENTS

### 7.1 APPRAISAL

- Appraisals are required for all loans
- Assigned appraisals are acceptable, unless ordered by borrower.
- Seller is responsible for Condo Project Review
- Legal non-conforming zoned properties must indicate that the subject property can be rebuilt if it is severely damaged or destroyed.
- No Property Inspection Waivers

### 7.2 THIRD PARTY APPRAISAL REVIEW

- For CU scores  $\leq 2.5$ , no additional review is required.
- For loans with CU score of 2.5 or higher:
  - Prior to submitting a loan for GMFS' Credit & Compliance review, sellers should submit the appraisal to GMFS' fulfillment vendor who will obtain a third party appraisal review to validate the origination appraisal(s)
  - The Vendor Appraisal Review final opinion of value must be within 10% (i.e. above or below) the lowest origination appraisal(s) or sales price
- Desk review is not required for loans with 2 appraisals

### 7.3 INELIGIBLE PROPERTY TYPES

- Manufactured Homes
- Log Homes
- Condotels
- Unique Properties
- Mixed Use properties
- Builder Model Leaseback
- Boarding Houses
- Live/Work Condos
- Fractional Ownership/Time Shares
- Assisted Living/Continuing Care Facilities
- Mandatory Country Club Memberships
- Zoning violations
- Properties under construction
- Working Farms
- C5 or C6 property condition grades
- Geodesic Domes

## 8 RESERVE REQUIREMENTS

- Reserves per DU/LP requirements, never less than 6 months

## 9 MORTGAGE INSURANCE

- Mortgage Insurance will not be accepted