Product Snapshot

DU High Balance Alternative



GMFS's DU High Balance Alternative program utilizes Desktop Underwriter (DU) findings and offers loan amounts up to the FHFA maximum loan amount for properties that receive DU Approve/Ineligible findings based on the property location. 30 year fixed products are available.

All DU High Balance Alternative loans must be Qualified Mortgages (QM) and within the QM Safe Harbor. DU High Balance Alternative loans that are Higher Priced Mortgage Loans (HPML), non-QM, or that are QM with Rebuttable Presumption are not eligible.

The information contained in this matrix may not highlight all requirements of these programs and does not reduce or eliminate any requirements set forth in our Guidelines. Guidelines are subject to change without notice.

Purchase and Rate/Term Refinance						
Occupancy	Property Type	LTV/CLTV	Credit Score	Minimum Loan Amt ²	Maximum Loan Amt	DTI
Primary Residenœ	1 Unit/PUD,	Purchase – 90% ¹	700	\$510,401	\$765,600	43%
	Condo	Rate/Term – 80%	680			
	2 Units	75%	700	\$653,551		
Second Home ³	1 Unit/PUD, Condo	80%	700	\$510,401		

^{1.} LTV > 80% eligible for purchases only. Max rate/term refinance LTV is 80%.

^{3.} 2-units not eligible as a second home.

Cash-Out Refinance							
Occupancy	Property Type ¹	LTV/CLTV	Credit Score	Minimum Loan Amt	Maximum Loan Amt	DTI	
Primary Residenœ	1 Unit/PUD, Condo	75%	700	\$510,401	\$765,600	43	
Second Home	1 Unit/PUD, Condo	70%	720				

^{1 2-}units not eligible for cash out.

² Minimum loan amount must be greater than the FHFA loan amount based on the property type and location.

Product Parameters				
Appraisal	One full appraisal is required. PIWs are not eligible			
	No transferred appraisals are allowed			
Underwriting Method	All loans must be processed through Desktop Underwriter (DU) and receive an			
	Approve/Ineligible finding due only to loan amount.			
Bankruptcy, Foreclosure, Short	7 years with 7 years re-established credit			
Sale	Multiple derogatory credit events are not allowed			
Eligible Borrowers	U.S. citizens			
	Permanentresidentaliens			
	Non-occupant co-borrowers are allowed.			
	Note: Maximum 4 borrowers on the loan			
Eligible Property Types	Attached/detached SFRs			
	Attached/detached PUDs			
	• Condos			
- "	• 2 units			
Credit	Minimum tradelines determined per DU			
	Credit Scores:			
	All applicants must have a minimum of 2 credit scores			
	The lowest qualifying score of all applicants is used to qualify. The qualifying score is			
	the lower of 2 or middle of 3 scores and must be reviewed for each borrower.			
	Non-traditional credit is not eligible			
Escrow Holdbacks	Not eligible.			
Geographic Restrictions	Texas: Cash-out not allowed			
	16Aa3. Casii-outilotallowed			
Gifts	Per DU: All funds maybe gift funds regardless of LTV/CLTV			
	Gift funds may not be used to meet reserve requirements.			
-	V11 progted 01/202			

V1| created 01/2020

² Minimum loan amount must be greater than the FHFA loan amount based on the property type and location.

Income Documentation	Regardless of the type of income used to qualify, complete tax return transcripts are required for all transactions. W-2 only transcripts are not sufficient.				
	Salaried Borrowers:				
	Most recent W-2s for prior two (2) years. Prove to be the decrease the great and 20 decreased with VCD in a great decidation (2).				
	 Pay stubs that cover the most recent 30-day period, with YTD income, dated within 90 days of the Note Date. 				
	Self-Employed Borrowers:				
	Federal income tax returns with all schedules for prior two (2) years, Balance Sheet				
	and P&L.				
	Business taxreturns with all schedules for prior two (2) years if ownership percentage				
	is $\geq 25\%$.				
Interested Darty Contributions	Other income, including rental income: See Program Guidelines.				
Interested Party Contributions	 LTV > 75%: 6% LTV <= 75%: 9% 				
Maximum Financed Properties	Primary Residence: No restrictions				
	Second Home:				
	 1 - 6 financed properties: no additional restrictions. See Reserves Requirement. 7 - 10 financed properties: DU Approval with minimum 720 Credit Score required, 				
	see Reserves Requirement.				
	 > 10 financed properties is not allowed 				
	Maximum Loans/Maximum Exposure: A maximum of four GMFS loans is permitted to				
	one borrower.				
Mortgage History	Per DU				
Mortgage Insurance	Not required, regardless of LTV.				
Non-Arm's Length Transactions	May be allowed with additional restrictions.				
Occupancy	Primary Residence and Second Home				
Qualifying Ratios	Max 43% DTI, regardless of DU findings.				
	• For other properties owned, documentation to confirm the amount and/or presence or				
	absence of liability for P&I, taxes, insurance, HOA dues, lease payments or other property-related expenses must be provided.				
Refinance	Rate/Term Refinance: The new loan amount is limited to the payoff of an existing first				
	lien mortgage, any subordinate liens used to purchase the property, and closing costs and				
	prepays.				
	Cash to the borrower is limited to the lesser of 2% or \$2,000.				
	 Properties currently listed for sale at time of loan application are not eligible for a refinance transaction. 				
	Cash-Out Refinance:				
	The property must have been purchased by the borrower and the borrower must have held title to the property for at least 6 months prior to the loan application unless the borrower meets Delayed Purchase refinance requirements				
	There must be seasoning of at least 6 months since any prior financing or refinancing was obtained.				
	Properties currently listed for sale at time of loan application are not eligible for a refinance transaction.				

The information contained in this flyer may not highlight all requirements, refer to GMFS's program guidelines. GMFS's programs neither originate from nor are expressly endorsed by any government agency.

This information is published and/or provided by GMFS, LLC as a courtesy to its clients and is meant for instructional purposes only. None of the information provided is intended to be legal advice in any context. GMFS makes every effort to provide accurate information. GMFS does not guarantee, warrant, ensure or promise that it is correct, and any effort to blame GMFS if this proves to be incorrect will be vigorously defended. Each client is highly encouraged to seek the advice of legal counsel prior to distributing any of the information provided herein. Any unauthorized use, dissemination or distribution of this document is strictly prohibited.

GMFS is an Equal Housing Lender. This is not a commitment to lend. Information is intended for mortgage professionals only and is not intended for public use or distribution. Terms and conditions of programs are subject to change at any time. Refer to GMFS's underwriting and program guidelines for loan specific details and all eligibility requirements. © 2019 GMFS Home Mortgage, Inc. All rights reserved. All other trademarks are the property of their respective owners. G GMFS NMLS 64997_

