Product Snapshot

DU High Balance Alternative

GMFS

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 Residence	1 Unit/PUD, Condo	Purchase – 90%[1]	700	$510,401	$765,600	43%
		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%.
2. Minimum loan amount must be greater than the FHFA loan amount based on the property type and location.
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 Residence	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 Sale	• 7 years with 7 years re-established credit • Multiple derogatory credit events are not allowed
Eligible Borrowers	• U.S. citizens • Permanent resident aliens • 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
Gifts	• Per DU: All funds may be gift funds regardless of LTV/CLTV • Gift funds may not be used to meet reserve requirements.

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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. • 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 tax returns with all schedules for prior two (2) years if ownership percentage is ≥ 25%. 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:**
	  o 1 - 6 financed properties: no additional restrictions. See Reserves Requirement.
	  o 7 - 10 financed properties: DU Approval with minimum 720 Credit Score required, see Reserves Requirement.
	  o > 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.